

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

Date: Wednesday 13 December 2017
Time: 4.00 pm
Meeting Room: Council Chambers
Venue: Horowhenua District Council
Levin

Finance, Audit & Risk Subcommittee

OPEN AGENDA

MEMBERSHIP

Chairperson	Mr Philip Jones	
Deputy Chairperson	Cr Barry Judd	
Members	Cr Wayne Bishop	
	Cr Ross Brannigan	
	Cr Ross Campbell	
	Mayor Michael Feyen	
	Cr Neville Gimblett	
	Cr Victoria Kaye-Simmons	
	Cr Jo Mason	
	Cr Christine Mitchell	
	Cr Piri-Hira Tukapua	
	Cr Bernie Wanden	
Reporting Officer	Mr Doug Law	(Chief Financial Officer)
Meeting Secretary	Mrs Karen Corkill	

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Website: www.horowhenua.govt.nz

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
Foxton Service Centre/Library, Clyde Street, 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 to speak is required by 12 noon on the day of the meeting. Further information is available on www.horowhenua.govt.nz or by phoning 06 366 0999.

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 Open & In Committee - Finance, Audit & Risk Subcommittee, 1 November 2017

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.

Financial Report for the four months to 31 October 2017

File No.: 17/610

1. Purpose

To present to the Finance, Audit & Risk Subcommittee the financial report for the four months to 31 October 2017.

2. Recommendation

- 2.1 That Report 17/610 Financial Report for the four months to 31 October 2017 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 October 2017 - FINAL	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)	Doug Law Chief Financial Officer	
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Approved by	Doug Law Chief Financial Officer	
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Four Month Report

1 July 2017 - 31 October 2017



Executive Summary

A. Trends and Activity of Interest

1. Resource Consenting
 - 71 consents have been lodged as at 31 October 2017, compared to 50 at the same time last year.
 - 31 subdivision consents approved as at 31 October 2017, compared to 15 at the same time last year.
 - 20 consents have reached 223 stage and 16 have reached 224 stage as at 31 October 2017
 - Approved subdivisions have resulted in the creation of 67 new allotments as at 31 October 2017.
2. Building Consents
 - Value of consents issued as at 31 October 2017 is \$29,275,493 compared to \$32,177,964 for the same period last year - 227 consents issued as at 31 October 2017, compared to 228 for the same period last year.
 - 75 new dwelling consents at 31 October 2017 against 71 for the same period in the 2016/2017 year.
 - 205 building consents were lodged as at 31 October 2017, compared to 233 for the same period last year.

Both Resource Consent and Building Consent numbers, and the level of enquiries, continue to hold steady.

B. Financial Performance

Council has achieved a surplus of \$2,238,000 as at 31 October 2017 against a budgeted surplus of \$2,767,000.

The following variances are evident

- Fees and charges has pensioner housing rental \$308k that was not budgeted for due to anticipating the sale to occur 1 July 2017.
- Other revenue is over budget reflecting the income generated by the Alliance covering the Operations and Projects team overhead costs (\$418k YTD). This will continue and grow due to the change on operations from when the budgets were formulated.
- The Te Awahou capital grants budget/subsidy under budget.
- Employee costs are \$366k lower than budget reflecting several vacant positions
- Finance costs are below budget by \$186k reflecting the lower interest rates on loans; 4.13% against the Annual Plan assumption of 4.75%
- Depreciation expense is higher (\$805k) than budget due to the revaluations of assets last year that were not reflected in the annual Plan budgets. This trend will continue for the rest of the year.

Rates rebates applications continue to be strong. 1,490 applications totalling \$820,423 processed to the end of October (Last year 1,497 applications totalling \$818,693).

All key prudential ratios are being met including the Balance Budget ratio.

Capital expenditure is expected to increase over the next four months as renewal activity increases throughout the construction season.

As the Foxton Wastewater disposal consent has yet to be granted (Environment Court Hearing 18th December 2017) no progress can be made on the capital construction, this being a large contributing factor for Council being underspent on its capital works programme/budget.

Doug Law
Chief Financial Officer
13 December 2017

Operational Summary

Total revenue	Total expenditure	Total surplus/(deficit)
\$18.74m is 5% less than the total budget of \$19.78m	\$16.50m is 3% less than the total budget of \$16.99m	\$2.24m is 20% less than the total budget of 2.79m

SUSTAINABILITY

Rates to operating revenue 65%

Rates revenue	\$12.10m
Operating revenue	\$18.74m

65% of operating revenue is derived from rates revenue. Rates revenue excludes penalties and includes water supply by meter and gross of remissions. Operating revenue excludes vested assets, development contributions, asset revaluation gains and gains on derivatives.

Balance budget ratio 114%

Operating revenue	\$18.74m
Operating expenditure	\$16.50m

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 114% of operating expenditure.

Essential services ratio 118%

Capital expenditure	\$5.49m
Depreciation	\$4.67m

Capital expenditure should be equal or more than depreciation for essential services, for year to date capex is 118% of depreciation.

Net Debt to total projected revenue 139%

Total net borrowing	\$73.40m
Total projected operating revenue	\$52.71m

With net borrowing of \$73.40m we are still under the set limit of 175% of operating revenue. Total net borrowing is external borrowing less cash at bank.

Interest to rates revenue (LGFA Cov.) 6%

Net Interest	\$0.73m
Rates revenue	\$12.10m

6% 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 and includes water supply by meter and gross of remissions.

Interest to operating revenue (LGFA Cov.) 4%

Net Interest	\$0.73m
Operating revenue	\$18.74m

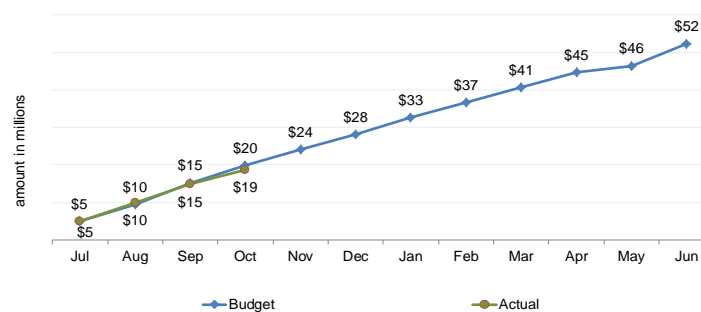
4% of operating revenue is paid in interest. Our set limit is 20% of operating revenue. Net interest is interest paid less interest received.

Available financial accommodation to external 114%

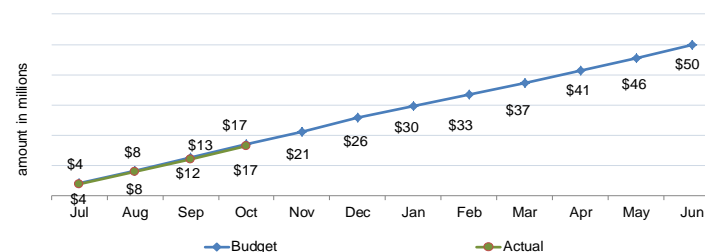
Net debt	\$73.40m
Undrawn committed facilities	\$10.00m

Committed bank facility to enable us to borrow at least 14% of our current external debt immediately, currently we can borrow 114% more than our current debt. Net debt is external debt less cash at bank.

