



**Far North
District Council**



Te Kaunihera o Tai Tokerau ki te Raki

AGENDA

Te Miromiro - Assurance, Risk and Finance Committee Meeting

Tuesday, 31 October 2023

Time: 10:30 am
Location: Council Chambers
Memorial Avenue
Kaikohe

Membership:

Mr Graeme McGlenn - Chairperson
Deputy Chairperson John Vujcich
Kahika - Mayor Moko Tepania
Kōwhai - Deputy Mayor Kelly Stratford
Cr Ann Court
Cr Hilda Halkyard-Harawira
Cr Steve McNally
Cr Penetaui Kleskovic
Cr Tāmami Rākena
Cr Felicity Foy
Cr Babe Kapa
Cr Mate Radich

 Far North District Council <i>Te Kaunihara o Tai Tokerau ki te Raki</i>	Authorising Body	Mayor/Council
	Status	Standing Committee
COUNCIL COMMITTEE	Title	Te Miromiro – Assurance Risk and Finance Terms of Reference
	Approval Date	15 December 2022
	Responsible Officer	Chief Executive

Purpose

The purpose of Te Miromiro - Assurance, Risk and Finance Committee is to assist and advise the Governing Body in discharging its responsibility and ownership of finance, risk and internal control.

Committee will review the effectiveness of the following aspects:

- The robustness of financial management practices;
- The integrity and appropriateness of internal and external reports and accountability arrangements;
- The robustness of the risk management framework;
- The robustness of internal controls and the internal audit framework;
- Compliance with applicable laws, regulations, standards and best practice guidelines;
- The establishment and maintenance of controls to safeguard the Council's financial and non-financial assets;
- Data governance framework

To perform his or her role effectively, each member must develop and maintain his or her skills and knowledge, including an understanding of the Committees responsibilities, and of the Council's business, operations and risks.

Membership

The Council will determine the membership of the Committee including at least one independent appointment with suitable financial and risk management knowledge and experience.

The Committee will comprise of all elected members, and one independent appointed member, appointed as Chair with full voting rights.

Mayor Tepania

Graeme McGlinn – Chairperson and Independent Member

John Vujcich – Deputy Chairperson

Kelly Stratford

Ann Court

Babe Kapa

Felicity Foy

Hilda Halkyard-Harawira

Mate Radich

Penetaui Kleskovic

Steve McNally

Tāmami Rākena

Quorum

The quorum at a meeting of the Committee is 7 members.

Frequency of Meetings

The Committee shall meet quarterly.

Power to Delegate

The Committee may not delegate any of its responsibilities, duties or powers.

Responsibilities

The Committees responsibilities are described below:

Financial systems and performance of the Council

- Review the Council's financial and non-financial performance against the Long-Term Plan and Annual Plan
- Review Council quarterly financial statements and draft Annual Report

Far North Holdings Limited (FNHL)

- Recommend to Council the approval of the Letter of Expectation and Statement of Intent
- Receive Annual Report (s67 LGA)
- Receive quarterly financial statements (s66 LGA)
- Receive reports on FNHL strategies and plans

Risk Management

- Review appropriateness of Council's risk management framework and associated procedures for effective risk identification, evaluation and treatment
- Receive and review risk management dashboard reports
- Provide input, annually, into the setting of the risk management programme of work
- Receive updates on current litigation and legal liabilities

Internal Audit and Controls

- Review whether management has in place a current and comprehensive internal audit framework
- Receive and review the internal audit dashboard reports
- Provide input, annually, into the setting of the internal audit programme of work
- Review whether there are appropriate processes and systems in place to identify and investigate fraudulent behaviour

The Committee will manage Council's relationship with external auditor.

Rules and Procedures

Council's Standing Orders and Code of Conduct apply to all meetings.

Far North District Council
Te Miromiro - Assurance, Risk and Finance Committee Meeting
will be held in the Council Chambers, Memorial Avenue, Kaikohe on:
Tuesday 31 October 2023 at 10:30 am

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1 KARAKIA TIMATANGA / OPENING PRAYER**2 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND DECLARATIONS OF INTEREST**

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Committee 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 Officer or the Manager - Democracy Services (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 TONO KŌRERO / DEPUTATION

No requests for deputations were received at the time of the Agenda going to print.

4 TE WHAKAAETANGA O NGĀ MENETI O MUA / CONFIRMATION OF PREVIOUS MINUTES

4.1 CONFIRMATION OF PREVIOUS MINUTES

File Number: A4309737

Author: Marlema Baker, Democracy Advisor

Authoriser: Casey Gannon, Manager - Democracy Services

PURPOSE OF THE REPORT

The minutes are attached to allow the Committee to confirm that the minutes are a true and correct record of previous meetings.

RECOMMENDATION

That Te Miromiro - Assurance, Risk and Finance Committee confirm the minutes of the meeting held 9 August 2023 are true and correct.

1) BACKGROUND

Local Government Act 2002 Schedule 7 Section 28 states that a local authority must keep minutes of its proceedings. The minutes of these proceedings duly entered and authenticated as prescribed by a local authority are prima facie evidence of those meetings.

2) DISCUSSION AND OPTIONS

The minutes of the meetings are attached.

Far North District Council Standing Orders Section 27.3 states that no discussion shall arise on the substance of the minutes in any succeeding meeting, except as to their correctness.

Reason for the recommendation

The reason for the recommendation is to confirm the minutes are a true and correct record of the previous meetings.

3) FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or the need for budgetary provision as a result of this report.

ATTACHMENTS

1. **2023-08-09 Te Miromiro - Assurance, Risk and Finance Committee Minutes [A4331649]**
- A4331649 [↓](#) 

Compliance schedule:

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
 - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
 - b) Assess the options in terms of their advantages and disadvantages; and
 - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

Compliance requirement	Staff assessment
State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy	This is a matter of low significance.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	This report complies with the Local Government Act 2002 Schedule 7 Section 28.
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	It is the responsibility of each meeting to confirm their minutes therefore the views of another meeting are not relevant.
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water.	There are no implications for Māori in confirming minutes from a previous meeting. Any implications on Māori arising from matters included in meeting minutes should be considered as part of the relevant report.
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example, youth, the aged and those with disabilities).	This report is asking for minutes to be confirmed as true and correct record, any interests that affect other people should be considered as part of the individual reports.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no financial implications or the need for budgetary provision arising from this report.
Chief Financial Officer review.	The Chief Financial Officer has not reviewed this report.

Te Miromiro - Assurance, Risk and Finance Committee Meeting Minutes

9 August 2023

**MINUTES OF FAR NORTH DISTRICT COUNCIL
TE MIROMIRO - ASSURANCE, RISK AND FINANCE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS, MEMORIAL AVENUE, KAIKOHE
ON WEDNESDAY, 9 AUGUST 2023 AT 9:30AM**

PRESENT: Mr Graeme McGlinn, Deputy Chairperson John Vujcich, Kahika - Mayor Moko Tepania, Kōwhai - Deputy Mayor Kelly Stratford, Cr Ann Court, Cr Hilda Halkyard-Harawira, Cr Steve McNally, Cr Penetaui Kleskovic, Cr Tāmāti Rākena, Cr Felicity Foy, Cr Babe Kapa, Cr Mate Radich (virtual)

STAFF PRESENT: Jonathan Slavich (Chief Financial Officer), Jacine Warmington (Strategic Relationships Group – Group Manager), Zena Tango (Team Leader – Transaction Services), Margriet Veenstra (Manager - Property Information & Business Compliance), Jill Coyle (Group Manager – People and Transformation), Glenn Rainham (SHEQ – Compliance Manager), Casey Gannon (Manager – Democracy Services)

1 KARAKIA TIMATANGA / OPENING PRAYER

Kōwhai - Deputy Mayor Kelly Stratford commenced the meeting with a prayer.

2 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND DECLARATIONS OF INTEREST

APOLOGY

RESOLUTION 2023/18

Moved: Kōwhai - Deputy Mayor Kelly Stratford

Seconded: Deputy Chairperson John Vujcich

That the apology received from Kahika – Mayor Moko Tepania and Crs Penetaui Kleskovic, Tāmāti Rākena, be accepted and leave of absence granted.

CARRIED

3 NGĀ TONO KŌRERO / DEPUTATION

Nil.

4 TE WHAKAAETANGA O NGĀ MENETI O MUA / CONFIRMATION OF PREVIOUS MINUTES

4.1 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 4.1 document number A4240403, pages 8 - 13 refers.

RESOLUTION 2023/19

Moved: Deputy Chairperson John Vujcich

Seconded: Cr Steve McNally

That Te Miromiro - Assurance, Risk and Finance Committee confirm the minutes of the meeting held 2 May 2023 with amendment are true and correct.

CARRIED

Cr Hilda arrived 9:54 am.

Te Miromiro - Assurance, Risk and Finance Committee Meeting Minutes

9 August 2023

5 NGĀ PŪRONGO / REPORTS**5.1 UPDATE ON THE RISK MANAGEMENT REPORT**

Agenda item 5.1 document number A4307915, pages 14 - 15 refers.

RESOLUTION 2023/20

Moved: Mr Graeme McGlinn

Seconded: Kōwhai - Deputy Mayor Kelly Stratford

That Te Miromiro-Assurance, Risk & Finance Committee note the update of the risk management report at Council.Against: Cr Steve McNally**CARRIED****6 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS****6.1 TE MIROMIRO - ASSURANCE, RISK & FINANCE WORKPLAN**

Agenda item 6.1 document number A4319810, pages 16 - 20 refers.

RESOLUTION 2023/21

Moved: Mr Graeme McGlinn

Seconded: Deputy Chairperson John Vujcich

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Te Miromiro – Assurance, Risk & Finance Workplan.**CARRIED****6.2 AUDIT PROPOSAL LETTER - JUNE 2023 AUDIT**

Agenda item 6.2 document number A4316843, pages 21 - 30 refers.

RESOLUTION 2023/22

Moved: Mr Graeme McGlinn

Seconded: Deputy Chairperson John Vujcich

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Audit Proposal Letter - June 2023 Audit and that the Deloitte proposal be accepted.**CARRIED**

Kōwhai - Deputy Mayor Kelly Stratford left meeting 10:37 am.

6.3 JUNE 2023 AUDIT PLAN

Agenda item 6.3 document number A4317233, pages 31 - 69 refers.

RESOLUTION 2023/23

Moved: Cr Steve McNally

Seconded: Deputy Chairperson John Vujcich

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report June

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Te Miromiro - Assurance, Risk and Finance Committee Meeting Minutes

9 August 2023

2023 Deloitte Audit Plan.**CARRIED**

Kōwhai - Deputy Mayor Kelly Stratford returned at 10:41 am.

6.4 REVENUE RECOVERY REPORT AS AT 30 JUNE 2023

Agenda item 6.4 document number A4305340, pages 70 - 74 refers.

RESOLUTION 2023/24

Moved: Cr Steve McNally

Seconded: Kōwhai - Deputy Mayor Kelly Stratford

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Revenue Recovery report as at 30 June 2023.**CARRIED****RESOLUTION 2023/25**

Moved: Mr Graeme McGlenn

Seconded: Kōwhai - Deputy Mayor Kelly Stratford

The Te Miromiro – Assurance, Risk and Finance Committee move into Public Excluded.**CARRIED**

At 11:19 am, Cr Mate Radich left the meeting.

6.5 SWEETWATER - COMMISSIONING OF WATER SUPPLY

Agenda item 6.5 document number A4311400, pages 75 - 79 refers.

RESOLUTION 2023/26

Moved: Kōwhai - Deputy Mayor Kelly Stratford

Seconded: Cr Ann Court

That the Te Miromiro - Assurance, Risk and Finance Committee leave the report Sweetwater - Commissioning of water supply to lie on the table to be discussed in public exclusion for protection of commercial sensitivity.**CARRIED****6.6 PEOPLE AND CAPABILITY QUARTERLY UPDATE: 1 APRIL - 30 JUNE 2023**

Agenda item 6.6 document number A4311099, pages 80 - 84 refers.

RESOLUTION 2023/27

Moved: Kōwhai - Deputy Mayor Kelly Stratford

Seconded: Cr Steve McNally

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report People and Capability Quarterly Update: 1 April - 30 June 2023**CARRIED**

7 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED**RESOLUTION TO EXCLUDE THE PUBLIC****COMMITTEE RESOLUTION 2023/28**

Moved: Kōwhai - Deputy Mayor Kelly Stratford

Seconded: Cr Steve McNally

That the public be excluded from the following parts of the proceedings of this meeting.**The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:**

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Confirmation of Previous Minutes	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - 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 would exist under section 6 or section 7
7.2 - Far North Holdings Ltd Risk Register and Risk Report, May 2023	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons 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)(i) - 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 would exist under section 6 or section 7
7.3 - FNDC Current Legal Action Potential Liability Claims	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - 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 would exist under section 6 or section 7

<p>6.5 Sweetwater – Commissioning of Water Supply</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>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</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a)(i) - 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 would exist under section 6 or section 7</p>
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CARRIED

CONFIRMATION OF INFORMATION AND DECISIONS TO BE RELEASED IN PUBLIC

RESOLUTION 2023/22

Moved: Deputy Chairperson John Vujcich

Seconded: Cr Steve McNally

That Te Miromiro – Assurance, Risk and Finance Committee confirms the decisions contained in the part of the meeting held with public excluded be restated in public meeting as follows:

- **Item 7.1 Confirmation of Previous Minutes**
 - o Report received
- **Item 6.5 Sweetwater – Commissioning of Water Supply:**
 - o Report received, and committee has requested CEO to investigate and bring a report and recommendation to 24 August Council meeting as a matter of urgency
- **Item 7.2 Far North Holdings LTD Risk Register and Risk Report**
 - o Report received
- **Item 7.3 FNDC Current Legal Action Potential Liability Claims**
 - o Report received

CARRIED

8 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

Kōwhai - Deputy Mayor Kelly Stratford closed with a karakia.

9 MEETING CLOSE

The meeting closed at 1:07 pm.

The minutes of this meeting will be confirmed at the Te Miromiro - Assurance, Risk and Finance Committee Meeting held on 31 October 2023.

.....
CHAIRPERSON

5 NGĀ PŪRONGO / REPORTS

5.1 ADOPTION OF COUNCIL RISK POLICY AND RISK MANAGEMENT FRAMEWORK

File Number: A4422822

Author: Joshna Panday, Risk & Assurance Specialist

Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To obtain an approval from Te Miromiro – Assurance, Risk and Finance Committee for the adoption of a Risk Policy and Risk Management Framework.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Council is currently undergoing a reset that provides for a more transparent and attentive approach to risk.
- A newly drafted Risk Policy and Risk Management Framework has been designed to provide a level of assurance to our stakeholders whilst incorporating clear guidelines towards good governance.
- Adoption of the Risk Policy and Risk Management Framework is essential for risk integration.

TŪTOHUNGA / RECOMMENDATION

That Te Miromiro – Assurance, Risk & Finance Committee:

a) **Adopts the:**

- Risk Policy; and**
- Risk Management Framework as a dynamic document**

1) TĀHUHU KŌRERO / BACKGROUND

The Risk Policy and Risk Management Framework is redesigned to remain current, relevant and aligned with best practice. It is based on the International Organisation for Standardization ISO31000.

The Risk Management Framework incorporates the responsibilities and guidelines around risk that are applied into CAMMSRisk (risk tool) resulting in efficient reporting. Due to the iterative nature of risk management, the Risk Management Framework is to remain an evergreen document that is flexible to incorporate changes.

Adoption of the Risk Policy and Risk Management Framework provides for a consistent approach towards risk, enabling better decisions for better governance.

The Risk Policy and Risk Management Framework is attached.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

As the organisation is moving towards an improved reporting methodology, it is appropriate to assess the policy and framework that sits behind the process. The Committee is therefore asked to adopt the Risk Policy and Risk Management Framework.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

Adoption of the Risk Policy and Risk Management Framework is essential for risk integration.

3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial impacts created by the development of the risk policy and risk framework.

ĀPITIHINGA / ATTACHMENTS

1. Risk Policy - A4422873 [↓](#) 
2. Risk Management Framework - A4422875 [↓](#) 

Hōtaka Take Ōkawa / Compliance Schedule:

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
 - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
 - b) Assess the options in terms of their advantages and disadvantages; and
 - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

He Take Ōkawa / Compliance Requirement	Aromatawai Kaimahi / Staff Assessment
State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy	Low
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Section 14(f)(a), Subpart2, Part 2 LGA: "a local authority should periodically— i) assess the expected returns to the authority from investing in, or undertaking, a commercial activity; and ii) satisfy itself that the expected returns are likely to outweigh the <u>risks inherent</u> in the investment or activity"
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	The proposal has district wide relevance.
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	There is no direct impact on Maori.
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	There is no direct impact on any particular interested party or individual.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no financial implications nor budgetary provisions required in support of this decision.
Chief Financial Officer review.	The CFO has not reviewed this report.

Risk Management Policy

Adopted: 2023

Next review by Date

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1. Objective

The purpose of this policy is to provide:

- clear direction for effective management of risk at Far North District Council (Council)
- a commitment to a culture of risk-based decision-making that aligns with good practice
- clear roles and responsibilities for risk management within Council

2. Scope

This policy applies to Council:

- Employees
- Te Miromiro – Audit, Risk & Finance Committee members
- Chief Executive Officer (CEO)
- Senior leadership team
- Management
- Activity, business, and conducted services

To provide clarity, any reference to employees or staff in this policy include volunteers, persons seconded to Council and contractors. Elected members are excluded from this definition.

Specific risk management policies, procedures or guidelines relating to specialised areas remain consistent with the broad directions in this policy.

3. Introduction

Council recognises that risks are present in everything it does. Effective and efficient risk management is an integral part of good governance. The successful management of risks is essential to enable to lead the District and to fulfil our objectives and the Long Term Plan.

Risk management improves performance and encourages innovation whilst supporting the achievement of Council objectives.

Council operates on a risk aware and not risk averse foundation. This means that we are willing to accept a measure of risk to achieve our objectives and we are willing to increase our risk if it is done in pursuit of specific objectives, done in a controlled manner and subject to proper governance and approval.

We undertake proactive risk management to understand the strategic and operational risks and opportunities facing to make informed decisions and meet strategic goals.

Apart from reducing the likelihood and impact of risk, risk management also focuses on increasing the odds of good outcomes and contributing towards the maximisation of opportunities for our customers and our communities.

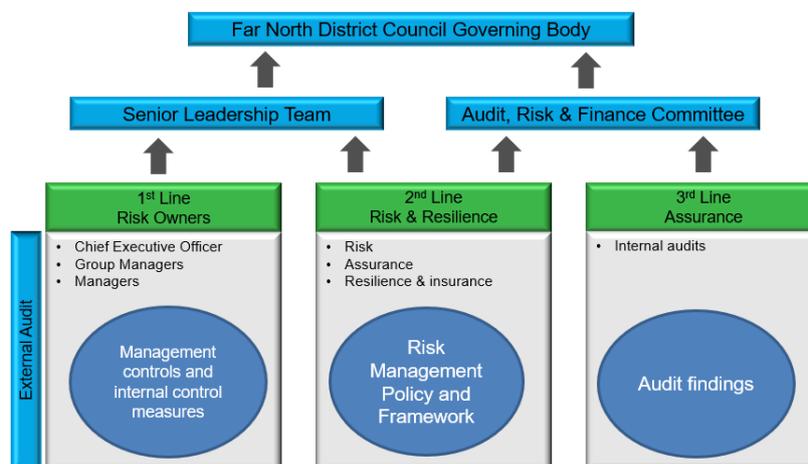
4. Policy Principles

Council commits to align risk management with the principles and processes as set out in AS/NZS ISO31000:2018 Risk Management – Principles and Guidelines.

Management of Risk at Council is based on the below 8 principles:

	Principle	Description
1	Proportionate	Risk management activities are proportionate to the level of risk faced by Council resulting in a healthy balance for good practice.
2	Aligned	Risk management activities are aligned with other activities within Council.
3	Comprehensive	The risk management approach implements a systematic, comprehensive, and structured approach to risk management to ensure consistent results.
4	Embedded and integrated	Identification of risk management activities is an iterative process that is an integral part of all Council activities, and is part of the purpose, governance, leadership and commitment, strategy, objectives, and operations of Council.
5	Dynamic	Risk management activities take place in the context of the objectives and activities of Council and risks can emerge, change, or disappear when changes occur in the operating environment.
6	Best available information	Risk management explicitly considers the best available information for improved awareness and informed risk decisions.
7	Human and cultural factors	The variable and dynamic nature of human behaviour and culture is considered throughout the risk management process.
8	Continual improvement	Risk management is continually improved through learning and experience as Council matures its risk management practices, acknowledges, and addresses control gaps reported by audits and reviews.

Council applies the approach of the three-line model as far as they can be applied to our organisation as an informative approach to risk management for the purpose of designing and embedding risk-management processes and procedures. The application of the three-line model is depicted in the below diagram:



5. Roles and Responsibilities

Risk management is the responsibility of everyone working for or with FNDC and it is their responsibility to develop a capability level that will enable them to perform their risk-management responsibilities with due diligence and care.

Council	The Council consists of the Mayor and 10 ward councillors, responsible for the District strategic decisions. Part of the responsibilities of Council is to mandate effective governance in the Far North District. The role and responsibilities of the councillors are articulated in its terms of reference.
Te Miromiro – Audit, Risk & Finance Committee (ARF)	The purpose of the ARF committee is to assist, advise and review the effectiveness of Council in discharging its responsibility and ownership of governance, risk management and internal controls. More specifically the ARF committee reviews, approves and monitors the implementation of the risk management policy and framework. The risk management responsibilities of the ARF committee are articulated in its terms of reference.
Chief Executive Officer (CEO)	The CEO has ultimate responsibility for risk management at Council and oversees the implementation of the risk management policy and risk management framework.
Senior Leadership Team (SLT)	The purpose of the SLT is to manage risk as a whole, to ensure it complies with all obligations, mitigate strategic

	risks, and to report on operational, political and performance matters to the required committees. SLT members are risk owners who are also responsible for promoting the culture and awareness of risk management in line with risk appetite.
Risk and Assurance Department	The Risk and Assurance department perform as a Line 2 function providing support, guidance and tools for the execution of risk management at Council, while delivering strategic risk reviews and reporting to the SLT and the ARF committee on a regular basis. It is also accountable for developing the risk management policy and framework.
Employees	Risk management is the responsibility of all employees and any other stakeholder involved in activities of Council. They should perform risk management processes in accordance with the risk management policy and framework, implement mitigations as required, while monitoring, reporting and escalating risks as necessary. A more detailed set of risk management responsibilities for Council are set out in the risk management framework. People leaders are encouraged to support employees by providing them with the capacity to perform their risk management responsibilities.

6. Relevant Legislation, Policies and Procedures

AS/NZS ISO 31000:2009

Risk Management – Principles and Guidelines

Council Policies and Procedures

All Council policies and processes serve to manage risk by specifying and forming the controls that manage specific risks

Risk Management Framework

Adopted: 2023

Next review by Date

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1. Introduction

Far North District Council (Council) appreciates that risks are present in all activities and their related outcomes. The successful management of risks is a fundamental element for good governance and is essential to enable Council to fulfil its objectives and to lead the District in improved management of those outcomes.

Council undertakes proactive risk steps to manage and monitor risk under three categories: project, strategic and operational risks.

Formally incorporating risk management into day-to-day activities enforces a risk aware culture, landscaping decisions and outcomes whilst being risk aware rather than risk averse.

This framework forms an integral element in the management of risk at Council and provides context to the supervision over risk identification, assessment and monitoring.

2. Purpose

The purpose of this framework is to provide a:

- consistent approach to the management of risks
- guide to the relationships, resources, processes and activities around risk
- method for the identification, assessment and management of risks
- key to the roles and responsibilities for risk management.

3. Definitions

Council finds that it is beneficial to ensure that a consistent meaning to terminology around risk is available for reference. A glossary of key risk terminology is attached as Appendix A.

4. Roles and Responsibilities

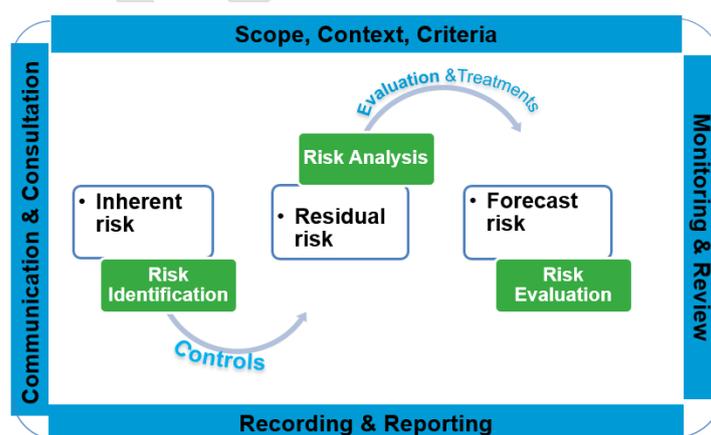
Risk management is the responsibility of everyone working for or with Council and it is their responsibility to develop a capability level that will enable them to perform their risk management responsibilities with due diligence and care.

Council	The Council consists of the Mayor and 10 ward Councillors, responsible for the district strategic decisions. Part of the responsibilities of Council is to mandate effective governance in the Far North district. The role and responsibilities of the Councillors are articulated in its terms of reference.
Te Miromiro – Audit, Risk & Finance Committee (ARF)	The purpose of the ARF committee is to assist, advise and review the effectiveness of Council in discharging its responsibility and ownership of governance, risk management and internal controls. More specifically the ARF committee reviews, approves and monitors the implementation of the risk management policy and framework. The risk management responsibilities of the ARF committee are articulated in its terms of reference.
Chief Executive Officer (CEO)	The CEO has ultimate responsibility for risk management at Council and oversees the implementation of the risk management policy and risk management framework.
Senior Leadership Team (SLT)	The purpose of the SLT is to manage as a whole, to ensure it complies with all obligations and mitigate strategic risks, and to report on operational, political and performance matters to the required committees. SLT members are risk owners who are also responsible for promoting the culture and awareness of risk management in line with risk appetite.
GM's / Tier 3 Management	<ul style="list-style-type: none"> • Manage the departmental risk profile, including oversight of controls. • Engage with Risk and Assurance on risk management matters and support their risk management efforts • Support the risk management efforts of the risk champions and employees in their department. • Escalate any material / significant risk matter to Risk & Assurance, the CEO and ARF where appropriate.
Risk Owners	<ul style="list-style-type: none"> • Utilises the CAMMS tool to maintain the risk register and presents it to Risk & Assurance, department GM / Council CEO for review and approval at agreed intervals. • Promote risk management and risk awareness in the department. • Engage with Risk and Assurance on risk management matters and support their risk management efforts.

	<ul style="list-style-type: none"> Escalate any material / significant risk matter to Risk & Assurance, the CEO and ARF as required. Perform control effectiveness monitoring.
Risk and Assurance	<ul style="list-style-type: none"> Supporting the stakeholders in risk management to implement and embed the Risk Management Policy and the elements in this Risk Management Framework. Keeping the Risk Management Policy and the Risk Management Framework up to date, relevant and formally approved by SLT. Monitoring the risk landscape and highlighting any risk developments to ARF. Reporting to SLT and ARF on risk management matters.
Employees	<p>All employees are responsible for the day-to-day management of risk in their area. They are involved in:</p> <ul style="list-style-type: none"> Identifying and managing the specific risks relating to their work, including performing the controls mitigating the risks. Reporting to their people leader any significant risks that are identified. Responding to any significant risk developments in a timely manner. Identifying and implementing the most cost-effective way of managing significant risks. Progressing with risk treatment plans, control improvements or implementing mitigations within their area of responsibility.
Internal Audit	<p>Provides oversight and assurance for risk management activities. Specific responsibilities include:</p> <ul style="list-style-type: none"> performing targeted assurance activities on specified risk management activities and report findings (Risk and Assurance / SLT / ARF)

5. Risk Management Process

The following diagram depicts the process with which Council manages and assess risk:



5.1 Risk identification

The identification of risks that have an uncertain effect against Council outcomes is the first step of the assessment process. As a practice to identify these risks, the following methodologies are used at Council:

- regular strategic, inclusive and interactive risk identification workshops
- quarterly circulation of a risk questionnaire
- review of prior risk incidents
- team-based brainstorming

5.2 Risk assessment

The risk assessment process involves formulation of the likelihood of the risk occurring, the consequence of the risk occurrence and the reduction impact of related controls.

As a contextual guideline to determine the appropriate levels of consequence with its appropriate level of likelihood, Council uses the attached consequence and likelihood tables attached as Appendix B.

Using the risk matrix below, a risk heatmap, attached as Appendix C is used to combine the likelihood rating and the consequence rating of the risk to arrive at a risk score.

Likelihood	Value	Consequence	Value	Risk Rating	Min Score	Max Score
Rare	1	Minor	1	Low	0	2.9999
Possible	2	Moderate	2	Medium	3	6.9999
Probable	3	Major	3	High	7	16.9999
Likely	4	Extreme	4			

At Council, the risk assessment process is applied at three levels:

a) Inherent risk rating

This is the initial assessment and provides an Inherent Risk Rating. This is the level of risk prior to assessing the effectiveness of controls.

b) Residual risk rating

The next assessment considers the existing controls or mitigating factors that modify the risk. These controls are also rated for different levels of effectiveness ranging from not effective to fully effective. The residual risk rating is calculated considering the presence of controls and their mitigating outcome on the likelihood and consequence.

c) Forecast risk rating

The final assessment is calculated considering the presence of allocated treatments and their mitigating outcome on the likelihood and consequence. Treatments are identified as part of the effective implementation of mitigating actions when evaluating risk. Any gap between the forecast rating and Council's appetite for risk would require additional treatments to be implemented.

5.3 Risk evaluation

Risk evaluation considers the strength of current controls. An appropriate risk treatment is determined once a residual rating is identified, and strength evaluated. Council uses the following treatment values when implementing a treatment to a risk:

Treatment Values
Avoid the risk by deciding not to start or continue the activity that gives rise to the risk
Exploit take or increase the risk in order to pursue an opportunity
Reduce the probability / likelihood
Fallback the impact / consequence
Share/Transfer the risk with another party(s)
Accept/Retain the risk by informed decision

5.4 Risk monitoring

All identified risks require regular monitoring so we can identify any changes from what has already been considered, as early as possible and address it as necessary.

5.5 Risk reporting

All identified risk is to be reported to the General Manager of that department for awareness, discussion and agreement on risk owners, control owner and actions to mitigate the risk on a regular basis. Discussions and reporting on risks are integrated into recurring BAU meetings, such that risks are considered at every decision-making point within the department.

5.6 Risk escalation

All identified and reported risks are to be escalated to Risk & Assurance. Escalation of risk is an essential part of risk monitoring and ensures the right stakeholders at Council recognise, understand and manage appropriately the response to risk. Escalation is encouraged when risks reach or cross identified thresholds, especially during the risk assessment stage.

6. Risk recording

Council has adopted the CAMMS Risk model as a tool to keep record of all risks under three categories: operational, strategic and project.

The risk model is configured to match Council Risk Management Framework and provides as a useful tool for the oversight of risk across Council.

7. Relevant Legislation, Policies and Procedures

AS/NZS ISO 31000:2009

Risk Management – Principles and Guidelines

Council Policies and Procedures

All FNDC policies and processes serve to manage risk by specifying and forming the controls that manage specific risks

Appendix A – Glossary of Risk terminology

Term	Definition
Cause	Potential occurrences that would result in the risk event.
Consequence	The outcome of an event affecting objectives.
Consequence description	An explanation of the main consequences of the risk event.
Control	Any action taken by management which either reduces the likelihood of a risk event occurring or reduces the potential for damage arising from that risk event. It can include any process, policy, device, practice, or other action that modifies the risk.
Control gap	There is no adequate control in place to address the given risk of an activity or process.
Control owner(s)	A person with accountability for ensuring that the control activity is in place and is operating effectively. The control owner does not necessarily perform the control activity, however, if not conducting the control, they should have a level of oversight of its performance.
Executive owner(s)	A person appointed with the authority to update, manage and administrate a risk.
Framework	A structure with which Council identifies and manages the risk, internal control, and compliance requirements to support the assurances provided by Council to its stakeholders.
Inherent rating	The outcome of an event affecting objectives without consideration to the impact of controls.
Inherent risk	The level of risk without consideration to the impact of controls.
Key risk indicator	A measure to indicate the risk level of an activity. KRIs give early warning to identify potential events that may harm continuity of an activity.

Likelihood	The probability of a risk event occurring in the next 3 years
Residual rating	The outcome of an event affecting objectives when the current control environment is taken into account.
Residual risk	The level of risk after the current control environment is taken into account.
Risk	The effect of uncertainty on objectives.
Risk owner	A person appointed with the accountability and authority to manage a risk. Where the 'control owner' and the 'treatment owner' are different, the risk owner has accountability to ensure that the allocated treatment is implemented.
Risk treatment / Treatment plan	The process of selecting one or more options for mitigating risks and implementing those options.
Target Risk	This is the level of desired risk that is being aimed for.
Treatment owner	The person accountable for monitoring and reporting implementation progress of the treatment.

Appendix B

Likelihood table:

Likelihood Title	Description
Rare	It has not occurred before in these circumstances, but it is not impossible. Probability < 10%
Possible	It is not expected to occur, but it has been known to occur in a similar or related context. Probability between 10 and 40%.
Probably	There is some expectation that it may occur and is common in this context. Probability between 40 and 70%.
Likely	It is expected to occur, because it occurs frequently or is a well-documented expectation in this context. Probability > 70%.

Consequence table

Categories	Consequence			
	Minor	Moderate	Major	Extreme
Financial	<ul style="list-style-type: none"> < \$10,000 pa impact to Council operating expenditure; or < \$100,000 impact to Council capital expenditure; or < 0.01 rates increase. 	<ul style="list-style-type: none"> < \$100,000 pa impact to Council operating expenditure; or < \$1,000,000 impact to Council capital expenditure; or < 0.1% rates increase. 	<ul style="list-style-type: none"> < \$1,000,000 pa impact to Council operating expenditure; or < \$10,000,000 impact to Council capital expenditure; or < 1% rates increase. 	<ul style="list-style-type: none"> ≥ \$1,000,000 pa impact to Council operating expenditure; or ≥ \$10,000,000 impact to Council capital expenditure; or ≥ 1% rates increase.
Reputation	<ul style="list-style-type: none"> External reputation minimally affected, little effort or expense required to recover; and Minimal loss of stakeholder trust & confidence at local level; and No presence in local media; and Negligible impact on staff, < 5% turnover per annum. 	<ul style="list-style-type: none"> External reputation slightly affected, minor effort or expense required to recover, with < 1 year to re-establish confidence; and/or Loss of stakeholder trust & confidence at local level; and/or Presence in local media only; and/or Elevated impact on staff, < 10% staff turnover per annum. 	<ul style="list-style-type: none"> External reputation damaged, effort and expense is required to recover, with 1-2 years to re-establish confidence; and/or Loss of regional trust & confidence including iwi, funding partners and elected members; and/or Presence in regional/local media only; and/or Critical staff roles impacted, 10 - 15% staff turnover per annum. 	<ul style="list-style-type: none"> External reputation severely damaged, considerable effort and expense required to recover, with 2-5 years to re-establish confidence; and/or Loss of national trust & confidence including government; and/or Trending presence in national and international media; and/or Major staff impact including critical roles, > 15% staff turnover per annum.
Compliance / Legal	<ul style="list-style-type: none"> Council challenge or threat of litigation, but are 	<ul style="list-style-type: none"> Council get challenged and are found to be non- 	<ul style="list-style-type: none"> Council get challenged and are found to be non- 	<ul style="list-style-type: none"> Council get challenged and are found to be non-

	compliant or have the appetite to tolerate non-compliance costs; and <ul style="list-style-type: none"> Contractor do not express concerns, or retract prior concerns. 	compliant with fines, penalties or legal exposure < \$200,000; and/or <ul style="list-style-type: none"> Contractor expresses concern and/or give verbal advice that, if breaches continue a default notice may be issued. 	compliant with fines, penalties or legal exposure < \$500,000; and/or <ul style="list-style-type: none"> Contractor give written notice threatening termination if not rectified. 	compliant with legal exposure in excess of \$500,000; and/or <ul style="list-style-type: none"> Criminal conviction; and/or Appointment of a commissioner under the LGA. Contractor terminates contract (breach / default etc.)
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Appendix C – Risk Heat Map

		LIKELIHOOD				
		Rare	Possible	Probable	Likely	
		1	2	3	4	
CONSEQUENCE	Extreme	4	Medium	High	High	High
	Major	3	Medium	Medium	High	High
	Moderate	2	Low	Medium	Medium	High
	Minor	1	Low	Low	Medium	Medium

6 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

6.1 BANCORP TREASURY UPDATE

File Number: A4441305

Author: Jonathan Slavich, Chief Financial Officer

Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

The purpose of this report is to provide a treasury update to the Far North District Council Te Miromiro - Assurance, Risk, and Finance Committee.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

Earl White, Executive Advisor at Bancorp, the Far North District Council's treasury advisors, will present a treasury update to the Assurance, Risk, and Finance Committee.