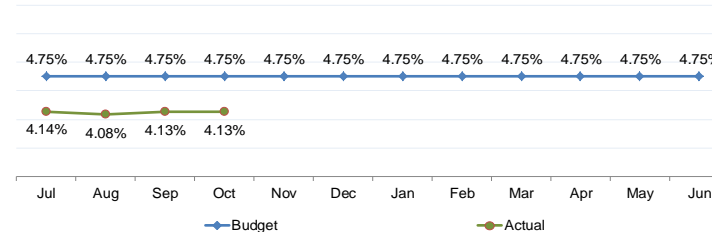
Total Operating Revenue \$m



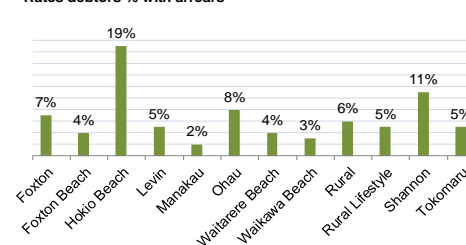
Total Operating Expenditure \$m



Interest rate movement



Rates debtors % with arrears



Sundry debtors by activities \$000



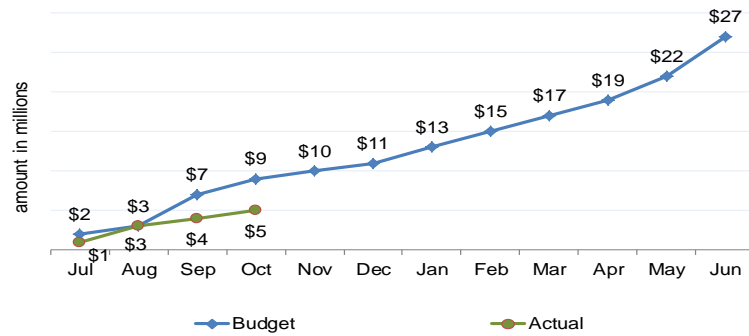
Total gross borrowing by activity \$m



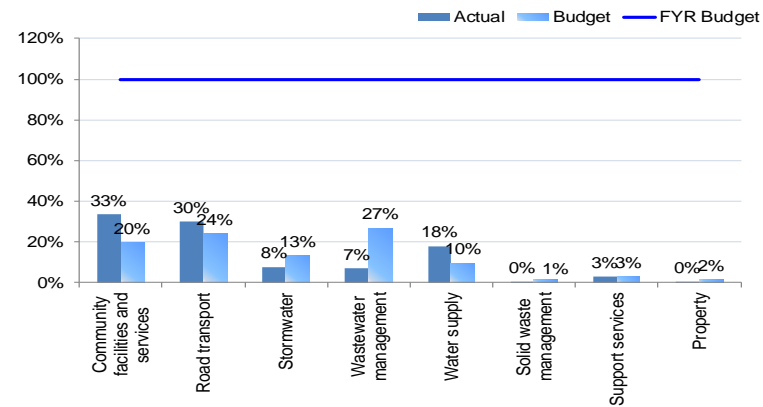
Capital

To meet growth	To improve service	To replace
\$0.53m	\$2.43m	\$2.53m
is 64% less than the YTD budget of \$1.47m	is 31% less than the TD budget of \$3.53m	is 47% less than the total budget of \$4.77m

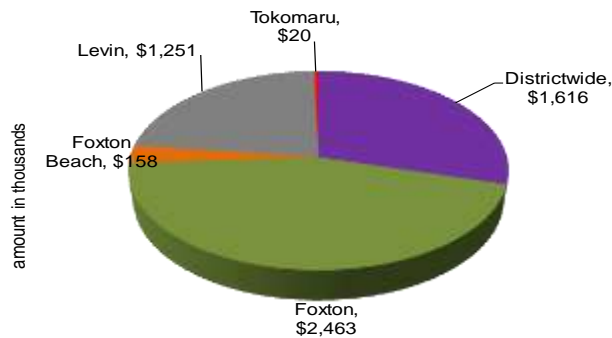
Total Capital Expenditure



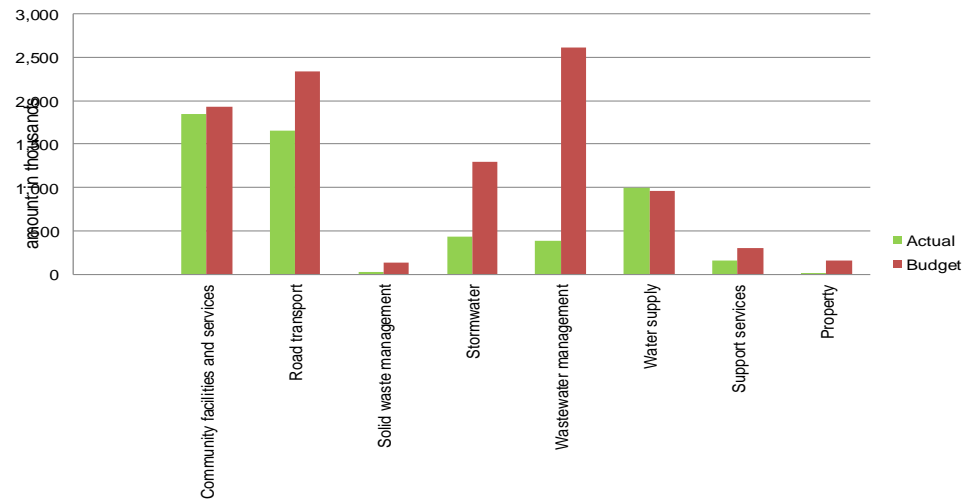
Capital Expenditure By Activity % Percentage



District View - Capital Expenditure \$000



Capital Expenditure By Activity \$000



Infrastructure Projects Update

File No.: 17/612

1. Purpose

To provide the Finance, Audit & Risk Subcommittee with an update on projects being undertaken by the Infrastructure Projects Team.

2. Recommendation

- 2.1 That Report 17/612 on Infrastructure 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. Background

Information is provided in the attached reports.

4. Issues for Consideration

There are no issues for consideration.

Attachments


No.	Title	Page
A	Wastewater Renewals 2017/18	15
B	Water Renewals 2017/18	21
C	NE Levin Improvements	27
D	Foxton New Reservoir	34
E	Foxton WWTP Desludge	39

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)	Gerry O'Neill Projects Manager	
Approved by	Gallo Saidy Group Manager - Infrastructure Services	

	Dan Gerrard Alliance Manager	
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To: Finance, Audit & Risk Committee CC: Gallo Saidy – Group Manager Infrastructure Services Project Manager: Gerry O’Neill Engineers Representative: Ronaldo Serrano	PROJECT STATUS REPORT #1 AS OF 24 November 2017 WASTEWATER MAIN RETICULATION RENEWALS 2017/18 PROJECT PHASE : CONSTRUCTION	Overall Project Status 
Project Manager Satisfaction Index (1 poor, 10 excellent)		8

 On Schedule
  Not progressing as scheduled but no impact on deliverables
  Off Track
  Completed
  Not Started

PROJECT OBJECTIVES AND STATUS

Project Summary

This project was for the renewal of approximately 930m of 150mm diameter sewer main and 500m of 100mm sewer laterals including fittings. The renewals of mains are in the following areas in Levin:




- Bartholomew Road
 - Section 1



- Section 2



Legends

Planned	
Laid and tested	
Commissioned	

- Section 3



- Winchester Street



The total budget for this project was \$585,550.00 which is split as follows:

- Construction component: \$ 535,550.00 (inclusive of contingency)
- Project management: \$ 50,000.00 (HDC staff costs plus miscellaneous costs for surveys, newspaper ads etc.)

The main works will use trenchless methodology with some open pits for exit/entrance. Open trench will be used to connect the laterals to the new sewer main.

General

Horowhenua Alliance completed the sections along Bartholomew Road and Winchester Street, 300meters and 64 meters respectively.

Financial

<i>Description</i>	<i>Original Budget</i>	<i>Expenditure</i>	<i>Percentage Expenditure</i>	<i>Available</i>
Contract Cost	\$485,550.00	\$138,701.05	28.57%	\$346,848.95
Contingency Sum	\$50,000.00		0.00%	\$50,000.00
Project Management Cost	\$50,000.00	\$9,511.30	19.02%	\$40,488.70
TOTAL	\$585,550.00	\$148,212.35	25.31%	\$437,337.65




Open Risks

Risk No.	Date Raised	Title and Description	Owner	Details of Risk (include level and description of the likelihood and consequences)	Likelihood score	Consequence score	Priority	Treatment (to change likelihood and consequence)	Due Date
WW - 001	10-Nov-17	Budget	Gerry	There is a risk that costs of the work may exceed the budget available.	Possible	Moderate	Medium (M)	We will carefully monitor the costs of the works as the project progresses.	30-Jun-18
WW - 003	10-Nov-17	Health and Safety	Gerry	There is a risk to workers and road users from traffic, dust, noise and excavations.	Possible	Severe	High (H)	Use experienced contractor with adequately trained staff and correct safety equipment.	30-Jun-18
WW-004	10-Nov-17	Quality	Gerry	There is a risk to the network in the future if best practice techniques are not used.	Unlikely	Moderate	Medium (M)	HDC's contract engineers will regularly visit the site to ensure best practice techniques are being followed.	30-Jun-18

Open Issues

There are currently no open issue

Milestones

Key Milestone / Deliverable	Due Date	Status	% Planned (based on total length of main)	% Complete (based on total length of main)	Progress
Project Planning with Contractor	Start date 1 Sept 2017 End date 27 October 2017		100%	100%	Complete.
Bartholomew Road Sewer main 710m	Start 30 October 2017 End 23 January 2018		100%	42%	300m out of 710m main sewer line
Winchester Street Sewer main 220m	Start 22 Jan 2018 End 9 Feb 2018		100%	29%	64m out of 220m main sewer line

Construction Progress Photos during the Cut-in



Pipe Bursting Machine



Pipe Bursting



Traffic Management Plan

<p>To: Finance, Audit & Risk Committee CC: Gallo Saidy – Group Manager Infrastructure Services Project Manager: Gerry O’Neill Engineer Representative: Thushantha Heenkenda</p>	<p>PROJECT STATUS REPORT #2 as of 20 November 2017 WATER RETICULATION RENEWALS 2017/18 PROJECT PHASE : CONSTRUCTION</p>	<p>Overall Project Status</p> <p style="text-align: center;">OS</p>
<p>Project Manager Satisfaction Index (1 poor, 10 excellent)</p>		<p>9</p>

OS On Schedule
 NI Not progressing as scheduled but no impact on deliverables
 OT Off Track
 C Completed
 NS Not Started

PROJECT OBJECTIVES AND STATUS

Project Summary

This project is to renew and increase the capacity of the existing water main in Levin in 3 stages.

Stage 1 Fairfield Road - From MacArthur Street to Kennedy Drive. The project includes laying approximately 436m of 200mm diameter PE pipes and 45m of 150mm diameter PE pipes. Approximately 170m of rider main will also be laid with a total of 19 service connections.

Stage 2 Weraroa Road - From Kawiu Road to York Street. This stage includes laying approximately 400m of 150mm diameter PE pipe and transferring 25 service connections.

Stage 3 Weraroa Road - From York Street to Mako Mako Road. This stage include laying of approximately 1600m of 150mm, 150m of 100mm and 100m of 63mm diameter PE pipes and transferring 90 service connections.

Stage 1 - Fairfield Road



Legends

- Planned Work
- Laying Completed
- Line tested and commissioned

Stage 2- Weraroa Road – From Kawiu Rd to York Street



Stage 3 – Weraroa Road – York Street to Mako Mako Road



Construction is being undertaken by the Horowhenua Alliance and is due to be completed by 30 June 2017.

The Engineers Estimate for this project is \$ 1,536,130.00 which is split as follows:

- Construction component: \$ 1,406,130.00 (inclusive of contingency amount \$30,000).
- Project management: \$ 130,000.00 (including miscellaneous costs for surveys, newspaper ads etc.)

General

This project consists of renewing the water main on part of Fairfield Road and on Weraroa Road. The initial scope only included part of the water main in Weraroa Road as the available budget was unlikely¹ to be sufficient to renew the water main along the whole road. Our preference is to renew all of the water main in Weraroa Road at the one time as this will minimise establishment costs (leaving more money available to renew pipes).

Due to the expanded scope of this project, it is possible that the costs for completing these works may exceed the funds available in the Annual Plan for this financial year (\$1,118,490). We will have a clearer indication of likely costs early in the New Year once the works have progressed. However, we have identified some possible options for addressing this:

1. Only renew the pipe we have budget for and pay the additional re-establishment costs to complete the works next year.
2. If the contractor is still working on site at the end of June, we can continue the work into the new financial year using next year's budget (avoiding re-establishment costs). This will be dependent on project timing.
3. We could potentially seek permission to bring some of next year's funds into the current financial year, as in effect we are undertaking some of next year's renewals in advance.

At the time of writing this report the following works had been completed:

- The pipe laying and transferring of service connections at Fairfield Road has been completed and commissioned (road reinstatement to be completed).
- Service line marking and road cutting up to York Street in Weraroa Road was completed.

Complaints/Concerns Received During Reporting Period

Nil

Financial

Description	Expenditure	Price	Available	% Spent
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¹ The Engineers estimate was based on costs from similar past projects. We are anticipating the Alliance will complete these works for a lower price allowing more pipe to be laid. As its early days with the Alliance it is not yet clear how much extra pipe will be laid.

Construction cost	\$ 201,412.47	\$ 1,311,130.00	\$ 1,109,717.53	15.36
Project Management Cost	\$ 34,776.00	\$ 130,000.00	\$ 95,224.00	26.75
Contingency sum	\$ -	\$ 95,000.00	\$ 95,000.00	-
Total	\$ 34,776.00	\$ 1,536,130.00	\$ 1,501,354.00	2.26

Note: Project Management Costs include preconstruction, design and planning costs.

Variations to Date

There are no current variations.






Open Risks


Risk No.	Date Raised	Title and Description	Owner	Details of Risk (include level and description of the likelihood and consequences)	Likelihood score	Consequence score	Priority	Treatment (to change likelihood and consequence)
WS - 001	10-Nov-17	Budget	Gerry	Due to the scope of work required (the addition of Fairfield Road and Gallo's request to include a section on Bartholomew Road) there is a risk that costs of the work may exceed the budget available.	Almost Certain	Moderate	High (H)	Options include... 1. If timing is suitable we may be able to continue the works seamlessly into the new Financial year. 2. Savings from the Alliance model may enable all of the work to be completed on budget. 3. We could potentially seek permission to use next year's funding to fund the additional work (as in effect we are just doing more work earlier). 4. We could reduce the scope of work on Weraroa Road.
WS - 003	10-Nov-17	Time	Gerry	There is a section on Weraroa Road between York Street and Read Street, which needs to be completed before the Christmas shut down so that the Roading team can complete their works in front of the school over the holiday period. There is a risk that this water renewal may not be completed on time.	Possible	Severe	High (H)	The Horowhenua Alliance is aware of the need to complete this section before Christmas and has prepared a Gantt chart so we can manage the timeframes and focus on priority areas to ensure completion on time.
WS - 004	10-Nov-17	Health and Safety	Gerry	There is a risk to workers and road users from traffic, dust, noise and excavations.	Possible	Severe	High (H)	Use experienced contractor with adequately trained staff and correct safety equipment.
WS-005	10-Nov-17	Quality	Gerry	There is a risk to the network in the future if best practice techniques are not used.	Unlikely	Moderate	Medium (M)	HDC's contract engineers will regularly visit the site to ensure best practice techniques are being followed.