The presentation will focus on a market update and current and projected borrowing outlook.

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Bancorp Treasury Update.

TĀHUHU KŌRERO / BACKGROUND

Throughout his career Earl has worked across both corporate treasury and banking sectors. Before his involvement in treasury advisory, Earl worked for major international banking groups in Australasia, Asia and the United States.

As a treasury advisor, Earl has advised a number of major borrowers on funding alternatives domestically and within global capital markets. He has also advised on, and assisted in, the preparation of a number of policy and procedure protocols for the management of treasury risk for a wide range of organisations, including government entities and publicly listed companies.

Bancorp provides a full range of independent corporate treasury and cash management services, delivered by a team of professional treasurers. If you've got banking or treasury risk, we're here to help you manage and mitigate it.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

N/A

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

N/A

ĀPITIHINGA / ATTACHMENTS

Nil

6.2 TOP 10 COUNCIL RISK REPORT

File Number: A4407941

Author: Joshna Panday, Risk & Assurance Specialist

Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To provide Te Miromiro – Assurance, Risk and Finance Committee with an overview of the Top 10 risks identified at Council.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Council is currently engaged in a risk reset that involves a risk approach that is concise, clear and effective.
- A recent exercise held to determine our top organisational risk, has concluded with having identified Top 10 risks to be reported.

TŪTOHUNGA / RECOMMENDATION

That Te Miromiro – Assurance, Risk and Finance Committee receive and note the Top 10 Council Risk Report.

1) TĀHUHU KŌRERO / BACKGROUND

A Risk Management report was last presented to the then Assurance, Risk and Finance Committee on 31 August 2022. Since this report, Council's risk reset commenced with an exercise partaken by Senior Leadership Team (SLT) having reviewed the risk register at Council.

As part of the exercise, SLT was provided with the global risk landscape that enabled SLT to compare top global risks against our local risk environment, before identifying the Top 10 Council risks from an SLT prospective. A workshop has been arranged to explore these risks further with Elected Members.

Attention to the Top 10 Council Risks is a considered move away from the strategic risk reporting of the previous triennium. This approach is designed at an organisational level to set a clear direction for staff as to what SLT believe are the key risk areas for Council, whilst ownership of these risks rest with the CEO.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

Without any ranking attached to the Top 10 Council risks, it is prudent to recognise that the selected Top 10 is not fixed, having the flexibility to alter with relevance and additional risk exercises.

The below table details the current Top10 Council Risks for the organisation:

Risk no.	Camms code	Identified Risk
1	RS7	Failure to deliver on the Capital works programme
2	RS4	Resilience and consequences after a significant event
3	RS5	Inadequate response to climate change challenges
4	RS10	Exposure to cybersecurity

5	RS1	Failure to manage Council's financial sustainability
6	RS2	Inadequate response to infrastructure vulnerabilities
7	RO5	IT System failure
8	RS6	Non-Compliance with statutory and legislative compliance
9	RO2	Failure to retain staff and maintain talent
10	RS8	Failure to give effect to Te Tiriti and our obligations to Maori

The Top 10 Council Risks are managed in a risk register within our Risk Management software: CammsRisk. As part of the risk reset, Staff are currently working towards capturing information for each of these risks for clear and concise future risk reporting.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

To highlight the Top 10 Council Risks to the Te Miromiro – Assurance, Risk and Finance Committee.

3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications nor budgetary provisions for this report.

ĀPITIHINGA / ATTACHMENTS

Nil

Hōtaka Take Ōkawa / Compliance Schedule:

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
 - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
 - b) Assess the options in terms of their advantages and disadvantages; and
 - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

He Take Ōkawa / Compliance Requirement	Aromatawai Kaimahi / Staff Assessment
State the level of significance (high or low) of the issue or proposal as determined by the Council's Significance and Engagement Policy	Low
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	Risk Management Policy & Framework
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	This report has district wide relevance
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water. State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	This report has no implications to Maori
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	No particular group or individual is affected.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no financial implications nor budgetary provisions for this decision.
Chief Financial Officer review.	The CFO has not reviewed this report.

6.3 UPDATE ON HISTORICAL AUDITOR OBSERVATIONS

File Number: A4407815

Author: Joshna Panday, Risk & Assurance Specialist

Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To inform the Te Miromiro - Assurance, Risk and Finance Committee on the tracking of auditor recommendations from the 30 June 2021 audit and earlier.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Audit New Zealand conducted an external audit of Council, up to and including the year ended 30 June 2021.
- During the audit for year ended 2022, Deloitte Inc. took over as Council's external auditors from Audit New Zealand.
- The audit report for the year ended 2022 was thus a result from both external auditors input.
- The transition from Audit New Zealand to Deloitte Inc. gives possibility to losing sight over historical audit observations, previously raised by Audit New Zealand.
- A tracking of these audit findings is updated and reported.

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive and accept the report Update on historical auditor observations.

TĀHUHU KŌRERO / BACKGROUND

Audit NZ commenced with an external audit prior to and including the year ended 2022.

Deloitte Inc. was assigned by the Office of the Auditor General to complete the audit for the year ended 2022. Due to time constraints, the audit takeover process was expedited for Council to meet with statutory deliverables. All current findings under the audit for the year ended 2022 were brought before this committee in May 2023 and accepted.

To prevent any gaps between the 2021 and 2022 audits, a tracking of all **historical** audit observations made to Council under the external audit for the year ended 2021 was raised with Staff. The commentary around each of these observations is regarding current relevance for the purpose to resolve the observation or something to raise with Deloitte as ongoing.

Thirteen of the seventeen historical observations have been addressed and closed. However, there are four observations that are ongoing. All seventeen observations have been brought to the attention of Deloitte, and have confirmed: *"as part of our audit which is still ongoing we need to corroborate management's responses first before we can either assign a "closed"/"open" rating to any of them – this is ongoing and we will only be able to land on a position at the end of the current year's audit. Some comments may not practically be able to address due to system/resource limitations however despite this may still pose a risk of some sort in which case we are required to keep communicating them to you."*

A copy of the historical observation tracking with staff response is attached and in summary consists of the following findings:

1	Capitalisation of property, plant and equipment	Picked up by Deloitte in the 2022 audit and is now closed .
2	Fair value assessment for assets - non-revaluation year	Observation noted and actioned. Closed .
3	Delegation of Authority	Observation noted and actioned. Closed .
4	Compliance with PBE IPSAS 17 property, plant and equipment	Observation noted and actioned. Closed .
5	Classification of PPE	Observation noted and actioned. Closed .
6	Network administrator user accounts	Observation noted and actioned. Closed .
7	Performance reporting control environment	Observation considered and is ongoing, to remain open .
8	Periodic review of network logon accounts	Observation noted and actioned. Closed .
9	Segregation of duties – Journal entries	Current software limitations prevent this observation to be actioned. To remain open .
10	User access within TechOne accounting software	Observation noted and actioned. Closed .
11	Consolidated financial statements	Observation noted and actioned. Closed .
12	High annual leave balances	Observation considered and is ongoing, to remain open .
13	Significant projects	Observation considered and is ongoing, to remain open .
14	Deferral of capital expenditure	Observation noted and actioned. Closed .
15	Conflict of interest	Observation noted and actioned. Closed .
16	Carbon credits	Observation noted and actioned. Closed .
17	Information security policies	Observation noted and actioned. Closed .

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

None. The report is for information only.

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

Nil

ĀPITIHINGA / ATTACHMENTS

1. **Audit tracking - A4434496** [↓](#) 

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6.5 REVENUE RECOVERY REPORT AS AT 30 SEPTEMBER 2023.

File Number: A4431314
Author: Zena Tango, Team Leader - Transaction Services
Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

The purpose of this report is to provide quarterly reporting to the Far North District Council Assurance, Risk, and Finance Committee.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

This is the first report for the financial year 2023-24 and provides information on actions to be taken to collect the arrears balances for rates, water and sundry debt this year, and to provide information on how collection is tracking against targets.

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Revenue Recovery Report as at 30 September 2023..

TĀHUHU KŌRERO / BACKGROUND

This document has been prepared to outline the arrears balances for rates, water, and Sundry debt as of 30 September 2023 and the actions taken by the Revenue Recovery team for the collection of the General Title rates and water, and sundry debt.

This information is part of the standing items reported to the Committee on a regular basis.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

The data provided is for General Title and Māori Freehold Land rates and water accounts with sundry debtors shown in a separate table. Since the 1st of July 2023, the General Title rates total arrears balance has increased 42% and the water rates has increased by 7%. (See footnote A.1 in attachments)

BACKGROUND

This document has been prepared to outline the arrears balances for rates, water, and Sundry debt as of 30 September 2023 and the actions taken by the Revenue Recovery team for the collection of the General Title rates and water, and sundry debt.

This information is part of the standing items reported to the Committee on a regular basis.

DISCUSSION AND NEXT STEPS

The data provided is for General Title and Māori Freehold Land rates and water accounts with sundry debtors shown in a separate table. Since the 1st of July 2023, the General Title rates total arrears balance has increased 42% and the water rates has increased by 7%. (See footnote A.1 in attachments)

General Title rates and water debt

Key actions since the last report:

- The Revenue recovery team proactively started calling ratepayers after Rating instalment 1 2023-2024. This was to collect data for how the increases are affecting our communities. (See footnote A.2 in attachments)

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- Statutory demand proceedings are still in progress against the properties owned by organisations with Law North.
- Law North have submitted applications with the Courts for financial assessments for properties where judgment was received but no payments been made.
- Currently, one revenue recovery officer is filling a vital position void within the larger Transaction Services team. It is now being recruited for that position.

Next actions:

- Complete reporting for all properties with mortgages and commence pre-mortgage demand calling.
- Prepare and issue mortgage demand to the 5 major banks after the 1st of November 2023 once pre-mortgage demand has been completed.
- Recruitment of the vacancy within Transaction Services.

For the total number of General Title rates accounts marked as 'Debt recovery action to commence':

- These are properties where there is no mortgage, and we do not have a payment arrangement or direct debit set up on the account.
- 33% of properties only have last year's rates in arrears and 19% have 2 years of arrears. Revenue Recovery will be contacting these owners by phone, email, or letter. Any water arrears will be picked up at the same time.
- 47% of these accounts have arrears of 3 or more rating years. Debt management will start the final demand process for these which can result in referral to Council's legal services team or external to commence legal proceedings.

Māori Freehold Land rates and water debt

The rates debt has decreased by 1.5% since the start of the year of which 9% was for Māori Freehold land remissions (See footnote A.3 in attachments). The water rates were reduced by 15% since the start of the year. (See footnote A.4 in attachments)

Sundry debtors debt

The total sundry debtors aged debt balance has increased since the start of the year. There have been several significant, diverse sundry invoices raised that have had an impact on reporting.

Since the prior report, the building debt has dropped while the debt for resource consents has climbed. To lessen this, the revenue recovery team is still collaborating with both teams.

Due to a rise in 90-to-90-day+ debt, Revenue Recovery will devote resources to debt reduction.

(See footnote A.5 in attachments)

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

Provision is made annually for doubtful debts in relation to the arrears owed to council. A higher provision for Māori Freehold land rates and water is made in comparison to General Title rates and water due to the difference in collection options available to Council.

ĀPITI HANGA / ATTACHMENTS

1. Te Miromiro Revenue recovery Report attachment 30 September 2023 - A4431279

6.4 COUNCIL FINANCIAL REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2023

File Number: A4445744

Author: Sue Fox, Management Accountant

Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To provide an overview and information on the current financial position and performance of the Far North District Council as at 30 September 2023.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- This report provides a summary overview, Statement of Financial Performance, Capital Performance and Borrowing & Investment reports.

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro – Assurance Risk and Finance Committee receive the Far North District Council Financial Report for the period ending 30 September 2023.

1) TĀHUHU KŌRERO / BACKGROUND

This report provides financial information as at quarter ending 30 September 2023.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

This report is for information only.

TAKE TŪTOHUNGA / REASON FOR THE RECOMMENDATION

Accept the commentary for the month ending 30 September 2023.

3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or budgetary provisions required as a result of this report.

ĀPITIHINGA / ATTACHMENTS

1. Council Financial Report Sep 2023 (Pd3) - A4437719 [↓](#) 



Far North District Council

Council Financial Report

for the period ending **30-September-2023**

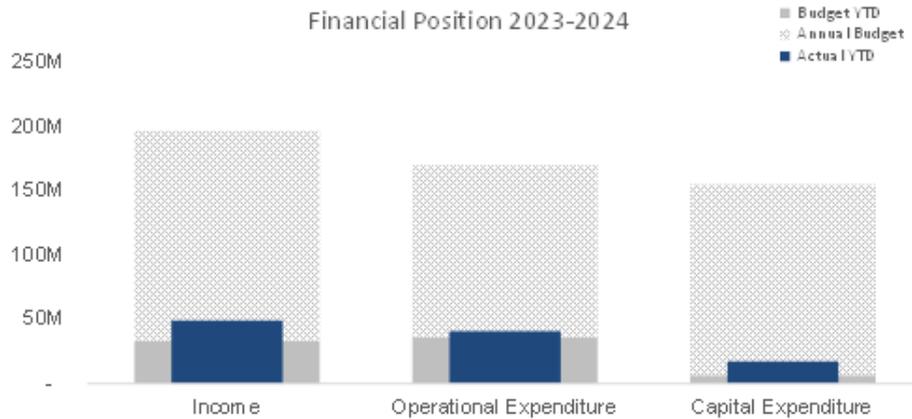
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Financial Overview

Key financial metrics from the Statement of Financial Performance for the Far North District Council as at 30-September-2023.



Year to Date

Actual Position as at 30-September-2023

	Actual YTD	Budget YTD	Variance to Budget YTD	% Variance Actual to Budget YTD
Total Income	49.0M	33.4M	15.6M	47%
Operational Expenditure	40.9M	36.2M	4.7M	13%
Net Operating Position	8.2M	2.8M	11.0M	-391%
Capital Expenditure	17.5M	6.8M	10.7M	158%

Year End

Forecast Position as at 30-June-2023

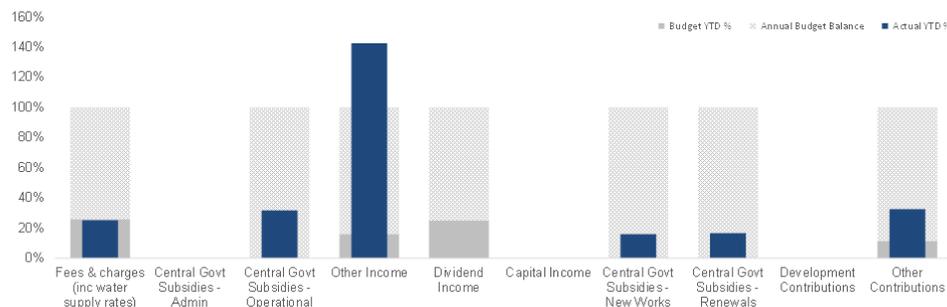
	Annual Forecast	Annual Budget	Forecast Variance to Budget	% Variance Forecast to Budget YTD
Total Income	196.6M	196.6M	0.0M	0%
Operational Expenditure	170.1M	170.1M	- M	0%
Net Operating Position	26.6M	26.6M	0.0M	0%
Capital Expenditure	155.1M	155.2M	- 0.2M	0%

*In the tables above and throughout this report, variances +/- 5% from budget are indicated as on track / green, anything outside this is red.

Council Financial Performance – Income

Please note these figures relate to the Statement of Financial Performance controllable costs only, which excludes general rates and rates penalties.

Actual YTD	Budget YTD	Variance to Budget YTD	% Variance to Budget YTD	Annual Budget	Annual Forecast	Forecast Variance to Budget	% Forecast Variance to Budget
22.3M	6.7M	15.6M	232%	90.0M	90.0M	0.0M	0%



Highlights:

Fees & Charges:

- Resource Consents services are ahead of budget \$351k. Payments have come in from a backlog of applications that the team had waiting on decisions.
- Water by Meter is behind budget for Kaitaia \$221k which was billed in August and Kerikeri \$307k which has been billed in September, the instalments are due in October.

Central Govt Subsidies – Operational:

- Waka Kotahi subsidy has been accrued for September \$5.4m, the budget loading for this has not been timed yet.

Other Income:

- A funding grant has been received from the Northland Regional Council for the Kerikeri Squash Relocation project \$206k.
- Public toilets operational grant funding has been brought into this financial year from last year \$139k.
- Arvida public amenities and Hall Road improvements, development agreement contributions have been received \$434k.
- Petrol tax income has been received \$116k.
- Solid Waste income has been received from the Ministry of Environment \$194k.
- DIA 3-Waters Transition Support funding has been brought into this financial year as it was not used last financial year \$867k.
- Unused operational grant income for the Mayor's Taskforce for Jobs has been brought into this financial year \$182k.
- Treasury management interest has been received \$172k.

Central Govt Subsidies – New Works:

- Unused TIF (Tourism Infrastructure Fund) subsidy for the Rangiputa Boat Trailer Parking \$31k and the Waipapa Landing Carpark \$243k has been brought into this financial year from last year.
- Waka Kotahi subsidy has been accrued for roading minor safety improvements \$1.5m and emergency works \$1.8m, the budget loading for this has not been timed yet.

Central Govt Subsidies – Renewals:

- Waka Kotahi subsidy has been accrued for September \$3.5m, the budget loading for this has not been timed yet.

Other Contributions:

- The Waipapa Sports Hub Provincial Growth Fund claim has not been made yet for works undertaken \$100k.
- There is \$200k that has been carried forward into this year's budget for the Lindvart Park initiative.
- DIA Better off Funding has been received for the Otiria-Moerewa flood mitigation \$500k.
- Monument Hill Drought grant funding \$330k and DIA Better off Funding \$879k has been accrued into this financial year.

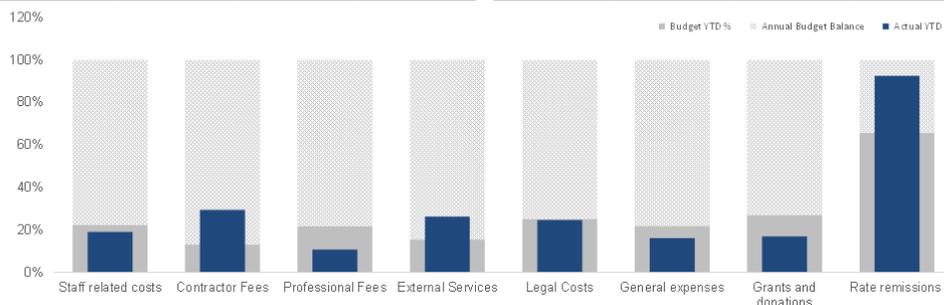
Dividend Income:

- Dividend Income is behind budget, CCTO dividends have not been received.

Council Financial Performance – Operational Expenditure

Please note these figures relate to the Statement of Financial Performance controllable costs only, which excludes allocations, interest costs, depreciation and other asset costs and gain/loss on disposal.

Actual YTD	Budget YTD	Variance to Budget YTD	% Variance to Budget YTD	Annual Budget	Annual Forecast	Forecast Variance to Budget	% Forecast Variance to Budget
27.7M	23.5M	4.2M	18%	119.2M	119.2M	- M	0%



Highlights:

Staff Related Costs:

- Resource Consents and Building Consents salaries are under budget due to staff vacancies \$400k.
- District Plan and Placemaking/Spatial Planning salaries are under budget due to staff vacancies \$380k.

Contractor Fees:

- Roading network contractor fees are over budget \$4m. This is due to the capex timing which hasn't been loaded yet.
- The wastewater schemes Ventia contractor fees are over budget \$1.5m. Works relate to Kawakawa and Kaikohe septic, wetland maintenance, sludge disposal and five yearly maintenance work on Kohukohu septic.
- Contract Work Annual Northland Waste works for Transfer Stations is ahead of budget \$254k.
- The water schemes Ventia contractor fees are over budget 255k, this relates to Kaitaia and Paihia for Operational management of assets.

Professional Fees:

- The Civil Defence budget \$93k has not been utilised.
- Facilities asset condition assessments are under budget \$58k, these are in progress and commitments have been raised for the remaining budget.
- Facilities project concept design and feasibility costs \$40k budget has not been expensed.
- Wastewater professional fees are under budget, there has been no requirement to date.

- Stormwater asset condition assessments are in progress but behind budget \$103k, the budget is fully committed.
- Strategic planning professional fees are under budget across the group, however, the budget is fully committed \$369k.

External Services:

- External services are behind budget for public toilets and parks and reserves across the district \$180k.
- Roading network external services are over budget \$2.2m. This is due to the capex timing which hasn't been loaded yet.
- Wastewater sludge management is under budget \$445k – the program of works has started for the year and there are commitments raised of \$224k.

General Expenses:

- General expenses are under budget for Facilities Housing for the Elderly \$54k, Parks and Reserves \$82k.
- District Plan general expenses are under budget \$162k – the Commissioners fees budget has not been utilised.
- Accounting Services audit fees are under budget \$246k, audit fees have not been paid.

Grants and Donations:

- Grants and donations are under budget for Swimming Pools and Civil Defence \$187k.

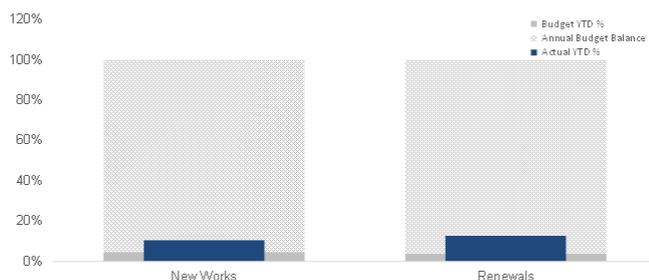
Rate Remissions:

- Rate Remissions are ahead of budget \$586k.

Council Financial Performance – Capital Expenditure

These figures are direct from the Statement of Capital Performance.

Actual YTD	Budget YTD	Variance to Budget YTD	% Variance to Budget YTD	Annual Budget	Annual Forecast	Forecast Variance to Budget	% Forecast Variance to Budget
17.5M	6.8M	10.7M	158%	155.2M	155.1M	- 0.2M	0%



Highlights:

New Works:

- District Facilities new works is ahead of budget for maritime facilities \$665k, parks and reserves \$363k and Housing for the Elderly \$50k. The Mangonui waterfront truck park claim #1 has been received ahead of budget from Far North Holdings. The Housing for the Elderly upgrade project has progressed ahead of budget. The relocation of the Kerikeri Squash Club is ahead of budget along with the Te Hiku project which has secured further external funding of approximately 600k.
- Roothing new works is over budget, the capital programme budget hasn't been timed yet \$4.9m. Main areas of spend are in the emergency works \$2.1m for the anniversary weekend and Cyclone Gabrielle works and the May 2023 weather event and the minor safety works \$2.1m on safety speed management.
- Stormwater new works is over budget, a DIA Better off Funded project for the Otiria-Moerewa Flood Mitigation has made a payment to NRC \$600k, this is being funded by capital grants which is included in Other Contributions above.
- Water new works is behind budget. The Kaitaia New Source (Sweetwater Bore) is behind budget by \$375k and the Monument Hill project is behind by \$141k. The Stream Intake Upgrade is behind budget by \$229k, the install was delayed by one month due to the storms and stream conditions. This work took place in October and final claims will be made in November.

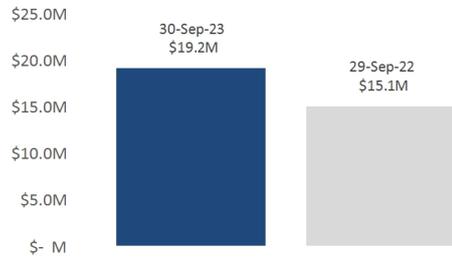
Renewals:

- The Roothing renewal works is over budget. Work is progressing on sealed road resurfacing \$386k, unsealed road metalling \$1.9m, structural component replacement \$426k and bridges and structures \$1.1m. The capital works programme budget hasn't been timed yet.

Treasury Report

Cash Position

Compared to same time last year



	30-Sep-23	29-Sep-22
ASB General Fund	\$ 11.7M	\$ 7.9M
ASB Special Funds	\$ 5.4M	\$ 5.2M
Investments	\$ 2.1M	\$ 2.0M
Total Cash	\$ 19.2M	\$ 15.1M

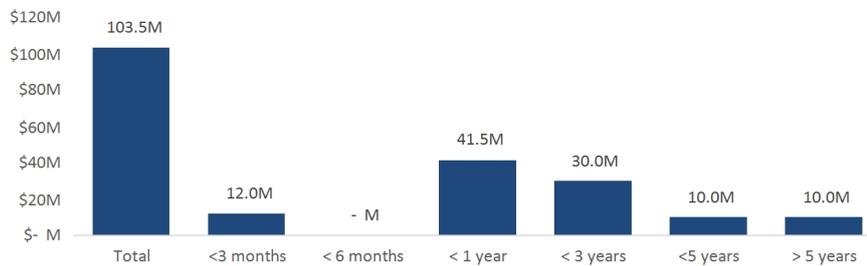
Banking Facility



Banking Facility	\$ 20.0M
Drawn down	\$ 12.0M
Available	\$ 8.0M

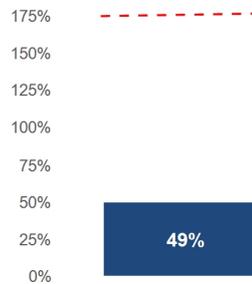
Public Debt

Loans by Maturity Date



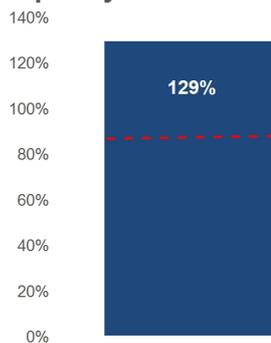
Treasury Compliance

Net Debt as a % of Revenue must be less than 175%



Net Debt	\$ 84.3M
Budgeted Total income	\$ 171.3M
Debt Ceiling	\$ 299.8M
Net debt as % total revenue	49%
Policy Maximum	126%

Liquidity - Access to funds must be greater than 110%



External Debt	\$ 103.5M
ASB Banking Facility	\$ 20.0M
ASB Banking Facility used	-\$ 12.0M
Total Committed Public Debt	\$ 111.5M
Liquid Investments Cash at Bank	\$ 19.2M
Liquid Investments ASB Overdraft Facility	\$ 3.0M
	\$ 133.7M
Access to Funds	129%
Policy Minimum	110%

Note: Total revenue is based on 2023/24 total forecast income excluding non government capital contributions (eg. developer contributions and vested assets).

Liquidity is defined as external debt + committed loan facilities + liquid investments, including bank overdraft facility, divided by existing external debt.

Statement of Financial Performance

for the period ending Sep 2023 (Pd3)

	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget YTD	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
Operational Income										
Rates - general (excl water supply rates)	26,432	26,152 -	280	104,607	-	104,607	78,175	25%	104,607	-
Rates - penalties	343	557	214	2,063	-	2,063	1,721	17%	2,063	-
Fees & charges (inc water supply rates)	5,242	5,446	204	20,835	-	20,835	15,594	25%	20,835	-
Central Govt Subsidies - Admin	-	-	-	-	-	-	-	0%	-	-
Central Govt Subsidies - Operational	5,423	-	5,423	14,813	2,282	17,095	11,672	32%	17,095	-
Other Income	2,833	321 -	2,512	1,985	-	1,985 -	848	143%	1,985	-
Dividend Income	-	325	325	1,300	-	1,300	1,300	0%	1,300	-
Capital Income										
Central Govt Subsidies - New Works	3,633	42 -	3,591	15,892	6,773	22,665	19,032	16%	22,665	0
Central Govt Subsidies - Renewals	3,540	-	3,540	11,896	9,334	21,230	17,690	17%	21,230	-
Development Contributions	-	-	-	-	-	-	-	0%	-	-
Other Contributions	1,590	567 -	1,023	-	4,865	4,865	3,275	33%	4,865	-
Total Operating Income	49,035	33,410 -	15,625	173,392	23,255	196,646	147,612	25%	196,646	0
Operational Expenditure										
Staff related costs	7,736	9,069	1,333	40,476	-	40,476	32,740	19%	40,476	-
Contractor Fees	11,053	4,993 -	6,060	37,502	-	37,502	26,449	29%	37,502	-
Professional Fees	1,255	2,549	1,294	11,625	-	11,625	10,370	11%	11,625	-
External Services	2,900	1,707 -	1,193	8,030	2,997	11,026	8,126	26%	11,026	-
Legal Costs	162	164	2	654	-	654	492	25%	654	-
General expenses	2,161	2,936	775	13,270	87	13,357	11,196	16%	13,357	-
Grants and donations	399	632	233	2,345	-	2,345	1,946	17%	2,345	-
Rate remissions	2,026	1,440 -	587	2,189	-	2,189	162	93%	2,189	-
Allocations (direct and indirect)	-	0 -	0	0	-	0 -	0	0%	0	-
Interest costs	1,307	1,352	45	5,409	-	5,409	4,102	24%	5,409	-
Sub total	28,998	24,841 -	4,157	121,499	3,084	124,583	95,584	23%	124,583	-
Depreciation and other asset costs	11,878	11,370 -	508	45,480	-	45,480	33,602	26%	45,480	-
Gain/Loss on Disposal	1	-	1	-	-	-	1	100%	-	-
Total Operational Expenditure	40,878	36,211 -	4,666	166,979	3,084	170,063	129,185	24%	170,063	-
Net Operating Surplus	8,157 -	2,802	10,959	6,413	20,171	26,584	18,427		26,584	0

Statement of Capital Performance

for the period ending Sep 2023 (Pd3)

	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
District Facilities	3,125	1,851 -	1,274	31,699	12,262	43,961	40,836	7%	43,891	71
Environmental Management	9	- -	9	-	-	- -	9	100%	-	-
Roading and Footpaths	10,373	518 -	9,855	36,373	28,556	64,930	54,557	16%	64,869	60
Wastewater	1,565	1,720 -	155	16,703	3,532	20,236	18,671	8%	20,236	-
Stormwater	940	370 -	569	7,751	917	8,667	7,728	11%	8,667	-
Solid Waste Management	291	230 -	61	553	571	1,124	833	26%	1,097	27
Water Supply	359	1,586	1,227	4,809	3,538	8,347	7,988	4%	8,347	-
Governance & Strategic Administration	646	420 -	226	2,803	2,764	5,568	4,922	12%	5,568	-
Customer Services	148	72 -	76	2,298	118	2,416	2,268	6%	2,416	-
Strategic Planning & Policy	-	-	-	-	-	-	-	0%	-	-
Total Capital Expenditure	17,454	6,766 -	10,688	102,988	52,260	155,248	137,794	11%	155,090	158

Analysis of Controllable Income and Expenditure by LTP Group

Income	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
District Facilities	1,098	719 -	379	6,830	3,625	10,454	9,356	-11%	10,454	0
Environmental Management	2,471	2,245 -	226	7,698	-	7,698	5,227	-32%	7,698	-
Roading and Footpaths	12,953	26 -	12,926	38,677	18,905	57,581	44,629	-22%	57,581	-
Wastewater	25	64	39	255	-	255	230	-10%	255	-
Stormwater	500	-	500	-	-	-	500	-100%	-	-
Solid Waste Management	533	510 -	23	2,041	-	2,041	1,508	-26%	2,041	-
Water Supply	3,784	2,373 -	1,411	8,093	726	8,819	5,035	-43%	8,819	-
Governance & Strategic Administration	602	296 -	306	1,183	-	1,183	582	-51%	1,183	-
Customer Services	115	142	28	569	-	569	454	-20%	569	-
Strategic Planning & Policy	181	-	181	75	-	75	106	-241%	75	-
Total Operating Income	22,260	6,376 -	15,884	65,421	23,255	88,676	66,416	25%	88,676	0

Operational Expenditure	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
District Facilities	1,901	2,840	939	11,727	70	11,797	9,896	16%	11,797	-
Environmental Management	2,505	2,918	413	12,685	-	12,685	10,180	20%	12,685	-
Roading and Footpaths	7,093	1,137 -	5,955	25,826	2,429	28,255	21,162	25%	28,255	-
Wastewater	2,990	2,267 -	723	8,847	498	9,345	6,355	32%	9,345	-
Stormwater	407	628	221	2,540	-	2,540	2,133	16%	2,540	-
Solid Waste Management	1,663	1,315 -	348	5,489	-	5,489	3,825	30%	5,489	-
Water Supply	2,055	1,910 -	145	7,617	87	7,704	5,649	27%	7,704	-
Governance & Strategic Administration	7,160	7,239	78	27,497	-	27,497	20,337	26%	27,497	-
Customer Services	1,190	1,213	23	5,311	-	5,311	4,121	22%	5,311	-
Strategic Planning & Policy	727	2,021	1,293	8,551	-	8,551	7,824	9%	8,551	-
Total Direct Costs	27,692	23,489 -	4,202	116,090	3,084	119,174	91,482	23%	119,174	-

6.5 REVENUE RECOVERY REPORT AS AT 30 SEPTEMBER 2023.

File Number: A4445271

Author: Zena Tango, Team Leader - Transaction Services

Authoriser: Janice Smith, Group Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

The purpose of this report is to provide quarterly reporting to the Far North District Council Assurance, Risk, and Finance Committee.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

This is the first report for the financial year 2023-24 and provides information on actions to be taken to collect the arrears balances for rates, water and sundry debt this year, and to provide information on how collection is tracking against targets.

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Revenue Recovery Report as at 30 September 2023..

TĀHUHU KŌRERO / BACKGROUND

This document has been prepared to outline the arrears balances for rates, water, and Sundry debt as of 30 September 2023 and the actions taken by the Revenue Recovery team for the collection of the General Title rates and water, and sundry debt.

This information is part of the standing items reported to the Committee on a regular basis.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

The data provided is for General Title and Māori Freehold Land rates and water accounts with sundry debtors shown in a separate table. Since the 1st of July 2023, the General Title rates total arrears balance has increased 42% and the water rates has increased by 7%. (See footnote A.1 in attachments)

BACKGROUND

This document has been prepared to outline the arrears balances for rates, water, and Sundry debt as of 30 September 2023 and the actions taken by the Revenue Recovery team for the collection of the General Title rates and water, and sundry debt.

This information is part of the standing items reported to the Committee on a regular basis.

DISCUSSION AND NEXT STEPS

The data provided is for General Title and Māori Freehold Land rates and water accounts with sundry debtors shown in a separate table. Since the 1st of July 2023, the General Title rates total arrears balance has increased 42% and the water rates has increased by 7%. (See footnote A.1 in attachments)

General Title rates and water debt

Key actions since the last report:

- The Revenue recovery team proactively started calling ratepayers after Rating instalment 1 2023-2024. This was to collect data for how the increases are affecting our communities. (See footnote A.2 in attachments)

- Statutory demand proceedings are still in progress against the properties owned by organisations with Law North.
- Law North have submitted applications with the Courts for financial assessments for properties where judgment was received but no payments been made.
- Currently, one revenue recovery officer is filling a vital position void within the larger Transaction Services team. It is now being recruited for that position.

Next actions:

- Complete reporting for all properties with mortgages and commence pre-mortgage demand calling.
- Prepare and issue mortgage demand to the 5 major banks after the 1st of November 2023 once pre-mortgage demand has been completed.
- Recruitment of the vacancy within Transaction Services.

For the total number of General Title rates accounts marked as 'Debt recovery action to commence':

- These are properties where there is no mortgage, and we do not have a payment arrangement or direct debit set up on the account.
- 33% of properties only have last year's rates in arrears and 19% have 2 years of arrears. Revenue Recovery will be contacting these owners by phone, email, or letter. Any water arrears will be picked up at the same time.
- 47% of these accounts have arrears of 3 or more rating years. Debt management will start the final demand process for these which can result in referral to Council's legal services team or external to commence legal proceedings.

Māori Freehold Land rates and water debt

The rates debt has decreased by 1.5% since the start of the year of which 9% was for Māori Freehold land remissions (See footnote A.3 in attachments). The water rates were reduced by 15% since the start of the year. (See footnote A.4 in attachments)

Sundry debtors debt

The total sundry debtors aged debt balance has increased since the start of the year. There have been several significant, diverse sundry invoices raised that have had an impact on reporting.

Since the prior report, the building debt has dropped while the debt for resource consents has climbed. To lessen this, the revenue recovery team is still collaborating with both teams.

Due to a rise in 90-to-90-day+ debt, Revenue Recovery will devote resources to debt reduction.

(See footnote A.5 in attachments)

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

Provision is made annually for doubtful debts in relation to the arrears owed to council. A higher provision for Māori Freehold land rates and water is made in comparison to General Title rates and water due to the difference in collection options available to Council.