Open Issues

There are currently no open issues.

Milestones

Key Milestone / Deliverable	Due Date	Status	% Planned (based on total length of main)	% Complete (based on total length of main)	Progress
Project Planning & Design	Start date 23 July 2017 End date 16 August 2017		100%	100%	Completed.
Fairfield Road 200mm main -436m 150mm main- 45 m	Start 11 September , 2017 End 07 Nov 2017		95%	95%	
Fairfield Road 100mm rider main - 120m 50 mm rider main - 50m	Start 08 Nov 2017 End 30 Nov 2017		100%	100%	Completed
Weraroa Road pipe laying from Kawiu Road to York Street 400m	Start 15 Nov 2017 End 22 Dec 2017		3%	2%	
Weraroa Road pipe laying from Kawiu Road to York Street 400m	Start 15 Jan 2018 End 31 May 2018		0%	0%	

<p>To: Finance, Audit & Risk Committee CC: Gallo Saidy – Group Manager Infrastructure Services Project Manager: Garth Flores Engineers Representative : Ronaldo Serrano</p>	<p align="center">PROJECT STATUS REPORT AS OF 24 NOVEMBER 2017 CONTRACT 901/2016/62 NORTH-EAST QUADRANT LEVIN PROJECT PHASE: PLANNING & CONSTRUCTION</p>	<p>Overall Project Status</p> <p align="center"></p>
<p align="center">Project Manager Satisfaction Index (1 poor, 10 excellent)</p>		<p align="center">7.5</p>



On Schedule



Not progressing as scheduled but no impact on deliverables



Off Track



Completed



Not Started

PROJECT OBJECTIVES AND STATUS

- **Purpose**

The purpose of this report is to update the Finance, Audit & Risk Committee on the progress to date on the North-East (NE) Levin Quadrant Stormwater Upgrade project.

- **Progress up to 24 November 2017**

Significant milestones achieved during the reporting period include:

- The contractor has completed 90 % of the lowering of services laterals.
- Contractor commenced on roadworks along Fairfield Road.
- Contractor installed 690 m of sewer gravity main along Fairfield Road.
- The consent application was submitted to Horizons Regional Council on 26 October 2017.
- Some riparian planting around the outlet was completed.
- Kennedy Pumpstation – the civil works are 95 % complete.
- Kennedy Pumpstation – mechanical works are 100 % complete.
- Kennedy Pumpstation – electrical works are 10 % complete.
- Okarito pumpstation – civil works are 60 % complete.
- Okarito pumpstation – mechanical works are 80 % complete.
- Okarito pumpstation – electrical works are 10 % complete.
- Muaupoko submitted their cultural impact assessment.

- **Key actions to progress this project over the next month**







- Finish new pumpstations at Kennedy Park and Okarito Avenue.
- Install new stormwater sumps in Kennedy Drive.
- Finish 750 mm crossing at the corner of Roslyn and Fairfield
- Continue with Fairfield Road refurbishment.
- Completion of manholes on new gravity sewer main.
- Completion of service laterals lowering.

- **Project Concerns**





- The roadworks are causing inconvenience to some residents. We are working with the contractor to reduce this inconvenience.
- Contractor has experienced some challenges in getting full crews on site, this is slowing progress.

Project value add: Working with developers along Fairfield Road to ensure service connections are placed to allow future connection.



Kennedy Park Pumpstation and Rising Main Upgrades

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	August 2016		100%	Completed.
Tender Review and Evaluation	January 2017		100%	Completed.
Supply of Pumps	September 2016		100%	Completed.
Pumpstation Retrofitting	November 2017		75%	Kennedy – 90 % Okarito – 60 %
Rising Main Installation	May 2017		100%	Completed.
Road Reinstatement	December 2017		95%	Remaining section at Kennedy Park and Fairfield Intersection to be completed.

Fairfield Road Stormwater Pipeline

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	August 2016		100%	Completed.
Tender Review and Evaluation	January 2017		100%	Completed.
New Pipeline	June 2017		100%	Completed
Rehabilitate Fairfield Road	December 2017		5%	Works started.

Koputaroa Stream Improvements

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	Feb 2017		100%	
Consultation process	October 2017		95%	HDC is awaiting the submission of the cultural impact assessment from Raukawa. This will be included as an Annexure to the consent application.

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Consenting Process	June 2017	OT	75%	Liaising with Horizons Regional Council to answer questions that arise from the consenting process.
Construction / Implementation of mitigation measures	April 2018	OT	0%	The mitigation measures will be implemented as per consent conditions.

Expenditure on the project

Description	Expenditure	Contract Price	Available	% Spent
KSB Pumps	\$ 39,366.60	\$ 44,564.00	\$ 5,197.40	88%
Assmuss Pipes	\$ 53,782.55	\$ 52,727.99	-\$ 1,054.56	102%
<i>Kennedy/FF Pipelines</i>	\$1,871,986.46	\$2,743,632.14	\$871,645.68	68%
<i>Stream improvements</i>	\$-	\$250,000.00	\$250,000.00	0%
<i>Contingency</i>	\$-	\$150,000.00	\$150,000.00	0%
	\$1,965,135.61	\$3,240,924.13	\$1,275,788.52	61%

Project Risks

Risk Number	Name	Description	Mitigation measures
Risk 001	Construction risks	<i>The construction will have deep excavations.</i>	Contractors will need safe working procedures and trench shields to eliminate / mitigate these and other construction risks.
Risk 002	Construction Risks	<i>There are many unknown service crossings in the area.</i>	Contractors have lowered or are busy lowering the services along Fairfield Road.
Risk 003	Health and Safety	<i>Traffic Management on this section of the road has been challenging to date.</i>	Contractor is using temporary traffic lights to assist traffic management when required.
Risk 004	Public Safety	<i>There is a risk to the public if they enter work areas.</i>	Adequate site signage and cordon off works areas.
Risk 005	Consenting risk	<i>If affected parties object to the consent application, the consent process may be drawn out.</i>	HDC completed hydrological modelling which confirmed there will be less than minor negative impacts if the stormwater is attenuated upstream of SH57. HDC officers have been in ongoing consultation with iwi, farmers and HRC to determine what the expected conditions will be for the consent to be granted.



Okarito pumpstation valve chamber (November 2017).



Planting and reinstatement around the outlet (November 2017).
TMP – temporary traffic light in operation (November 2017)





Subsoil drains being installed under kerb line (November 2017).