ĀPITIHINGA / ATTACHMENTS

1. **Te Miromiro Revenue recovery Report attachment 30 September 2023 - A4431279**  

Footnote A.1 General Title Rates and Water arrears comparison

First quarter report 2023-2024 Financial Year General Title Rates

General Title Rates 2023-2024						
General Title Rates - 30 September 2023	2022-2023	2021-2022	2020-2021	2019-2020	2018+	Total
Abandoned Land	66,860	59,465	55,061	56,094	117,043	354,524
Payment Arrangement	36,963	14,912	10,064	4,033	2,415	68,387
Deceased Rate Payer	95,195	80,438	70,077	64,160	115,128	424,999
Mortgage Run 2023-2024	1,924,390	1,208,917	932,624	607,634	859,237	5,532,802
Legal Action Commenced (external)	116,059	98,493	90,829	83,746	249,011	638,138
Legal Action Commenced (FNDC)	15,458	14,789	14,097	14,617	31,335	90,296
Liquidation	2,183	2,074	1,938	1,966	2,063	10,225
Direct Debit	245,727	53,660	26,243	17,437	7,080	350,147
Debt recovery action to commence	1,480,643	137,641	69,978	41,645	50,820	1,780,727
Rates Total	3,983,477.99	1,670,389	1,270,911	891,333	1,434,133	9,250,245

Comparison to the First quarter report 2022-2023 Financial Year General Title Rates

General Title Rates Arrears 2022-2023							
General Title Rates - 31 December 2022	2021-2022	2020-2021	2019-2020	2018-2019	2017+	Total	# accounts
Abandoned Land	59,666	56,917	56,696	55,460	161,438	390,178	40
Payment Arrangement	89,519	13,218	10,654	4,448	2,542	120,381	54
Deceased Rate Payer	87,962	77,590	72,476	64,794	159,536	462,357	48
Mortgage Run 2022-23	1,124,308	389,560	79,529	48,164	66,925	1,708,485	647
Legal Action Commenced (external)	104,357	98,169	93,165	67,897	195,393	558,980	53
Legal Action Commenced (FNDC)	16,119	15,371	15,775	12,064	29,845	89,173	8
Liquidation	2,074	1,938	1,966	1,892	171	8,041	2
Direct Debit	137,837	39,438	21,689	11,708	8,591	219,263	105
Debt recovery action to commence	1,475,032	997,382	653,935	507,013	923,696	4,557,057	867
Rates Total	3,096,874	1,689,582	1,005,884	773,440	1,548,137	8,113,917	1,824

First quarter report 2023-2024 Financial Year General Title Water

General Water Arrears 2023-2024							
General Title Water 30 September 2023	2022-2023	2021-2022	2020-2021	2019-2020	2018+	Total	# accounts
Abandoned Land	-	-	-	-	-	-	-
Payment Arrangement	82	-	-	-	-	82	1
Deceased Rate Payer	12,673	8,590	11,689	26,763	34,157	93,873	10
Mortgage Run 2023-2024	253,263	132,673	124,582	49,408	63,632	623,558	380
Legal Action Commenced (external)	6,611	9,548	4,945	4,949	23,966	50,018	9
Legal Action Commenced (FNDC)	4,373	6,074	4,038	4,860	10,825	30,169	2
Liquidation	-	-	-	-	-	-	-
Direct Debit	113,796	19,326	9,171	1,790	1,098	145,181	202
Debt recovery action to commence	294,569	48,028	19,319	8,775	34,838	405,530	526
Water Total	685,367	224,239	173,744	96,545	168,516	1,348,410	1,130

Comparison to the First quarter report 2022-2023 Financial Year General Title water

General Title Water Arrears 2022-2023							
General Title Water 31 December 2022	2021-2022	2020-2021	2019-2020	2018-2019	2017+	Total	# accounts
Abandoned Land	-	-	-	-	-	-	-
Payment Arrangement	1,430	1,301	1,282	468	1,021	5,502	3
Deceased Rate Payer	10,051	11,689	26,763	21,266	24,327	94,097	10
Mortgage Run 2021-2022	198,361	90,420	55,804	45,020	26,883	416,488	369
Legal Action Commenced (external)	11,594	6,201	6,280	7,187	16,779	48,040	10
Legal Action Commenced (FNDC)	6,074	4,038	4,860	3,409	7,816	26,196	2
Liquidation	-	-	-	-	-	-	-
Direct Debit	63,914	26,591	16,283	4,529	12,564	123,881	119
Debt recovery action to commence	189,731	150,257	57,959	50,456	72,883	521,287	274
Water Total	481,154	290,498	169,232	132,335	162,273	1,235,491	787

Please note: The prior comparative period report is as at 31 December 2022 due to the first Te Miromiro Committee meeting being held at a different time period due to onboarding of new Elected Members.

Footnote A.2 Missed instalment 1 2023-2024 Data

Missed Instalment 1 2023-2024 Data

Category	Percent
Abandoned land	0.2%
Contacted and will make payment	2.0%
Called no Answer	3.0%
Deceased Rate payer	1.0%
Didn't receive invoice	0.3%
Direct debit set up	1.6%
Disputing rates	0.7%
Email address contact details only	8.0%
Financial difficulties	1.0%
Instalment paid late	57.0%
Issues with contact details on account	9.1%
Legal	5.1%
Paid account no further action	2.5%
Note on RA	0.3%
Paid to incorrect account	0.8%
Underpaid due to financial difficulty	7.3%
TOTAL	100.0%

Footnote A.3 Maori Freehold Land Remissions

Remissions Summary	Remissions to 30th		Remissions to 30 June	
	June 2024 Qty	2024 \$Value	2023 Qty	2023 \$value
Maori Freehold Land Remissions	416	\$ 152,803.36	415	\$152,639.67
Charitable or Community Organisations	69	\$ 38,549.17	70	\$37,717.07
Remission of Postponements	0	\$ -	44	\$25,682.76
Common use properties	506	\$ 185,870.86	472	\$162,504.95
Properties partly in District	1	\$ 251.80	1	\$228.35
Conservation Property	253	\$ 37,469.87	250	\$29,893.47
Unusable Land	2	\$ 784.39	3	\$2,372.89
Landlocked Land	0	\$ -	1	281.63
Total	1247	\$ 415,729.45	1,256	\$411,320.79

Please note: The prior comparative period report is as at 31 December 2022 due to the first Te Miromiro Committee meeting being held at a different time period due to onboarding of new Elected Members.

Footnote A.4 Maori Freehold Land Rates and Water

First quarter report 2023-2024 Financial Year Maori Freehold Land Rates

MFL Rates Arrears 2023-2024							
MFL Rates 30 September 2023	2022-2023	2021-2022	2020-2021	2019-2020	2018+	Total	# accounts
Payment Arrangement	6,193	5,115	5,004	5,035	8,809	30,156	4
Deceased ratepayer	21,582	20,594	20,726	20,185	14,066	97,154	12
Direct debit	49,631	35,494	31,813	24,882	41,110	182,930	32
Abandoned Land	3,851	3,683	3,492	3,653	7,253	21,932	2
Debt recovery action to commence	2,214,368	2,076,732	2,018,705	1,954,591	1,612,383	9,876,778	1,257
Rates Total	2,295,625	2,141,618	2,079,741	2,008,347	1,683,620	10,208,950	1,307

Comparison to the First quarter report 2022-2023 Financial Year Maori Freehold Land Rates

MFL Rates Arrears 2022-2023							
MFL Rates 31 December 2022	2021-2022	2020-2021	2019-2020	2018-2019	2017+	Total	# accounts
Payment Arrangement	9,626	7,425	6,637	5,166	6,573	35,428	8
Deceased ratepayer	20,594	20,726	20,185	7,565	11,197	80,267	12
Direct debit	44,910	34,824	28,880	25,224	55,198	189,036	24
Abandoned Land	3,683	3,492	3,653	3,604	10,551	24,983	2
Debt recovery action to commence	2,169,261	2,068,720	1,997,971	900,431	2,336,611	9,472,995	1,266
Rates Total	2,248,074	2,135,188	2,057,327	941,990	2,420,129	9,802,708	1,312

First quarter report 2023-2024 Financial Year Maori Freehold Water

MFL Water Arrears 2023-2024							
MFL Water 30 September 2023	2022-2023	2021-2022	2020-2021	2019-2020	2018+	Total	# accounts
Payment Arrangement	889	753	490	3,916	-	6,048	1
Direct Debit	10,322	4,764	-	-	-	15,085	5
Debt recovery action to commence	46,468	46,328	66,503	45,932	102,729	307,960	47
Water total	57,678	51,845	66,993	49,848	102,729	329,093	53

Comparison to the First quarter report 2022-2023 Financial Year Maori Freehold Land Water

MFL Water Arrears 2022-2023							
MFL Water 31 December 2022	2021-2022	2020-2021	2019-2020	2018-2019	2017+	Total	# accounts
Payment Arrangement	-	-	-	-	-	-	-
Direct Debit	7,095	688	-	-	-	7,783	3
Debt recovery action to commence	48,011	68,034	49,848	53,732	95,655	315,280	43
Water total	55,106	68,721	49,848	53,732	95,655	323,062	46

Please note: The prior comparative period report is as at 31 December 2022 due to the first Te Miromiro Committee meeting being held at a different time period due to onboarding of new Elected Members.

Footnote A.5 Sundry Debtors

First quarter report 2023-2024 Financial Year Sundry Debtors

Sundry Debtors Aged Period Report as at 30 September 2023						
Category	30 Days	60 Days	90 Days	90 Days +	Total	% Debt
Sundry	679,154	28,633	16,787	134,001	858,575	33%
Bookings	1,015	4,430	315	7,813	13,573	1%
Septage	12,774	3,994	-	9,653	26,421	1%
Refuse	-	-	-	3,030	3,030	0%
Building	83,345	106,377	49,213	384,683	623,618	24%
Resource	105,242	113,182	47,865	652,275	918,564	35%
Liquor	16,929	3,802	5,353	1,946	28,030	1%
Health	12,633	10,575	7,025	119,344	149,576	6%
Total	911,090	270,993	126,558	1,312,745	2,621,386	100%

Comparison to the First quarter report 2022-2023 Financial Year Sundry Debtors

Sundry Debtors Aged Period Report as at 31 December 2022						
Category	30 Days	60 Days	90 Days	90 Days +	Total	% Debt
Sundry	197,679	611,894	17,163	81,859	908,596	52%
Bookings	4,243	-	-	4,035	8,278	0%
Septage	362	1,292	-	109	1,763	0%
Refuse	-	-	-	3,030	3,030	0%
Building	43,228	35,705	11,921	235,151	326,005	19%
Resource	65,970	29,371	37,754	268,019	401,113	23%
Liquor	3,496	4,060	3,243	2,966	13,765	1%
Health	4,883	4,443	5,631	80,304	95,260	5%
Total	319,860	686,764	75,712	675,474	1,757,810	100%

Please note: The prior comparative period report is as at 31 December 2022 due to the first Te Miromiro Committee meeting being held at a different time period due to onboarding of new Elected Members.

6.6 HEALTH SAFETY & WELLBEING REPORT Q1 2023

File Number: A4429290

Author: Ian Wilson, Manager - Health, Safety and Well Being

Authoriser: Jill Coyle, Group Manager - People & Transformation

TAKE PŪRONGO / PURPOSE OF THE REPORT

Update Council on current HSW risk

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

These are key items that Elected Members (EMs) should note as important from this report:

- Staff wellbeing is an issue as indicated in the last staff survey.
- Security guards have been requested for libraries due to aggressive behaviour from customers.
- Mike Cosman has been engaged to provide Elected Members with an overview of their duties under the Health and Safety at Work Act 2015 (HSAWA).
- A risk has been highlighted that FNDC does not have an overlapping duties framework.
- FNDC's critical risks and critical controls are addressed in this report.
- Overall risk being addressed through implementation of ISO45001
- See attachment report HSW ARF report 2023 Q1

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report Health Safety & Wellbeing Report Q1 2023.

TĀHUHU KŌRERO / BACKGROUND

This is the Q1 2023 Health, Safety and Wellbeing report to the Assurance, Risk and Finance (ARF) Committee of the Far North District Council (FNDC). The report uses data from various sources to demonstrate how the main critical risks to Council are identified and managed as well as how wellbeing is monitored. The report will identify health, safety and wellbeing risk to FNDC, how those risks are managed, and where are needs for improvement.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

The HSW team is focusing on critical risk for the council specifically. All critical risks have a certain level of controls applied to them, and the attached report highlights areas for improvement. Current audits will highlight specific areas that need work.

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

A risk has been highlighted that FNDC does not have an overlapping duties framework. To address this an additional budget may be required to engage a consultant

ĀPITIHINGA / ATTACHMENTS

1. Health Safety & Wellbeing Report Q1 2023 - A4437214  

Health, Safety and Wellbeing report to the Assurance, Risk & Finance Committee Q1 2023

1. Introduction

This is the Q1 2023 Health, Safety and Wellbeing report to the Assurance, Risk and Finance (ARF) Committee of the Far North District Council (FNDC). The report uses data from various sources to demonstrate how the main critical risks to Council are identified and managed as well as how wellbeing is monitored. The report will identify health, safety and wellbeing risk to FNDC, how those risks are managed, and where are needs for improvement.

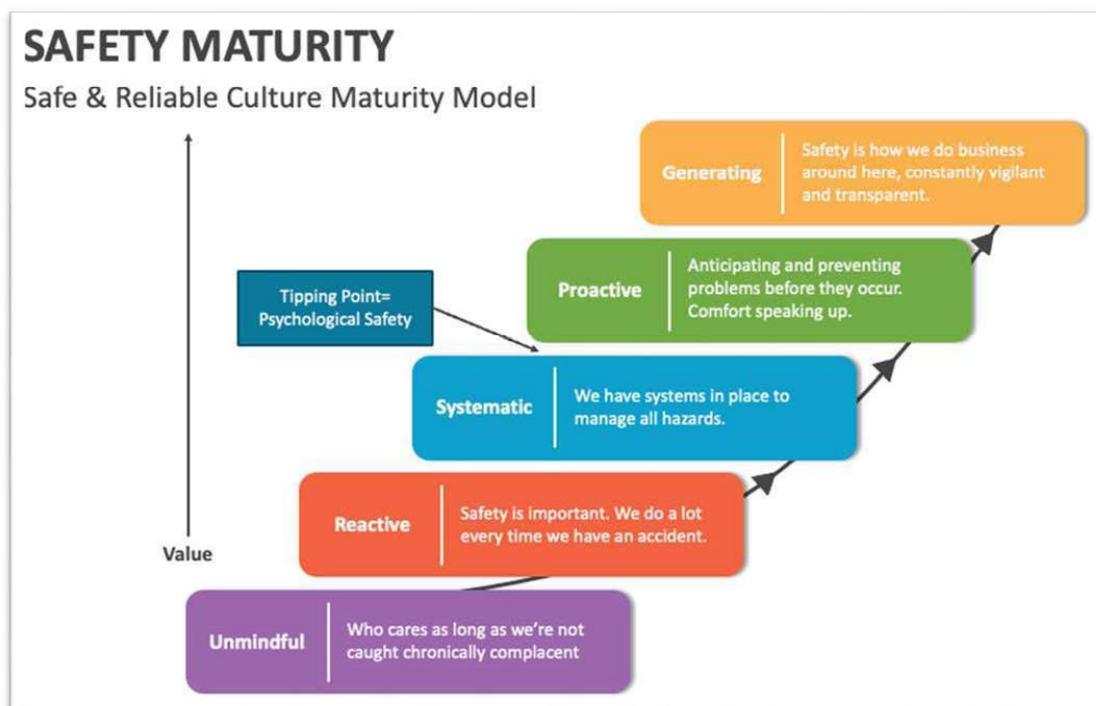


Figure 1: the graph above represents how safety systems mature over time when managed well. The HSW team believe the FNDC H&S system maturity currently sits past reactive but not quite fully systematic.

2. Executive Summary

These are key items that Elected Members (EMs) should note as important from this report:

- Staff wellbeing is an issue as indicated in the last staff survey.
- Security guards have been requested for libraries due to aggressive behaviour from customers.
- Mike Cosman has been engaged to provide Elected Members with an overview of their duties under the Health and Safety at Work Act 2015 (HSAWA).
- A risk has been highlighted that FNDC does not have an overlapping duties framework.
- FNDC's critical risks and critical controls are addressed in this report.
- Overall risk being addressed through implementation of ISO45001.

3. Stop work notices and handling

There are no current stop work notices issued against FNDC.

4. Key risk areas and compliance

Risks to health, safety and wellbeing arise from people being exposed to hazards.

- A hazard is anything that could cause harm (mental, emotional, physical, environmental and organisational).
- Risk has two components: the likelihood that it will occur, and the consequences (degree of harm) if it happens.

The highest risk and therefore the highest priority activities are called 'critical risks'. A critical risk is one that could result in one or more workers:

- Being killed.
- Being seriously injured (physically or psychologically).
- Developing a serious illness

Table 1: State of critical risks to Council, the controls in place and remaining, or residual, risk at Q1, 2023.

Critical risk	Critical controls	Residual risk to Council
Contractor management	Contractor management standard operating procedure (SOP) Contractor prequalification system (SiteWise) In house workshops Internal audits	High – auditing has shown that the contractor management SOP is not being followed fully by staff engaging contractors. The SOP was reviewed and condensed end of 2022, and a series of workshops have been held during 2023. Further work is needed to embed the process. There is currently a gap in FNDC's records regarding FNDC's responsibilities around overlapping duties with other Persons Conducting a Business or Undertaking (PCBUs). There is no recorded overlapping duties framework in place that clearly shows what level of duty each PCBU holds under HSAWA. This is quite a large piece of work to do and may need to be done as a project using an external consultant.
Lone working	Working alone policy Working alone SOP Lone working job safety analysis (JSA) Provision of lone worker devices 24/7 device monitoring In house workshops Internal audits	High – auditing has shown that the policy, SOP, and JSA are not being followed completely by staff. Lone worker devices are not being used in accordance with the policy. Workshops have been held with staff and are ongoing. Performance conversations recommended.
Driving on Council business	Motor vehicle policy Driving on Council business JSA Eroads tracking device Online driver training 4x4 training	Low – audits have shown there is a good uptake on safe driving.
Site inspections	Site inspections JSA Situational safety and tactical	Moderate – there are a number of new staff yet to receive SSTC training. This will be addressed in November.

	communications (SSTC) training Working in road corridor training	
Psychosocial hazards	My Everyday Wellbeing Wellbeing Advocates EAP service	High – comments from the last staff survey indicate that wellbeing across the organisation has been affected by the recent realignment, change of CEO and overall workload. The CEO has requested a wellbeing drive to include workshops and tools for leaders and staff.
Threatening behaviour	Antisocial behaviours reference guide 2023 Evacuation/lock down plans Libraries and museums JSA Situational safety and tactical communications (SSTC) training Front counter safety training Staff Warning Flags Trespass notices	High - threatening behaviour incidents were the highest reported during Q1. Libraries are experiencing anti-social behaviour issues. Research is currently underway to contact security at Kaikohe library.