<p>To: Finance, Audit & Risk Committee CC: Gallo Saidy – Group Manager Infrastructure Services Project Manager: Gerry O’Neill Engineer Representative: Thushantha Heenkenda</p>	<p>PROJECT STATUS REPORT #2 as of 20 November 2017 FOXTON NEW RESERVOIR PROJECT PHASE : DESIGN & CONSTRUCTION</p>	<p>Overall Project Status</p> <p style="text-align: center;">OS</p>
<p>Project Manager Satisfaction Index (1 poor, 10 excellent)</p>		<p>7</p>



On Schedule



Not progressing as scheduled but no impact on deliverables



Off Track



Completed



Not Started

PROJECT OBJECTIVES AND STATUS

Project Summary

This project is to install a new 500m³ water tank at Foxton Seaview Garden to increase the drinking water storage capacity in Foxton, to meet the community’s needs and to provide resilience in the event of an earthquake, unscheduled maintenance or power cut.



Proposed new reservoir construction site

Reliant Solutions is supplying the tank. The Expected completion date is 31 March 2018.

A total budget of \$430,000 has been set aside for this project. This includes \$130,000 for the tank that was

paid for last financial year.

General

Progress to date:

- The tank has been delivered to the site ready for construction.
- Relevant stakeholders have been consulted including the Foxton Community Board, Iwi and the Department of Conservation.
- A Public Works Act consent been granted by the Department of Conservation to set aside part of the Foxton Recreational Reserve to construct a water reservoir.
- Preliminary soil investigations have been undertaken and a report provided to Reliant Solutions to assist with the reservoir design.
- Preliminary designs for the pipework have been prepared and worked through with the site operators.

There are a number of costs associated with this project including pipework, pumps and valves to connect the reservoir to the water treatment plant, fencing, plantings, constructing a retaining wall, site preparation, relocating services, as well as construction and project management.

Complaints/Concerns Received During Reporting Period

Nil

Financial

Description	Expenditure	Contract Price	Available	% Spent
Construction cost	\$ 130,208.21	\$ 370,000.00	\$ 239,791.79	\$ 35.19
Project Management Cost	\$ 10,084.00	\$ 35,000.00	\$ 24,916.00	\$ 28.81
Contingency sum	\$ -	\$ 25,000.00	\$ 25,000.00	\$ -
Total	\$ 140,292.21	\$ 430,000.00	\$ 289,707.79	\$ 32.63

Note: Project Management Costs include costs for HDC staff and Downers

Variations to Date










There are no current variations.


Open Risks

Risk No.	Date Raised	Title and Description	Owner	Details of Risk (include level and description of the likelihood and consequences)	Likelihood score	Consequence score	Priority	Treatment (to change likelihood and consequence)	Due Date
FR-2	17-Jul-17	Water cut-in	Thushan	If there is a problem with the water cut in it may impact on ability to provide water to the township (depending on design)	Unlikely	Major	Very High	Risk mitigation: HDC, Contractor and Downer to co-ordinate cut-ins so that reservoirs are filled prior to shut-downs. Contractor to have all necessary plant and pipework on site to complete pipework within the required timeframe. Cut in plan to be approved by HDC Water Operations team.	As and when cut-ins occur
FR-3	17-Jul-17	Damage to existing cables	Thushan	Some of the existing cables are to be moved prior to construction	Possible	Moderate	Medium	Risk mitigation: Cable owners will move cables. Risk to their services not HDC's.	As and when cable relocated
FR - 5	17-Jul-17	Delivery defects	Suppliers	If Reliant delivery the tank and it is found to be damaged , then it may have a long lead time to replace.	Unlikely	Moderate	Medium	HDC cannot mitigate the risk of supplier defects.	
FR-7	17-Jul-17	Low benefit: cost ratio	Gerry	The project was initially intended to be a low costs solution. However, concerns about the proposed location have resulted in a new location that brings issues such as requiring DoC approval, relocating services and additional earthworks. These associated costs have the potential to make the reservoir expensive.	Possible	Severe	High	Risk mitigation: HDC is considering options to limit associated costs for this project.	
FR-8	18-Sep-17	The budget available for the Foxton Reservoir installation may be insufficient.	Gerry	\$600,000 was carried forward from 2016/17 from the Levin WTP Upgrade which we intended to share between the Greensand filters project (being delivered by the Water and Waste team) and the Foxton New Reservoir (being delivered by the Projects team). The cost for the Greensand filter project has increased, putting the Foxton Reservoir project at risk.	Likely	Severe	High	Risk mitigation: If there is insufficient funding to complete the works we may install the tank and fill with water to provide resilience in the event of an earthquake - but not install the connecting pipework until we have budget to do so.	
FR-9	18-Oct-17	Health and Safety	Thushan	When site preparation, construction and other related work going on there is different health and safety risks.	Possible	Severe	High	Risk mitigation: We instruct all contractors to follow Horowhenua Alliance H&S policy.	When works going on
FR-11	17-Nov-17	Time	Gerry	Due to the cost of relocating some services we are investigating relocating the tank by a few meters. There is a risk that the required geotechnical investigations may delay the project.	Likely	Moderate	Medium	Thushan is seeking geotechnical quotes so we can progress this asap.	

Open Issues

Issue No.	Date Raised	Raised by	Title	Description	Owner	Status	Priority	Action	Impact Date
1	1-Nov-17	Gerry	Cost of relocating the cables is very expensive.	There are cables under the ground which are expensive to relocate.	Gerry	P	M	We are investigating relocating the reservoir by a few meters to avoid these services. This will require some geotechnical work to ensure new location is suitable.	15-Jan-18

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Site selection and legal matters	Start date 01 Aug 2016 End date 31 Aug 2017		100%	
Tank order and supply	Start 11 August , 2016 End 31 Mar 2016		100%	
Relocating existing service lines	Start 08 Nov 2017 End 30 Nov 2017		20%	
Design of pipe line, Electrical and SCADA	Start 01 Jun 2017 End 30 Nov 2017		25%	
Earthwork and retaining wall	Start 01 Nov 2017 End 30 Nov 2017		0%	
Reservoir construction	Start 01 Dec 2017 End 31 Jan 2017		0%	
Pipework and Electrical Installation	Start 01 Feb 2017 End 28 Feb 2017		0%	
Landscaping and Fence	Start 01 Mar 2017 End 21 Mar 2017		0%	
Screen planting	Start 22 Mar 2017 End 31 Mar 2017		0%	

<p>To: Finance, Audit & Risk Committee CC: Gallo Saidy – Group Manager Infrastructure Services Project Manager: Gerry O’Neill Engineers Representative : Garth Flores</p>	<p align="center">PROJECT STATUS REPORT #1 AS OF 24 NOVEMBER 2017 CONTRACT TBC FOXTON WASTEWATER TREATMENT PLANT DESLUDGING PROJECT PHASE: PLANNING</p>	<p>Overall Project Status</p> <p align="center"></p>
<p align="center">Project Manager Satisfaction Index (1 poor, 10 excellent)</p>		<p align="center">8</p>

 On Schedule
  Not progressing as scheduled but no impact on deliverables
  Off Track
  Completed
  Not Started

PROJECT OBJECTIVES AND STATUS

- **Purpose**

The purpose of this report is to update the Finance, Audit & Risk Committee on the progress on the Foxton Wastewater Treatment Plant (FWWTP) desludging.

- **Background**

FWWTP is a series of 3 ponds and were last desludged about 25 years ago. The accumulation of sludge reduces the volume of the pond available for treatment, reducing the hydraulic retention time, and will eventually impact the FWWTP effectiveness to treat wastewater. It is now time to desludge the ponds to ensure that the plant continues to perform satisfactorily.






- **Progress up to 24 November 2017**

The Horowhenua Alliance will be implementing this project on behalf of HDC. Officers met with interested dredging sub-contractors on site to discuss the scope of work. Sub-contractors have been invited to submit quotes to do the desludging.