5. Incidents

All health, safety and wellbeing incidents reported by staff and contractors are recorded in PeopleSafe as “stories”.

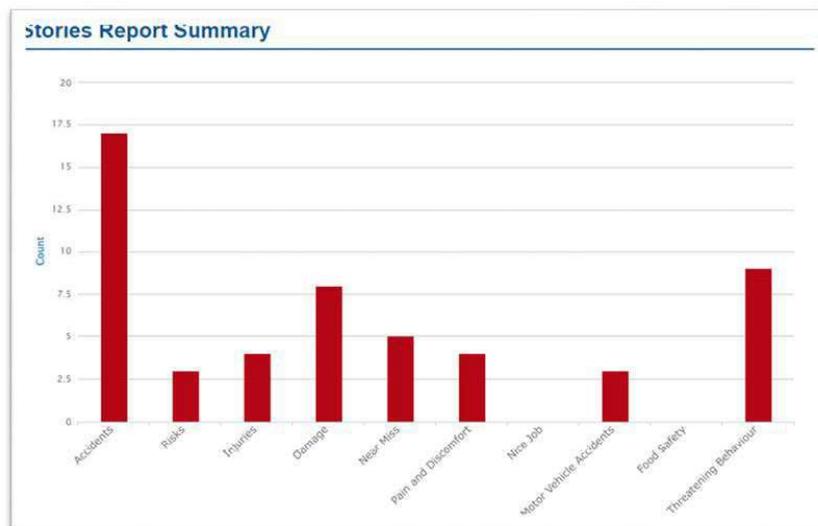


Figure 2: Data used in the graph above was obtained from PeopleSafe, FNDC’s incident management software. There were 34 stories told in PeopleSafe for Q1. Stories can be entered into PeopleSafe using more than one descriptor. All descriptors used in Q1 stories are shown in the graph above. All incidents are investigated by the HSW team, and any improvements required implemented. All serious incidents are reported directly to SLT at the time of occurrence and are subsequently investigated.

Driving

Driving on Council business is considered a critical risk. Staff, who are regular drivers, are provided with online driver training and face to face off road driving training. FNDC currently has 80 vehicles in its fleet, of which 30 are fitted with an eRoads device that provides location and speed information. The data in the figure 3 comes from fleet vehicles with an eRoads device fitted.

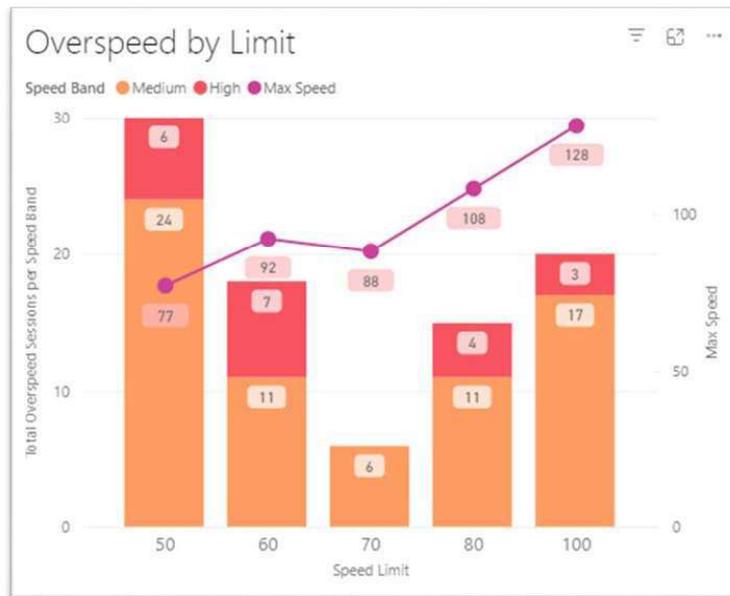


Figure 3: The data used in the graph above is taken from eRoads and shows overspeed events in comparison to road speed limits for Q1 2022. During Q1 the fastest speed recorded was 128kph in a 100kph zone. The highest % speed over a limit was 54% as a result of a vehicle recorded driving at 77kph in a 50kph area.

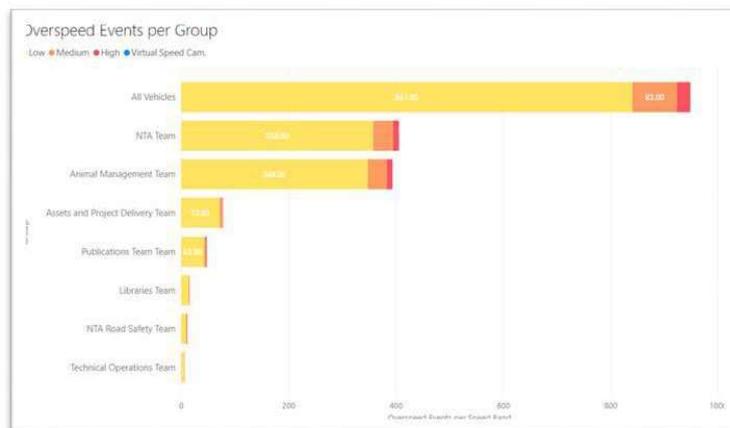


Figure 4: The data used in the graph above is taken from eRoads and shows speeding events by group for Q1 2023.

Lone Working

Lone working is considered a critical risk. The risk is managed through the provision of various lone worker devices. There were no specific alerts related to the use of lone working devices during Q1 that resulted in an incident.

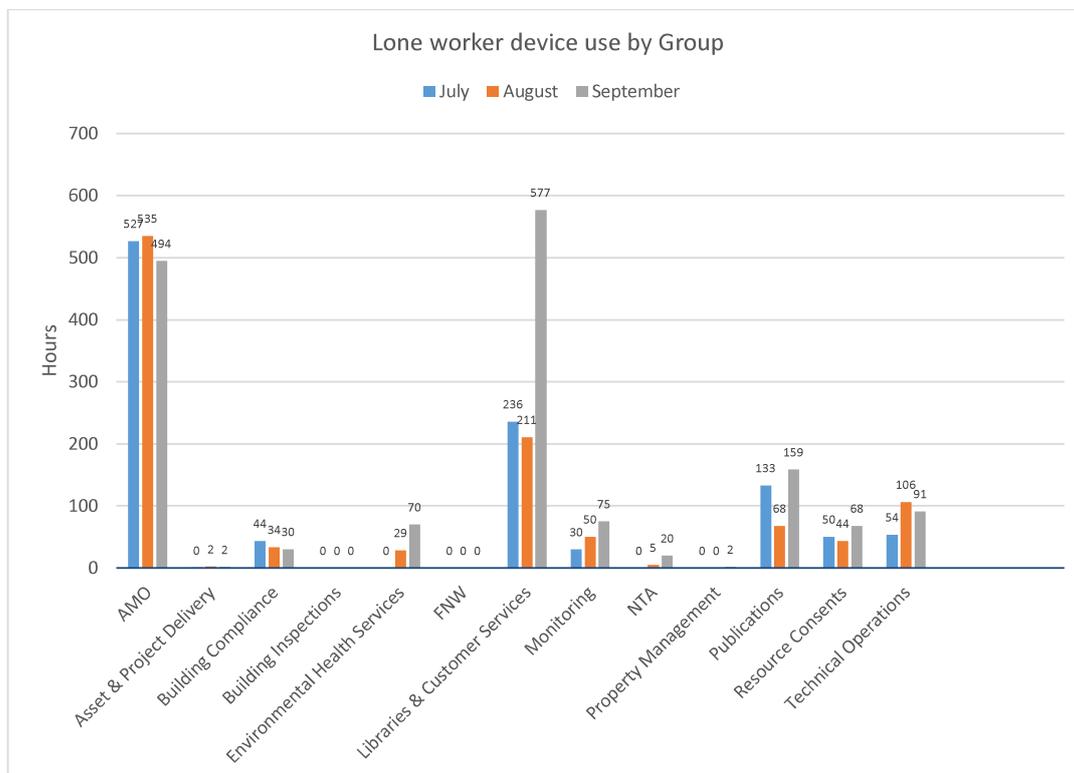


Figure 5: The data used in the graph above is taken from the Blackline Live monitoring software and shows the usage of G7c, G7x, Garmin inReach and Help Pendant lone worker devices during Q1. These devices are monitored 24/7 by Direct Safety.

Failing to use allocated devices represents not only a safety risk to Council but also reputational and financial risks. The HSW team recommends that leaders hold staff to account through performance conversations for not using allocated lone working devices in accordance with the [HSW 002 Working Alone Policy](#).

Threatening Behaviour

Threatening behaviour is considered a critical risk.

One report of threatening behaviour was received during August. The report originated from Kaikohe library staff. Although not considered serious the story reflects the ongoing issues around anti-social behaviour that library staff face. All front facing staff and compliance field officers are required to attend conflict resolution training on an annual basis. That training is arranged by the HSW team.

Kaikohe library is a concern, with regular reports of anti-social behaviour and vandalism being made by staff. It was agreed by SLT in August to fund a security guard on the door at Kaikohe library as a trial. Nicola Smith, Manager libraries and customer services, is currently researching options.

Staff Warning Flags

Staff warning flags (SWFs) are an alert system managed in our Pathway system across all applications when either a property or member of public has been identified as threatening and require safety controls to ensure the safety of our field staff prior to visiting a person or site as part of their work activities i.e. visit two up or

with police assistance. SWFs are reviewed by the approving management as to whether they will be renewed for another 12 months or whether the SWF is to be removed.

Trespass Noticeboard

Trespass notices where members of the public have been restricted from entering Council buildings are displayed on our TK3 Trespass Noticeboard. There is one active trespass notice restricting an individual from the Kaeo Service Centre. This is currently in force until November 2023. This notice board is only visible to our front-facing staff.

HSW training

The HSW team facilitates specific health and safety training throughout the year and upcoming training is visible on the HSW events calendar. Much of the training is covered by the HSW team's budget.

Civil Defence training is provided in collaboration with CDEM staff.

Table 2: Health and safety courses offered by the HSW team.

1st aid comprehensive
1st Aid refresher
4x4 driver training
Accident and Event Investigation Webinar H&S
Civil defence CIMS 3 – e-Learning
Civil defence CIMS 4
Civil defence EOC
Civil defence Intelligence
Civil defence Wellbeing
Civil defence staff exercise
EAP online
Fire Warden/Evacuation Training
Fleetcoach driver training
Front counter safety
Health & Safety Governance for SLT
Health, Safety & Wellbeing Staff Induction
HSR (Health, Safety and Wellbeing representatives)
Manual handling
Mental health 1st aid
National Suicide Prevention Training
Sitewise - know your contractor
Situational safety & tactical communications (1st time)
Situational safety & tactical communications (refresher)
Traffic Management - Inspector

6.7 PEOPLE AND CAPABILITY QUARTERLY UPDATE: 1 JULY - 30 SEPTEMBER 2023**File Number: A4430643****Author: Kerry Brett, Administrator - People & Transformation****Authoriser: Jill Coyle, Group Manager - People & Transformation****TAKE PŪRONGO / PURPOSE OF THE REPORT**

The purpose of this report is to present the Te Miromiro - Assurance, Risk and Finance Committee with the quarterly update for People and Capability.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

Included in the report is information on:

- Exit Interviews and Analysis.
- Personal Grievances; and
- Disciplinary Actions and Costs.

TŪTOHUNGA / RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive the report People and Capability Quarterly Update: 1 July - 30 September 2023

TĀHUHU KŌRERO / BACKGROUND

This report will be presented to the Te Miromiro - Assurance, Risk and Finance Committee on a quarterly basis.

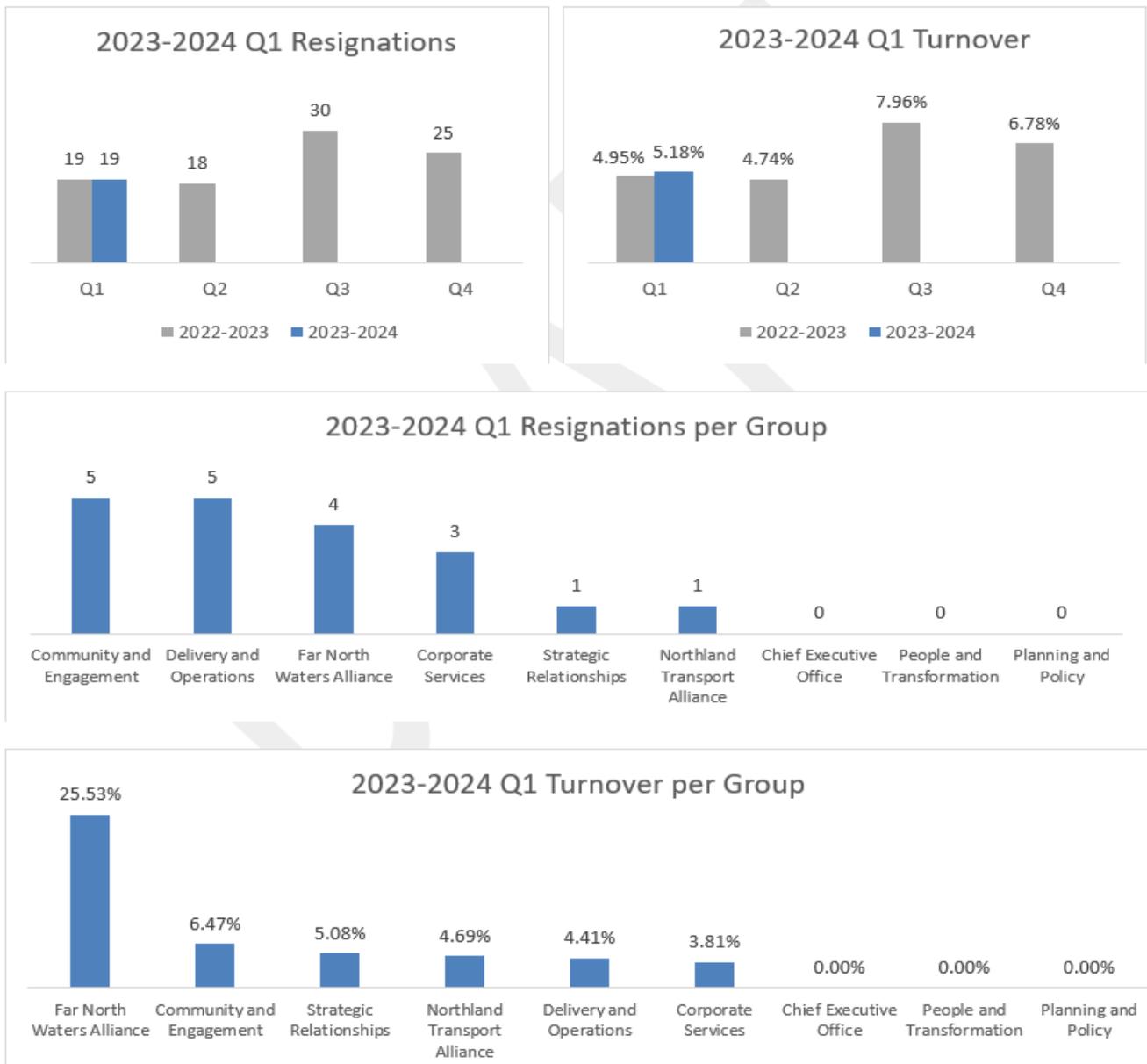
MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

This report is Information only.

Staff Turnover

During quarter one, 19 staff left Far North District Council. This has resulted in a quarterly turnover rate of 5.18%. For comparison, our 2022/2023 Q1 turnover rate was 4.95%.

FNWA turnover at 25.53% is as expected as we are currently in a period of transition in this area.



Exit Interviews and Analysis

The total number of survey responses completed for this financial year quarter is 12. Reviewing the Exit Survey responses provides us with valuable information on why staff are choosing to leave and highlights areas where we need to direct attention.