- **Key actions to progress this project over the next month**

- Complete the sub-contractor procurement process.
- Appoint dredging sub-contractor.

Kennedy Park Pumpstation and Rising Main Upgrades

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	October 2017		80%	
Procure Desludging Sub-Contractor	November 2017		50%	
Separable Portion 1 – Survey and Design	January 2018		0%	Not started.
Separable Portion 2 – Physical desludging	April 2018		0%	Not started.
Project complete	June 2021		0%	Not started.

Expenditure on the project

In the 2017/2018 Annual Plan, HDC allocated \$450 000.00 towards the project under Work Order 8890. Once a sub-contractor has been appointed, financial expenditure will be reported on.

Project Risks

Risk No.	Date Raised	Title and Description	Owner	Details of Risk (include level and description of the likelihood and consequences)	Likelihood score	Consequence score	Priority	Treatment (to change likelihood and consequence)	Due Date
FWWTP - 001	3-Nov-17	Consenting	Gerry	A consent may be required to discharge odours, potentially delaying the works.	Possible	Moderate	Medium (M)	Engage with Horizons Regional Council and the neighbouring farmers to identify their concerns.	30-Dec-17
FWWTP - 002	3-Nov-17	Site Access	Gerry	There is a risk that the access road may get flooded during the construction period.	Possible	Moderate	Medium (M)	We will attempt to completed works before the summer period ends.	30-Jun-18
FWTTP - 003	3-Nov-17	Health and Safety	Gerry	There is a risk to workers around water bodies	Unlikely	Major	High (H)	Use experienced contractor with appropriate systems and processes, adequately trained staff and correct safety equipment.	30-Jun-18
FWWTP - 004	3-Nov-17	Biohazard	Gerry	There is a risk to works if they come into contact with the sludge (e.g. salmonella, E-coli, ascaris).	Possible	Moderate	Medium (M)	Use experienced contractor with appropriate systems and processes, adequately trained staff and correct safety equipment.	30-Jun-18
FWWTP - 005	3-Nov-17	Time	Gerry	There is a risk that the works may not be completed within this financial year	Possible	Moderate	Medium (M)	Programme of works is being developed.	30-Jun-18
FWWTP - 006	3-Nov-17	Budget	Gerry	There is a risk that costs of the work may exceed the budget available.	Possible	Moderate	Medium (M)	Ensure scope of work can be achieved for the available budget.	30-Jun-18
FWWTP - 007	15-Nov-17	Service Delivery	Gerry	There is a risk that the desludging process may upset the treatment process and increase pond leakage	Possible	Severe	High (H)	It is intended to leave a thin layer of sludge on the bottom of the pond to mitigate this risk. Experienced contractors with adequately trained staff will be used.	30-Jun-18
FWWTP - 008	17-Nov-17	Timing	Gerry	There is a risk that the consent conditions for the new irrigation works may impact on the desludging process if the desludge works are not completed beforehand.	Possible	Moderate	Medium (M)	Ensure desludging is completed before possible new consent conditions come into force.	31-Mar-18

Next risk is 009

Elected Members - Allowances and Recovery of Expenses Policy - 1 July 2017

File No.: 17/617

1. Purpose

To present to the Finance, Audit & Risk Subcommittee the Draft Allowances and Recovery of Expenses Policy for Elected Members.

2. Recommendation

- 2.1 That Report 17/617 Elected Members - Allowances and Recovery of Expenses Policy - 1 July 2017 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 Elected Members' Allowances and Recovery of Expenses Policy be adopted.

3. Background/Previous Council Decisions

From time to time elected members incur expenses on the Council's behalf, which need to be reimbursed. This reimbursement and the use of Council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.

The Elected Members Remuneration and the Local Authority Vehicle Mileage Allowance Policy requires Council to adopt a policy on elected members' allowances and recovery of expenses.

4. Issues for Consideration

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy
- expense claims are approved by the Governance & Executive Team Leader and full original receipts are required
- cost reimbursements will be made via the payroll system.

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.

No allowances are paid without deduction of withholding tax.

5. Financial Considerations

Each year a budget is set aside to cover elected member's allowances and recovery of expenses. It is not expected that the adoption of this policy will have any impact on costs. All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

6. Consultation

This policy has been developed in line with Remuneration Authority requirements.

7. Legal Considerations

This policy complies with all legislative requirements.

Attachments


No.	Title	Page
A	Elected Members - Allowances and Recovery of Expenses Policy - 1 July 2017 - DRAFT	44

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)	Sue Hori Te Pa Governance and Executive Team Leader	
Approved by	Mark Lester Group Manager - Corporate Services	

Elected Members' Allowances and Recovery of Expenses Policy Commencing 1 July 2017

PART ONE: INTRODUCTION

This policy sets out rules for the payment of allowances and the claiming of expenses by elected members and their spouses/partners.

Contact person for queries: Governance & Executive Team Leader

PART TWO: DOCUMENTATION OF POLICIES

In addition to this document, the following documents set out the policies, rules and procedures relating to the expenses and allowances payable to elected members:

- Local Authority Vehicle Mileage Allowance 2016 - updated by the Remuneration Authority April 2016
- Sensitive Expenditure Policy - June 2016

PART THREE: AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES

From time to time elected members incur expenses on the Council's behalf, which need to be reimbursed. This reimbursement and the use of council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy
- expense claims are approved by the Governance & Executive Team Leader. Full original receipts are required; and
- reimbursements will be made electronically into a nominated bank account

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.

All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

PART FOUR: DEFINITIONS

"Actual" means as evidenced by the original receipt attached to the claim form.

"Reasonable" means that it is within the amount specified by this policy or as deemed reasonable by the Mayor and/or Chief Executive.

"Council business" includes: formal council and community board meetings, committee meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, meetings with members of the public. It does not include events where the primary focus is on social activity.

"Remuneration Authority" is an independent body established by the Remuneration Authority Act 1977, with responsibilities under the Local Government Act 2002 to determine remuneration and expense/allowance rules for local authority members.

PART FIVE: ALLOWNCES AND EXPENSES BY ELECTED MEMBERS

Position	Expense/ Allowance	Description
Elected members	Taxis	<p>Taxis may be used for Council business, instead of private vehicles or public transport, for the following reasons:</p> <ul style="list-style-type: none"> a) safety/security reasons, and b) when travelling outside the district if a taxi is the most appropriate form of transport. <p>Taxis may not be used if significant travel distances mean that use of a taxi is not the most cost effective option. Rental cars booked by staff should be considered as an option in such circumstances.</p> <p>Costs paid for directly by the individual for unanticipated travel within New Zealand or for international travel will be reimbursed on presentation of actual receipts.</p>
Elected members	Exceptional circumstances for Council related meetings	Elected members may arrange overnight accommodation when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.
Elected members	Domestic air travel	All elected members are entitled to utilise domestic air travel for Council related travel, generally where travel by air is the most cost effective travel option.