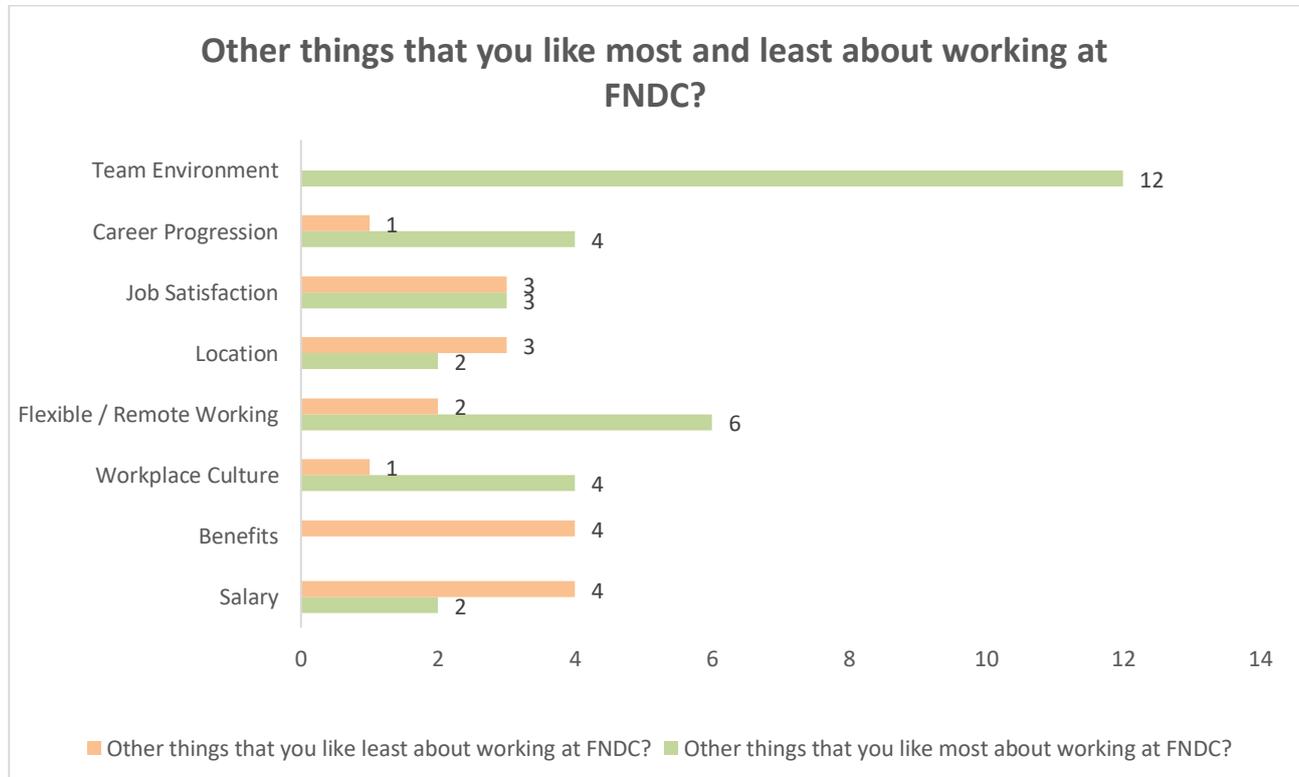
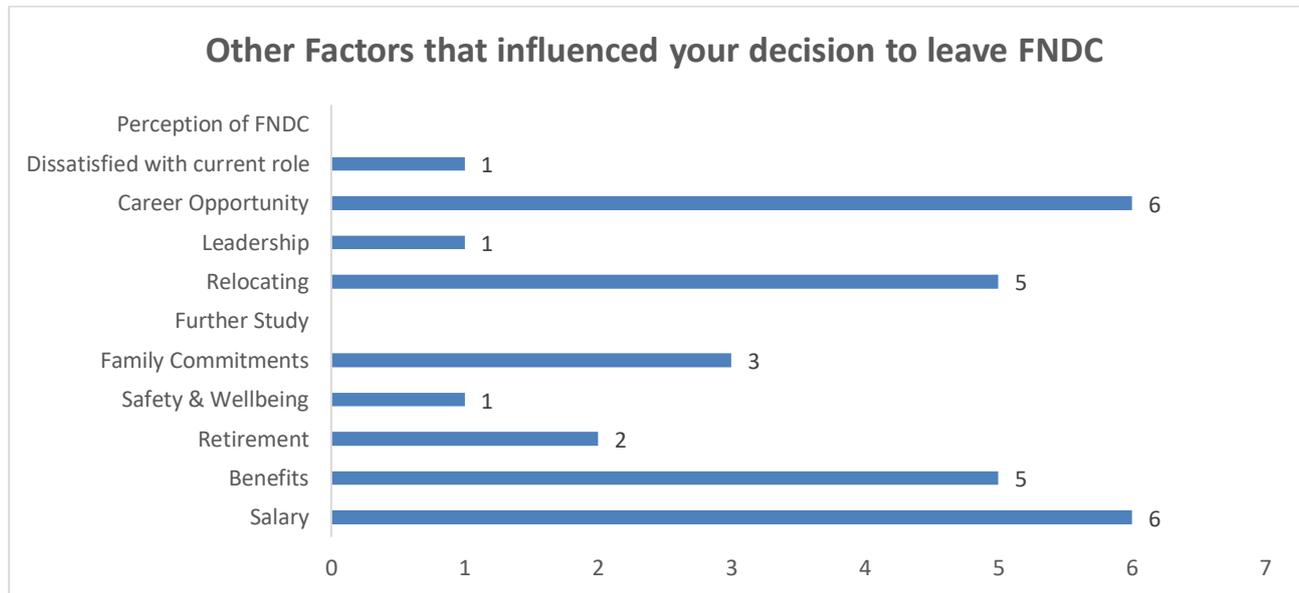
The following findings have been identified:

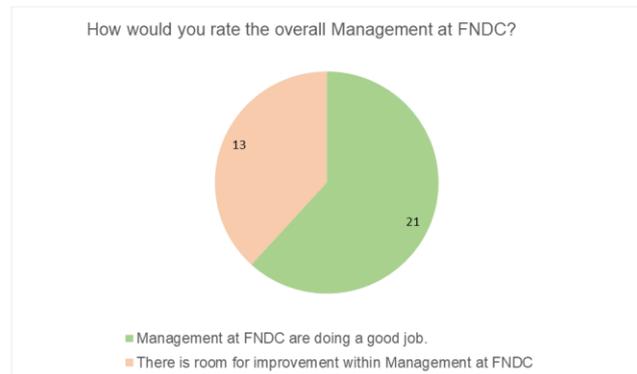
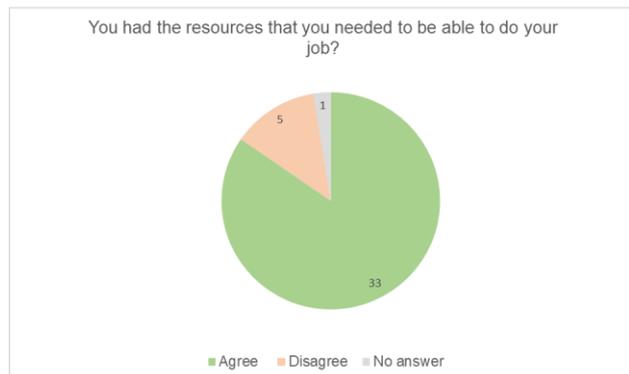
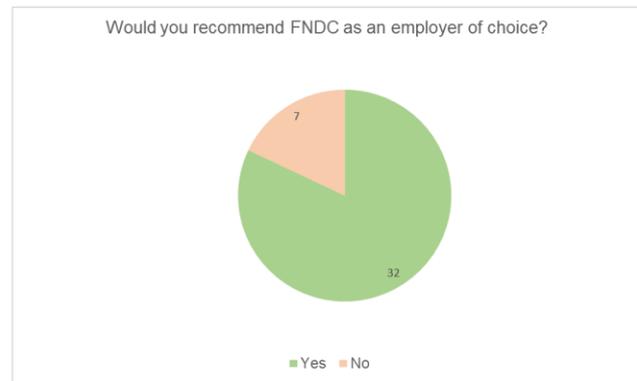
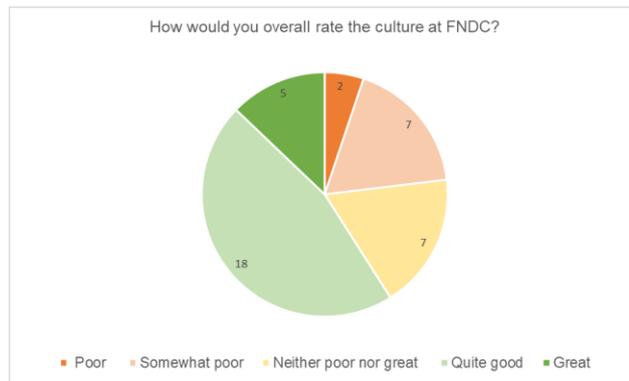
What staff liked most about working at FNDC:

- Team Environment
- Flexible/Remote Working
- Workplace Culture
- Career Progression

Top reasons to leave FNDC;

- Other Career Opportunity
- Salary
- Benefits
- Relocating





Personal Grievances

Any previous outstanding personal grievances have all been resolved.

There are no current personal grievances.

Retention and Recruitment Issues

Not unique to the Far North, there are some serious concerns regarding recruitment and retention of talent within Council.

While the nation-wide struggle for recruiting within the consents and planning spaces is showing no change, we have recently engaged external recruitment agencies to take a more direct targeted approach to fill these significant vacancies. We have had success using this approach and have filled two of our vacant Resource Consent roles and have three in the pipeline. Interviews in both the Resource Consents and Planning and Policy teams for the remaining various roles are progressing well.

Feedback that we are receiving from these recruitment agencies is that our salaries are not competitive and that there is a drive for fully remote working opportunities.

A cross-collaboration Leadership Framework working group has been established to develop a leadership program, tangible next steps and a timeline for implementation. The aim for the program is to equip leaders with the skills and principles to effectively lead people with the expected outcome to positively influence retention.

A refreshed approach to succession planning is being developed and this will help create meaningful development plans for staff, as well as increased retention.

We will be attending the P&I show with a FNDC stall and are developing a graduate programme so we can grow our talent further.

Disciplinary Actions and Costs

During this period there have been no formal disciplinary processes.

ĀPITIHINGA / ATTACHMENTS

Nil

6.8 LEVEL OF SERVICE KPI QUARTER 1 PERFORMANCE REPORT FOR 2023-2024**File Number: A4432048****Author: Jarna Sherry, Accounting Support Officer****Authoriser: Janice Smith, Group Manager - Corporate Services****PURPOSE OF THE REPORT**

The purpose of this report is to present the Level of Service KPI Performance Report for the Assurance, Risk and Finance Committee's consideration.

EXECUTIVE SUMMARY

This report is to present the level of service KPI performance report for the Assurance, Risk and Finance committee's consideration.

RECOMMENDATION

That the Te Miromiro - Assurance, Risk and Finance Committee receive the Level of Service KPI Quarter 1 Performance Report for 2023-2024.

BACKGROUND

An overview of staffing and financial data is included to give an overall picture of the activity groups, and what factors may have an influence on performance.

DISCUSSION AND NEXT STEPS

This report is for information only.

FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or budgetary provision needed as a result of this report.

ATTACHMENTS

1. **LOS KPI Report Quarter 1 2023_ 2024 - A4431566**  



Quarterly Performance Report:

Quarter 1: July - September 2024

Performance of Service Level Results

Introduction

Welcome to the performance report for the first quarter of 2023/2024.

This report focuses on the operational KPI's published in the Long Term Plan 2021-2031 that we report in the Annual Report, this includes local government mandatory performance measures by the Department of Internal Affairs (DIA), but does not include internal KPI's relating to the CEO or staff performance.

Roading

To maintain the District's roading network in a satisfactory condition and in accordance with national safety and engineering standards

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	38 total 5 fatal 33 serious injury crashes Actual increase in serious injuries and fatalities is 3	No increase	Fatalities/serious injury crashes 2023/24	2	2	1	5	-5
			Fatalities/serious injury crashes 2022/23	2	2	6	10	
			Variance	0	0	-5	-5	
			Q1 Performance Comments:					
			This first quarter 2023 saw an overall reduction in serious and injury crashes. This was due to the significant reduction during September. This could be attributed to the number of speed limit changes as well as supporting infrastructure projects that have been completed over this quarter.					
The average quality of ride on a sealed local road network, measured by smooth travel exposure	92%	>88%	Quality of ride on a sealed local road network 2023/24	0	0	0	0	0.0%
			Quality of ride on a sealed local road network 2022/23	0	0	0	0	
				0%	0%	0%	0%	
			Q1 Performance Comments:					
			Smooth Travel Exposure (STE) is an indication of the percentage of vehicle kilometers travelled on a road network with roughness below a defined roughness threshold. The results are generated at the end of the financial year.					

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The percentage of the sealed local road network that is resurfaced	0.6%	≥7% of the sealed network resurfaced per annum	Length resurfaced km	0	0	0	0	0.0%
			Total length sealed road network	0	0	0	0	
			%	0.0%	0.0%	0.0%	0.0%	
			Q1 Performance Comments:					
No reseals have been completed during the first quarter of 2023-2024 as the construction period commences October through to April. The reseal sites have been dispatched in RAMM for the Maintenance Contractors.								
The percentage of customer service requests relating to roads to which the territorial authority responds within the time frame specified:								
Emergency / Public Safety - within 3 hours	98.5%	≥95%	No. responded within timeframe	46	7	14	67	100.0%
			Total incidences	46	7	14	67	
			%	100.0%	100.0%	100.0%	100.0%	
Urgent - within 7 days	87.2%		No. responded within timeframe	27	20	27	74	98.7%
			Total incidences	28	20	27	75	
			%	96.4%	100.0%	100.0%	98.7%	
Non-urgent - within 14 days	86.5%		No. responded within timeframe	408	452	202	1062	99.6%
			Total incidences	411	452	203	1066	
			%	99.3%	100.0%	99.5%	99.6%	
Q1 Performance Comments:								
Targets achieved for response time to customer service requests throughout the quarter. Contractors are continuing to carry out programmed and remedial works as well as reinstating the roading network following impacts from Cyclone Gabrielle and the extensive rain throughout the previous quarter.								

The maintenance of the roads meets the council level of service targets as specified in our roading maintenance contracts	65.3%	at least 85% compliant at all times	North (fixed and repaired)	100.00%	100.00%	100.00%	300.00%	72.3%
			South (fixed and repaired)	99.25%	79.46%	100.00%	278.71%	
			Total	99.63%	89.73%	100.00%	144.68%	
						Q1 Performance Comments:		
			Completed ordered and routine works for road maintenance audited for the first quarter, as most month reached 100% for the North Area and two months i.e. July & August are less than 100% for the South Area due to the quality of work completed on site.					
The percentage of the sealed local road network that is rehabilitated	100%	0.5%	Length completed work km	0.0	0.0	0.0	-	0.0%
			Total length planned	0.0	0.0	0.0	-	
			%	0.0%	0.0%	0.0%	0.0%	
						Q1 Performance Comments:		
			No rehabilitation sites completed during the first quarter of 2023-2024 as the construction period commences October through to April.					
The Hokianga Ferry Service will run in accordance with the advertised timetable	95.6%	≥95%	No. runs on time	890	887	879	2656	97.6%
			Total scheduled crossings	908	914	898	2720	
			%	98.0%	97.0%	97.9%	97.65%	
						Q1 Performance Comments:		
			No mechanical or weather related interruptions during this quarter.					

Footpaths

To maintain the District's footpath network and infrastructure to high standards

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan).	Grade 1 - 52%	>90% in fair or better condition	Grade 1 - Excellent	0	0	0		0.0%
	Grade 2 - 37%		Grade 2 - Good	0	0	0		
	Grade 3 - 9%		Grade 3 - Average/ Fair	0	0	0		
	Grade 4 - 2%		Grade 4 - Poor	0	0	0		
	Grade 5 - 0%		Grade 5 - Very Poor	0	0	0		
				Q1 Performance Comments:				
				This KPI is reported annually at the end of financial year.				

Water Supply

To provide reliable and sustainable water supply, ensuring sustainable development and adequate water supply in times of emergency.

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The extent to which the local authority's drinking water supply complies with: (a) part 4 of the drinking-water standards (bacteria compliance criteria)	All schemes compliant	Each scheme continuously meets the required standards for drinking water	Kaikohe Compliant Y/N	Y	Y	Y	Y	100%
			Kerikeri Compliant Y/N	Y	Y	Y	Y	100%
			Paihia Compliant Y/N	Y	Y	Y	Y	100%
			Kawakawa Compliant Y/N	Y	Y	Y	Y	100%
			Kaitaia Compliant Y/N	Y	Y	Y	Y	100%
			Opononi Compliant Y/N	Y	Y	Y	Y	100%
			Rawene Compliant Y/N	Y	Y	Y	Y	100%
The extent to which the local authority's drinking water supply complies with: (b) part 5 of the drinking-water standards (protozoal compliance criteria)	All schemes compliant	Each scheme continuously meets the required standards for drinking water Each scheme to be reported on separately	Kaikohe Compliant Y/N	Y	Y	Y	Y	100%
			Kerikeri Compliant Y/N	Y	Y	Y	Y	100%
			Paihia Compliant Y/N	Y	Y	Y	Y	100%
			Kawakawa Compliant Y/N	N	N	N	N	0%
			Kaitaia Compliant Y/N	Y	Y	Y	Y	100%
			Opononi Compliant Y/N	N	N	N	N	0%
			Rawene Compliant Y/N	N	N	N	N	0%
			Q1 Performance Comments:					
			<p>Bacterial compliance - sampling in the distribution network recorded no breaches of E. coli. There were no boil water notices. There are some administrative "non-conformances" that are being addressed through the installation of new online chlorine monitoring devices.</p> <p>Protozoal compliance - Changes have been made to the Water Standard Document and as such "part 5 of the drinking water standards" no longer applies. This has been replaced by the Drinking Water Quality Assurance Rules (DWQAR). These changes have increased the requirements for protozoa treatment at Kawakawa, Omanaia/Rawene, and Opononi. Funding has been granted to install UV units at these plants. Once installed the plants will comply with protozoa rules. This non-conformance is not assessed as a risk to human health as there have been no reported protozoal illnesses.</p>					
The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this)	28.3%	<26%	Total Nett Metered	2,430,543	2,430,700	2,389,348	7,250,591	29.5%
			Total Nett Production	3,420,098	3,419,829	3,444,121	10,284,048	
			%	28.9%	28.9%	30.6%	29.5%	

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:								
(a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	1.0125	< 2 hours	Median attend time	0.96	0.70	0.60	0.70	0.70
(b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	6.32	< 4 hours	Median response time	4.55	4.00	6.18	4.55	4.55
(c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and	0.665	< 2 working days	Median attend time	0.65	0.70	0.65	0.65	0.65
(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	0.76 Working days	<3 working days	Median response time	0.62	0.70	0.66	0.66	0.66
			Q1 Performance Comments:		The results for resolution of urgent water call outs were affected by one RFS which had a 5.1-hour restoration time. This was due to the call being lodged at 1:30am and was a large mains burst which caused significant flooding to the road and surrounding area. Another two significant mains breaks happened in September resulting again in an extended restoration time. Deteriorating asset condition was a contributing factor to this break and restoration. One RFS was also miscoded as non-urgent and as a result the restoration time was affected.			

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The total number of complaints received by the local authority about any of the following: (a) drinking water clarity (a) drinking water taste (b) drinking water odour (c) drinking water pressure or flow (d) continuity of supply, and (e) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system.	22.97	Less than 100 complaints per 1000 properties	Complaints YTD	18	37	55	55	4.82
			Monthly complaints	18	19	18	55	
			Number connected properties	11406	11406	11406	11,406	
			Total per 1000 properties	1.58	3.24	4.82	4.8	
			Q1 Performance Comments:			The majority of the complaints received in this quarter were due to continuity of supply being disrupted. These disruptions were due to unavoidable, temporary water outages while emergency repair works were undertaken.		
The average consumption of drinking water per day per resident within the territorial authority district	268.02	≤ 350L per person per day	Volume consumed this month	2,430,543	2,430,700	2,389,348	2,416,864	308.38
			No of residents	21,472	21,472	21,472	21,472	
			Consumption per resident	310	310	305	308.4	

Wastewater

To provide reliable waste water infrastructure, protecting the environment and community

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system	3.13	≤ 12 per 1000 connections	Number affected	2	9	2	13	1.20
			Number connected properties	10,852	10,852	10,852	10852	
			Total per 1000 properties	0.18	0.83	0.18	1.20	
						Q1 Performance Comments:		
			The majority of the dry weather overflows for the first quarter were in the Northern area. The main causes for the overflows were due to system blockages and overflows of the gravity system.					
Compliance with the territorial authority's resource consents for discharge from its sewerage system, measured by the number of:								
(a) abatement notices	2	2 or less	Number of notices	0	0	0	0	0
(b) infringement notices	5	1 or less	Number of notices	0	0	1	1	1
(c) enforcement orders	0	0	Number of notices	0	0	0	0	0
(d) convictions	0	0	Number of notices	0	0	0	0	0
			Q1 Performance Comments:					
			One infringement notice was issued in September for a pumpstation spill at Haruru.					

Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following MEDIAN response times are measured:

a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site	1.42	≤ 2 hours	Median attend time (hours)	1.4	1.3	1.2	1.2	1.2
			Achieved/Not Achieved:	Achieved	Achieved	Achieved		
b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault	2.85	≤ 4 hours	Median response time (hours)	2.4	2.0	2.1	2.1	2.1
			Achieved/Not Achieved:	Achieved	Achieved	Achieved		

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Where Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following response times are measured:								
a) attendance	73.3%	≥ 95% responded in ≤ 2 hours	No. attended in 2 or less hours	9	13	8	30	78.9%
			Total incidences	13	15	10	38	
			%	69.2%	86.7%	80.0%	78.9%	
b) resolution to prevent overflow	72.6%	≥ 95% responded to in ≤ 4 hours	No. resolved in 4 or less hours	11	14	7	32	84.2%
			Total incidences	13	15	10	38	
			%	84.6%	93.3%	70.0%	84.2%	
			Q1 Performance Comments:					
			In the first quarter, lower than usual staffing levels had a noticeable impact on attendance and resolution times. The ongoing challenge of recruiting in this particular area has resulted in unfilled roles. Additional to the staffing is travel time across our district, has notable impacts.					
The total number of complaints received by the territorial authority about any of the following: a) sewage odour b) sewerage system faults c) sewerage system blockages, and the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage syst	25.89	≤ 50 per 1000 connections	Number affected	19	20	21	60	5.53
			Number connected properties	10852	10852	10852	10852	
			Total per 1000 properties	1.75	1.84	1.94	5.53	
			Q1 Performance Comments:					
			The majority of the complaints received in this quarter were due to blockages, however, two incidences of damage caused by a third-party were also reported.					

Stormwater

To enable sustainable development through urban storm water infrastructure, protecting the environment and community

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result	
The number of flooding events that occur in a territorial authority district	1	1 or less	Number of events	0	0	0	0	0	
For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's Stormwater system.)	0	0	Number affected	0	0	0	0	0	
			Number connected properties	15643	15643	15643	15643	0%	
			Total per 1000 properties	0%	0%	0%	0%	0%	
			Q1 Performance Comments:						
No flooding events recorded in this quarter.									
(a) abatement notices	0	1 or less	Number of notices	0	0	0	0	0	
(b) infringement notices	0	0	Number of notices	0	0	0	0	0	
(c) enforcement orders	0	0	Number of notices	0	0	0	0	0	
(d) convictions received by the territorial authority in relation to these resource consents	0	0	Number of notices	0	0	0	0	0	
The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site	No events recorded	≤ 48 hours	Median response time (hours)	0	0	0	0	0	
			Q1 Performance Comments:						
			No flooding events recorded in this quarter.						

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
The number of complaints received by a territorial authority about the performance of its Stormwater system, expressed per 1000 properties connected to the territorial authority's Stormwater system	11.19	No complaints	Number complaints	7	11	11	29	1.85
			Number connected properties	15643	15643	15643	15643	
			Total per 1000 properties	0.45	0.70	0.70	1.85	
			Q1 Performance Comments:					
				Most of the complaints in the first month were requests by the public to check stormwater manhole covers. The following months saw a combination of drain blockages and asset verifications.				

Solid Waste Management

To decrease the proportion of waste sent to landfill and increase the proportion of waste that is sent for recycling, promoting the sustainable management of resources and benefiting future generations

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Percentage by tonnage of waste from refuse transfer station that is recycled/ reused	58.2%	64%	Tonnage recycled/reused	721.78	954.97	787.03	2463.78	59.0%
			Total Tonnage	1317.62	1531.78	1330.01	4179.41	
			%	54.8%	62.3%	59.2%	59%	
			Q1 Performance Comments:					
			Northern contract averaged 60%, Southern contract 61% and the Russell contract 42%					
All refuse transfer stations are open to the public no more than 30 mins late once a year	98%	95% within the set time frame	Number of reports or complaints regarding late openings	0	0	0	0	0.00%
			Number of days opened across all sites per month. Summer = 648 days per month Winter = 580 day per month	580	580	580	1740	
			%	0.0%	0.0%	0.0%	0.0%	
			Q1 Performance Comments:					
			No late openings repoted in this quarter.					

Attending to RFS relating to illegal dumping

Offensive waste: pick up within 24 hours	100%	95% within set timeframe	No. collected within timeframe	0	0	0	0	0.0%
			Total incidences	0	0	0	0	
			%	0.0%	0.0%	0.0%	100.0%	
Standard waste: pick up within 4 days	85.5%	95% within set timeframe	No. collected within timeframe	13	21	9	43	89.6%
			Total incidences	14	23	11	48	
			%	92.9%	91.3%	81.8%	89.6%	
Q1 Performance Comments:								
No particularly difficult dumpings this quarter.								

District Facilities

Cemeteries

To ensure cemeteries are operated in a way that meets the community's needs

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
All grave digging services are carried out respectfully, safe and the site is kept in a clean and tidy state.	3 complaints received	No more than 1 complaint received regarding our grave digging services	No. complaints received	0	0	0	0	0
			Q1 Performance Comments					
			No complaints received regarding grave digging services. These continue to be monitored by auditing measures.					

Civic and Community Buildings

To provide buildings for public recreation and leisure

Performance Measure	2021-22 Result	2022-23 Target	Measures	Jul-22	Aug-22	Sep-22	Q1 Total Performance	YTD Result
All Civic and Community buildings are safe for Community use and meet all statutory legislation levels	63	All buildings compliant	Number uncertified	0	0	0	0	0
			Q1 Performance Comments:					
			All buildings remain compliant throughout this quarter.					

Housing for the Elderly

To provide housing for the elderly that is affordable, safe, well maintained, and strategically located

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Occupancy of available units	92.7%	95%	Occupied Units	133	130	127	127	88.2%
			Total Units	144	144	144	144	
			%	92.4%	90.3%	88.2%	88.2%	
Percentage of faults responded within: Emergency - 12 hours	No emergency faults reported	100%	No. responded within timeframe	0	0	0	0	0.0%
			Total incidences	0	0	0	0	
			%	0.0%	0.0%	0.0%	0.0%	
Percentage of faults responded within: Urgent - 2 days	81.4%	95%	No. responded within timeframe	4	8	9	21	95.5%
			Total incidences	5	8	9	22	
			Total incidences	80.0%	100.0%	100.0%	95.5%	
Percentage of faults responded within: Non Urgent - 7 days	79.4%	>85%	No. responded within timeframe	30	33	18	81	96.4%
			Total incidences	33	33	18	84	
			%	90.9%	100.0%	100.0%	96.4%	
Maintenance inspections on units carried out at least once a year	50%	Maintain / Increase	Number of units	144	144	144	144	46%
			Number of inspections carried out	0	21	45	66	
			Q1 Performance Comments					
				Renewal works projects are underway for HFTE Villages in Kaikohe, Oxford Street & Puckey Ave - Kaitaia. Works will start with the 15 vacant units in these Villages. The remaining two vacant units in Awanui and Horeke require repairs and maintenance before they can be tenanted again.				

Public Toilets

Council will provide well maintained and accessible public toilets in high use areas.

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Increase the number of public toilets with disabled access per annum in line with facility renewal/upgrades	1	2	Number completed	0	0	0	0	0
Ensure that public toilets are maintained to a cleanliness standard that enables users to have a pleasant experience	79.8	>90%	Number of audits met	10	17	14	41	82%
			Total number of audits	13	20	17	50	
			%	76.9%	85.0%	82.4%	82%	
			Q1 Performance Comments:					
			The target for audits has not been met for this quarter. Aged assets and outdated design of the toilet impacts the level of service being met. Other contributing factors include vandalism and graffiti.					

Customer Services

Council provides the right services, in the right places, to the agreed standard

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Percentage of abandoned calls (Contact Centre)	22.0%	<12%	Abandoned calls	2848.00	3921.00	2661.00	9,430	49.2%
			Total calls received	6,270	7,177	5,731	19,178	
			Percentage %	45.4%	54.6%	46.4%	49.2%	
			Q1 Performance Comments:					
				The percentage of abandoned calls performance is poor this quarter, with heavy workload volumes coinciding with extremely low resourcing levels due to staff movement into new roles across FNDC this KPI has been difficult to achieve.				
Service Centre users' satisfaction	2.89	Maintain / Increase	User satisfaction 2023/24	3.98	3.84	3.72	3.85	0.13
			User satisfaction 2022/23	3.69	3.73	3.74	3.72	
			Change from previous year	0.29	0.11	-0.02	0.13	
			Q1 Performance Comments:					
				User satisfaction rates remain steady, with spikes of less than 1% indicating overall customer satisfaction with services received.				
Percentage of customer enquiries resolved at first point of contact.	48%	67%	Number of enquiries	2833	3029	1259	7,121	80%
			Number of enquiries resolved at first point of contact	2308	2529	885	5,722	
			Percentage %	81%	83%	70%	80%	
			Q1 Performance Comments:					
				Percentage of enquiries resolved at first point of contact are trending positively, having met the target during July and August. This is a direct effect of work done around call scripting and evaluation processes.				

i-SITES

To provide booking and information services through the District's Information Centres, influencing visitors to stay longer and spend more

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Number of visitor bookings through the Information centres will show an increase each year	-7.7%	≥1% increase on previous year	Visitor bookings 2023/24	2,539	2,312	3,562	8,413	25.8%
			Visitor bookings 2022/23	1,816	1,952	2,920	6,688	
			Percentage change %	39.8%	18.4%	22.0%	25.8%	
						Q1 Performance Comments:		
			Visitor bookings are increasing with the increase in visitor numbers. Matariki in July was very well received with lots of people in Paihia resulting in increased bookings over that weekend. The Jazz and Blues festival in August was also very popular and well received.					
Increase net profit on retail sales by 1.5% per year (profit increase on previous year)	-24.4%	Retail sales net profit ≥1% increase on previous year	Percent net profit 2023/24	9.5%	54.0%	83.0%	48.8%	24.8%
			Percent net profit 2022/23	4.4%	53.8%	14.0%	24.1%	
			Change in percent net profit	5.1%	0.2%	69.0%	24.8%	
						Q1 Performance Comments:		
			Retail is continuing to be popular. The isites are continually sourcing locally made products and the three isites are well supported by locals and visitors.					
Customer/visitor satisfaction	3.3	Maintain / Increase	User Satisfaction 2023/24	5	5	5	5.00	3.33
			User Satisfaction 2022/23	0	0	5	1.67	
			Change	5	5	0	3.33	
						Q1 Performance Comments:		
			The isites are consistently receiving good feedback as well as a welcome increase in the number of visitor responses.					

Libraries

To provide quality library services for the benefit of all of the community

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Customer/visitor satisfaction	3.8	Maintain / Increase	Visitor satisfaction 2023/24	4.5	4.83	4.2	4.51	0.40
			Visitor satisfaction 2022/23	4.17	4.92	3.25	4.11	
			Change	0.33	-0.09	0.95	0.40	
			Q1 Performance Comments:					
			A low response rate continues to impact the overall customer satisfaction rates, however, we are happy to report a steady increase in customer satisfaction for this quarter.					
Increase the percentage of online library service use	63.3%	≥1% increase on previous year	Online hits 2023/24	177,296	203,865	190,519	571,680	19.9%
			Online hits 2022/23	169,835	153,108	153,924	476,867	
			Percentage change %	4.4%	33.2%	23.8%	19.9%	
			Q1 Performance Comments:					
			Use of online library services continue to grow steadily, reflecting ongoing curation and investment into the 'virtual library'.					

Increase the total library membership relevant to the population of the District	47.5%	Maintain / Increase	Membership numbers	34,153	34,374	34,536	34,354	48.4%
			District population	71,000	71,000	71,000	71,000	
			Percentage %	48.1%	48.4%	48.6%	48.4%	
Increase in number of attendees at library events and programmes	94.5%	5% Increase on previous year	Number of events held	235	300	250	785	-22.6%
			Number of attendees	1840	1914	2295	6,049	
			Average Number of attendees per event 2023/24	8	6	9	8	
			Average Number of attendees per event 2022/23	7	11	12	10	
			% Change	14.4%	-42.5%	-23.0%	-22.6%	
			Q1 Performance Comments:					
			Library membership continues to grow steadily. The number of library events and number of overall session attendees are also rising, which is a direct result of additional support being given to this area of operations.					

Museums

To provide quality museum services for the benefit of all in the community.

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Customer and Visitor satisfaction	No Survey responses	1% Increase on prior year	Surveys Received	0	0	0	0	No Surveys Received
			Survey Satisfaction Rating	-	-	-	-	
Increase in the number of visitors to the museum (door count)	228% increase on 2021/22	1% Increase on prior year	Number of visitors 2023/24	3658	3955	3998	11,611	161%
			Number of visitors 2022/23	2010	1173	1258	4,441	
			% Change	82%	237%	382%	161%	
Increase in the number of research requests completed	301% increase on 2021/22	1% Increase on prior year	Number of research requests completed 2023/24	30	33	27	90	105%
			Number of research requests completed 2022/23	7	15	22	44	
			% Change	329%	120%	23%	105%	
				Q1 Performance Comments:				
				In the past three months, our visits and research requests have consistently increased. This highlights the need for top-quality experiences for both local and out-of-towners to continue this positive trend.				

Environmental Management
Animal Control

To ensure animal related activities are managed in accordance with legislative requirements

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Respond to reported incidents by contacting customer and arranging next steps within the following timeframes:								
Urgent within 1.5 hours	94.5%	≥93%	No. responded within timeframe	46	50	43	139	88.5%
			Total incidences	56	54	47	157	
			%	82.1%	92.6%	91.5%	88.5%	
Non-urgent within 3 days	92.80%	≥93%	No. responded within timeframe	660	539	321	1520	95.5%
			Total incidences	685	571	336	1592	
			%	96.4%	94.4%	95.5%	95.5%	
			Q1 Performance Comments:					
			There has been a large amount of non-urgent RFS in this quarter, this is due to the registration period running from 1 July to 1 September.					

Environmental Health

To monitor food premises in accordance with the requirements of the Food Act, 2014.

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Food Control Plan and National Programme audits completed as scheduled	84.0%	≥95% of all food control plans and national programs assessed	No. completed as scheduled	26	41	27	94	94.9%
			Total scheduled	30	42	27	99	
			%	86.7%	97.6%	100.0%	94.9%	
			Q1 Performance Comments:			All of the cancelled verification visits were cancelled by the operator due to being unprepared or needing to reschedule due to personal reasons. All verifications for September were able to be completed as scheduled.		

Monitoring and Enforcement

To ensure compliance with Resource Management Act relating to noise pollution

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Respond to noise complaints within the following timeframes:								
In urban areas: 1 hour	75.6%	≥95% within set timeframe	No. responded within timeframe	35	31	51	117	77.5%
			Total incidences	47	39	65	151	
			%	74.5%	79.5%	78.5%	77.5%	
In rural areas: 2 hours	86.7%	≥95% within set timeframe	No. responded within timeframe	2	4	13	19	100.0%
			Total incidences	2	4	13	19	
			%	100.0%	100.0%	100.0%	100.0%	
			Q1 Performance Comments:			This is a challenging KPI due to the size and remoteness of the district and the contractor having to span resources across it. In some cases it is not possible for the contractor to travel to the location of the complaint within the given time frame.		

District Licensing

To license and monitor the sale of liquor in accordance with the Sale and Supply of Alcohol Act, 2012.

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
All licensed premises to be visited for Host Responsibility inspections at least once every four years.	99.0%	<75% of premises visited annually	No. premises visited	24	12	8	44	18.8%
			Total premises	233	234	234	234	
			%	10.3%	5.1%	3.4%	18.8%	
			Q2 Performance Comments:					
				The licensing team are on track to achieve this KPI with 18.8% of premises having been visited in the first quarter. This is on track to have a total of 75% of premises visited within the year.				

Resource Consent Management

To administer and enforce the Resource Management Act 1991.

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Respond to compliance incidents within 3 working days	80.8%	≥94%	No. responded within timeframe	7	18	16	41	93.2%
			Total incidences	9	18	17	44	
			%	77.8%	100.0%	94.1%	93.2%	
Process applications made under the Resource Management Act 1991 within statutory timeframes	21.7%	≥95%	No. processed within timeframe	19	19	17	55	39.0%
			Total applications	40	42	59	141	
			%	47.5%	45.2%	28.8%	39.0%	
			Q1 Performance Comments:					
				These KPIs have been challenging in the first quarter. Historic issues with application volumes, staff shortages and changes to organisation structures have impacted both processing capacity and decision-making capacity. This has led to reduced statutory compliance. Recruitment efforts are underway to improve staff capacity and measures have been put in place to improve decision making. Ongoing support from management to increase capacity is needed to achieve this KPI.				

Building Consent Management

To comply with current legislative requirements with regards to processing building consent applications

Performance Measure	2022-23 Result	2023-24 Target	Measures	Jul-23	Aug-23	Sep-23	Q1 Total Performance	YTD Result
Process building consents within statutory timeframes	100.0%	≥95%	No. processed within timeframe	99	117	70	286	100.0%
			Total applications	99	117	70	286	
			%	100.0%	100.0%	100.0%	100.0%	
			Q1 Performance Comments:					
			The Team continues to perform well. Staff movements can make this more challenging however, a slowing of consent applications is helping the team to maintain 100%. The contractor will aid in providing resources, but the BCA is looking to decrease reliance on them if we can.					

7 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Confirmation of Previous Minutes Public Excluded	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - 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 would exist under section 6 or section 7
7.2 - Cybersecurity and System Availability Risks Report	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - 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 would exist under section 6 or section 7
7.3 - FNDC Current Legal Action Potential Liability Claims	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - 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 would exist under section 6 or section 7

8 KARAKIA WHAKAMUTUNGA / CLOSING PRAYER

6 TE KAPINGA HUI / MEETING CLOSE