Position	Expense/ Allowance	Description
	International air travel	As a general policy all elected member international air travel is by way of economy class, where all or part of the costs of the fares are to be met by the Council. The approval of the Council is required for exceptions, e.g. where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.
	Air points	Airpoints accumulated while on Council business cannot be utilised for personal use.
	Private accommodation provided by friends/relatives	Payment of \$50 per night when staying in private accommodation, to cover accommodation, breakfast and dinner. It is intended that at least a portion of this allowance is paid to the accommodation provider.
	Fixed Meal Allowance	A fixed meal allowance of \$60 is payable before receipts are required in the event of out of district approved Council business.
	Parking Expenses	Reimbursement of casual car parking costs related to community board or council business held at any council premises. This will be on receipt of a signed claim accompanied by a receipt.
	Travel and conferences, courses and seminars	<p>The prior approval of the Chief Executive is required for travel within New Zealand for: Council business; attendance at conferences/courses/training events/seminars; other purposes associated with the position of Mayor.</p> <p>The prior approval of the Council is required for all international travel, where costs or partial costs are paid for by Council funds.</p> <p>Where the Mayor or the Mayor's authorised representative is accompanied by his/her partner on international travel, the Council will meet the cost of their travel, accommodation and incidental costs.</p> <p>The Council will authorise such expenditure where the partner's involvement directly contributes to a clear business purpose.</p>

Position	Expense/ Allowance	Description
Mayor	Entertainment and hospitality	The Mayor holds a credit card to pay directly for any entertainment or hospitality expenses incurred while carrying out council business. Full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided. All expenditure on this card is to be approved by the Deputy Mayor or the Chair of Finance, Audit and Risk Committee.
	Car parking	Use of an assigned car-park in Civic Building.
Mayor, Councillors	Rental Cars	Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option.
	Communications equipment	The Mayor and Councillors are provided with an iPad. Council will pay connection and internet service fees.
Councillors	Car parking	Use of one of four 'Councillor' assigned car-parks in the Civic Building.
Mayor and Councillors	Stationery and consumables	Supply of reasonable amounts of paper and printer consumables for council business.
	Annual function	An annual function for elected members and their partners/spouses will be funded by Council.
	Conferences, courses, seminars and training	The conference, course, seminar or training event must contribute to the Councillor's ability to carry out Council business. Attendance at these events when held in New Zealand must be approved by both the Mayor (or the Deputy Mayor) and the Chief Executive. Attendance at these events when held overseas must be approved by the Council.
Councillors	Entertainment and hospitality	Reimbursement of costs incurred while hosting official visitors to the Council, or while travelling on Council business. These costs can cover a range of items including, but not limited to, tea/coffee, and catering including alcohol with meals.
	General community related expenses	From time to time councillors and the board chair may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event. Reimbursement of such expenditure should be previously approved by the Chief Executive. The items should be appropriate to the occasion and expenditure

Position	Expense/ Allowance	Description
		should be moderate and conservative.
Mayor, Councillors, Community Board Chair	Vehicle mileage	<p>A vehicle mileage allowance for elected members using their own vehicle will be paid as follows:</p> <p>a) At 73 cents per kilometre for the first 10,000 km</p> <p>b) 37 cents per km for distances over that.</p> <p>Mileage will be paid to eligible members on receipt of a completed and signed mileage claim, and approved by the Chief Executive.</p>
Councillors, Community Board members	Conferences, trainings, seminars	Council will fund the cost of attendance of the Chair of the Foxton Community Board and up to one other Board Member, together with their partner/spouse, at the bi-annual New Zealand Community Board Conference.

PART SIX: GENERAL

This policy will apply from 1 July 2017.

Health & Safety - Quarterly Report

File No.: 17/613

1. Purpose

To provide an update to Elected Members on health and safety matters at Horowhenua District Council for the previous four months.

2. Recommendation

- 2.1 That Report 17/613 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 September to November quarter..

Attachments

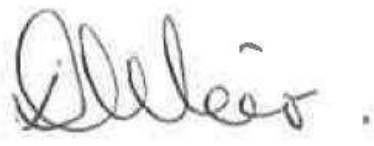
No.	Title	Page
A	HDC Health & Safety Quarterly Report - 1 September - 30 November 2017	51

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)	Denise Weir People & Capability Manager	
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Approved by	David McCorkindale Group Manager - Strategy & Development	
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HDC Health & Safety Quarterly Report 1/09/2017—30/11/2017

1. Progress—Lead Indicator (Green = completed, Orange = underway, Red=to be commenced)

Task	Due Date	Progress	Comment
Draft Strategic Charter and Plan	30/11/2017	Green	Complete, due for Leadership Team review by 31/12/2017
Draft Annual H&S Objectives	30/12/2017	Green	Complete, due for Leadership Team review by 31/12/2017
Self Assessment WSMP Based	30/11/2017	Green	Internal Assessment completed
Electronics Communication Policy	30/10/2017	Green	Adopted by Council 11/10/2017 contains process for email quarantine in response to abuse of staff through email.
MW LASS WSMP Assessment	31/12/2017	Orange	Booked for 12/12/2017
Asbestos ACM Planning	04/04/2018	Orange	Underway, Identifying Priority Buildings for assessment then schedule assessment. Draft process defined.
Review - Emergency procedures	31/12/2017	Orange	Flip Chart review complete / Civic review complete / 6 Monthly site drills still to be reviewed/same review for Aquatics and Libraries underway.
Review - Contractor management process	31/12/2017	Orange	Policy developed, process updated to align with legislation requirements. Health & Safety Committee and Leadership
H&S Training Register	31/12/2017	Orange	Current trial underway to assess functionality
H&S Data Base Assessment via MW LASS	31/12/2017	Orange	Review of 3 H&S data base systems via practical application. 1 more assessment to take place Dec then MW LASS to develop business proposal.
H&S Intranet Review	28/02/2018	Orange	Building H&S Intranet pages, one stop shop.
Site Security Risk Assessment	28/02/2018	Orange	Draft report received for the Civic Building . To roll out assessment for all Council sites.
Review - Risk/hazard management processes	31/03/2018	Red	
H & S Inspections - all sites	31/03/2018	Red	
Review - H & S Policy	31/03/2018	Red	
Review - H & S Manual	31/04/2018	Red	
Incident/Accident/Near Miss recording & Reporting process	31/03/2018	Red	

6. Quick Updates—Lead Indicator

H & S Planning 2018

Draft Strategic and Annual Plans set out the foundation vision for how HDC intends to progress Health and Safety as a minimum standard over the next 12 months. It is a high level document that sets out in brief the key priorities as seen by the Officers of HDC. Running alongside this is the Health and Safety Organisational plan, this details the "how" HDC will achieve the strategic vision. Both documents have been drafted and will be received by the Leadership Team before rolling out to the relevant parties.

Changes to the Hazardous Substances Regulations

The new Health and Safety at Work (Hazardous Substances) Regulations 2017 comes into effect on December 2017. It brings together the requirements for workplaces that work with hazardous substances into a single place. Most requirements transfer directly from the previous regulations but there are some changes around Safety Data Sheets, Inventory, Information, instruction, supervision and training, Emergency Response Plans, Labelling and Signage. An assessment of storage facility compliance will be carried out early 2018.

2. Training—Lead Indicator

Training Activity	Completed/ Due	Attended
Site Safe Training	Nov 2017	3
H&S Rep Stage 1	Feb 2018	12 booked
Fire Warden Training	Sept 2017	33
H&S Inductions	Sept—Nov 2017	26
Lifeguard Training	Oct 2017	13
Lifeguard Training	Sept 2017	5
ACC Injury Management	Ongoing	In progress
Personal Safety Training	Mar 2018	In progress

4. Risk Management—Lead Indicator

Action	Site/Type	Detail
Evacuation Drills	Te Takere	Aug 2017
	Civic	July 2017
	Aquatics Levin	Aug 2017
Drug & Alcohol Tests	Pre—Employment	33 Negatives
	Reasonable Grounds	
	Post Critical Incident	
Internal Audits	Process under review	
Contractor Audits	Process under review	
Approved Contractors	Process under review	

Asbestos Management Plans

Asbestos Management Plans are required by 4 April 2018 under new regulations that came into effect on 4 April 2016. HDC are collating a list of all Council owned/managed buildings where it authorizes work to be carried out. This list is then priority rated against asbestos indicators to determine the priority rating for assessment. Once assessed Council will formulate Asbestos Management plans for each building.

Approved Contractor Management

Process documentation for Contractors pre qualification has been reviewed and now includes a Contractor Management policy as the overarching document. The aim was to align HDC practice with legislation requirements. Changes to the contractor forms and handbook has also been completed. These documents require SLT review before educating staff on changes to process. Authority remains the contractor register data base with minor changes to register information collected, again to align with legislation requirements.



3. Notifiable Events - Lag Indicator

Employee Category	Total
Notifiable Injury—resulted in:	3
Notifiable Incidents	0
Serious Harm	Yes
Fatalities	0
Third Party	Yes
Employee	0

5. Wellness Initiatives—Lead Indicator

Initiative	
EAP Services (hours)	49 Hrs/12 months
Workstation Assessments	0
Blood Pressure Testing	All Staff—Voluntary
Steptember	50 plus

7. Health and Safety Performance Indicators 01 Sept 2017—31 Nov 2017 (Lag Indicators)



Health and Safety Performance Indicators—Comparison

- Overall Council Incident event frequency total is consistent with the previous two quarters of this year.
- Recorded incident events this quarter arose primarily from the Aquatics area as third party incidents. All but two recorded incident events were minor requiring nil or minor first aid responses.
- Two Notifiable events were logged with Worksafe NZ this quarter.:
 - a. Third Party Slip/Trip event in Aquatics resulting in serious harm. Worksafe NZ accepted the incident account and chose not to investigate. Incident closed. Mitigation actions completed.
 - b. Employee Aquatic underwater collision Incident—Worksafe notified at the time of the event but assessment later confirmed injuries did not meet notifiable criteria. And this event was removed from Worksafe notification process.
- Near Miss reporting events remain consistent however Council will be working on increasing the reporting frequency in this area.
- Risk Identification also remains consistent but is an area that Council also intends to progress further.

8. Strategic Reporting for 2018

- In 2017 Council identified significant restricted analysis reporting difficulties with the Peoplesafe data base. As a result MW LASS are actively researching appropriate systems that can provide HDC with the detailed incident reporting data it requires. HDC is seeking to report to this Committee data detailing:
 - Lost time injury frequency rates - LTIFR
 - Average lost time rates - ALTR
 - Total Injury frequency rates - TIFR

Update On Risk Policy Implementation

File No.: 17/621

1. Purpose

To provide a brief update on progress officers have made with operational implementation of the Risk Policy (v1.9).

2. Recommendation

- 2.1 That Report 17/621 Update On Risk Policy Implementation 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

Council adopted the Risk Policy (v1.9) on 27 November 2017.

4. Issues for Consideration

An overview of key progress made is as follows:

General Progress

- Internal Group report templates have been updated to include information across the five key risk areas. Staff have begun reporting identified risks against the key risk areas to the Leadership Team through these updated reports
- Templates for Council Reports and briefings have been identified to include information on the five key risk areas and the process trialled with the Energy Contract Report (via presentation to elected members)
- The Business Case template has been updated to ensure that the five key risk areas are considered as early as possible;
- A series of Risk Management training sessions for staff has commenced and will continue into January 2018;
- A trial of an electronic risk management system has been undertaken using the Earthquake-prone Buildings Project. Further details of this particular exercise are described in reporting progress below.

Reporting Progress

- A trial module system to record and manage risk electronically has been sourced from Promapp Solutions Ltd an existing software product utilised by Council. The module is being trialled on the Earthquake-prone Building Project.
- Risks are identified by the project team or leads and assessed for likelihood and consequence across the 5 key risk areas (Finance, Legal, Service Delivery, Strategic and Reputation) as approved in the Risk Management Policy (v1.9).
- Any risk identified is required to have a control or treatment process attached to show what will be done to eliminate, reduce or transfer the risk.

- The system also requires a reporting structure (based on the approved policy) which advises and escalates risk as appropriate.
- Various reports are able to be extracted including a Risk Register which is grouped around a traffic light system and a Heat Map (a widely used report in Industry). These reports show how risks have been identified and treated or controlled.
- Additional areas of business, including the integration of the Alliance Risk Register and Risk Management, will be added to the next stage of the trial. A Beta (test) version of a risk module developed by our core operating system provider CIVICA will also be become available for trialling in January 2018. Either system will provide good reporting structure for operation management and governance.
- Examples of the Heat Map and risk register entry from within the trial system attached.

Attachments



No.	Title	Page
A	Electronic Risk Reporting - Trial System - Heat Map and Register Examples	55

Confirmation of statutory compliance

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

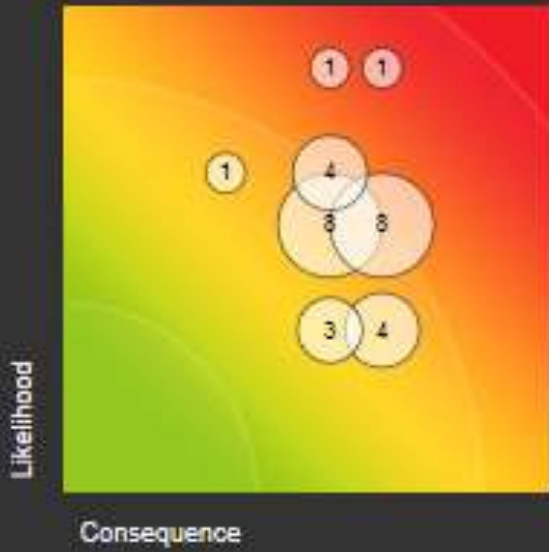
- containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance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

Signatories

Author(s)	Nicki Brady Group Manager - Customer & Regulatory Services	
Approved by	David Clapperton Chief Executive	

Heat Map


















INHERENT RISKS



RESIDUAL RISKS



5 Risk Portfolios

		RISKS	OVERDUE / NON-COMPLIANT	TREATMENT CHANGES TO REVIEW
All Portfolios	 	30	1	0
Reputational Manager(s) Ian McLachlan 	 	18	1	0
Legal Manager(s) Ian McLachlan 	 	9	0	0
Service Delivery Manager(s) Ian McLachlan 	 	14	0	0
Strategic Manager(s) Ian McLachlan 	 	7	0	0
Financial Manager(s) Ian McLachlan 	 	8	0	0

FINANCIAL, SERVICE DELIVERY

Overwhelming EPB litigation

HDC becomes mired in property litigation, challenges on process, ownership disputes

OWNER: **Portfolio Managers**

LIKELIHOOD: **Likely**

CONSEQUENCE: **Major**

CONTROL EFFECTIVENESS: **Partial**

[SIGNOFF HISTORY](#) / [CHANGE LOG](#)

TREATMENT MC00024

Education on the Act and the processes and timelines through media stories. Strong, robust and defensible processes and decision making throughout the project aligned with contemporaneous notes

SIGNOFF(S): **Cathryn Pollock
Ian McLachlan**

DUE DATE: **26 Jan 2018** [SIGNOFF HISTORY](#)

FREQUENCY: **The fourth Friday of every month**

[Add Treatment](#)

[Link Treatment](#)

Exclusion of the Public : Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

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

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Advocate Emails

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.