



**Far North
District Council**



Te Kaunihera o Tai Tokerau ki te Raki

AGENDA

Assurance, Risk and Finance Committee Meeting


Wednesday, 8 September 2021

Time: 1.30 pm

Location: Virtually via Microsoft Teams

Membership:

Chairperson John Vujcich
Deputy Chairperson Bruce Robertson
Mayor John Carter
Deputy Mayor Ann Court
Cr Mate Radich
Cr Rachel Smith
Cr Kelly Stratford
Cr Moko Tepania
Member Mike Edmonds
Member Adele Gardner

 Far North District Council <i>Te Kauhīhera o Tai Tokerau ki te Raki</i>	Authorising Body	Mayor/Council
	Status	Standing Committee
COUNCIL COMMITTEE	Title	Assurance, Risk and Finance Committee Terms of Reference
	Approval Date	19 December 2019
	Responsible Officer	Chief Executive

Purpose

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

The 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 Committee member must develop and maintain

his or her skills and knowledge, including an understanding of the Committee's responsibilities, and of the Council's business, operations and risks.

Membership

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

The Assurance, Risk and Finance Committee will comprise of at least five elected members (one of which will be the chairperson), and one independent appointed member.

Mayor Carter

John Vujcich – Chairperson

Bruce Robertson – Deputy Chairperson and Independent Member of the Committee

Moko Tepania

Mate Radich

Rachel Smith

Kelly Stratford

Ann Court

Mike Edmonds

Adele Gardner

Non-appointed councillors may attend meetings with speaking rights, but not voting rights.

Quorum

The quorum at a meeting of the Assurance, Risk and Finance Committee is 4 members.

Frequency of Meetings

The Assurance, Risk and Finance Committee shall meet every 6 weeks, but may be cancelled if there is no business.

Power to Delegate

The Assurance, Risk and Finance Committee may not delegate any of its responsibilities, duties or powers.

Committees 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 statement of intent and Annual Report (s67 LGA)
- Receive 6 monthly report on operations (s66 LGA)
- Receive quarterly financial statements
- Recommend appointment of directors of FNHL

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.

The Committee will approve applications to declare land abandoned and any other such matters under the Rating Act.

Rules and Procedures

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

Annual reporting

The Chair of the Committee will submit a written report to the Chief Executive on an annual basis. The review will summarise the activities of the Committee and how it has contributed to the Council's governance and strategic objectives. The Chief Executive will place the report on the next available agenda of the governing body.

ASSURANCE, RISK AND FINANCE COMMITTEE - MEMBERS REGISTER OF INTERESTS

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Hon John Carter QSO	Board Member of the Local Government Protection Programme	Board Member of the Local Government Protection Program		
	Carter Family Trust			
John Vujcich (Chair)	Board Member	Pioneer Village	Matters relating to funding and assets	Declare interest and abstain
	Director	Waitukupata Forest Ltd	Potential for council activity to directly affect its assets	Declare interest and abstain
	Director	Rural Service Solutions Ltd	Matters where council regulatory function impact of company services	Declare interest and abstain
	Director	Kaikohe (Rau Marama) Community Trust	Potential funder	Declare interest and abstain
	Partner	MJ & EMJ Vujcich	Matters where council regulatory function impacts on partnership owned assets	Declare interest and abstain
	Member	Kaikohe Rotary Club	Potential funder, or impact on Rotary projects	Declare interest and abstain
	Member	New Zealand Institute of Directors	Potential provider of training to Council	Declare a Conflict of Interest
	Member	Institute of IT Professionals	Unlikely, but possible provider of services to Council	Declare a Conflict of Interest
Bruce Robertson (Deputy)	Chair/Deputy Chair of a number of Audit and Risk Committees: Far North Auckland Bay of Plenty Regional Tauranga Thames Coromandel Hamilton Waipa Otorohanga Waitomo Environment Southland Invercargill Southland.		There is a low level of there being a potential interest conflict. An outside potential is water reform and 'discussion' of one north regional water company in loving North AKD with Watercare.	I remain aware of my roled and will Raise any matter with the Mayor/CEO And chair of ARF should any matter potentially conflict.
	Currently None are North AKD. Previously I have Undertaken work on Okara Park with Whangarei DC.	Advisory Work.	Okara Park is a regional Stadium. Matter solely related Governance and role of DC. Low risk of conflict.	
	Waipapa Business Association	Member		Case by case

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Deputy Mayor Ann Court	Warren Pattinson Limited	Shareholder	Building company. FNDC is a regulator and enforcer	Case by case
	Kerikeri Irrigation	Supplies my water		No
	District Licensing	N/A	N/A	N/A
	Ann Court Trust	Private	Private	N/A
	Waipapa Rotary	Honorary member	Potential community funding submitter	Declare interest and abstain from voting.
	Properties on Onekura Road, Waipapa	Owner Shareholder	Any proposed FNDC Capital works or policy change which may have a direct impact (positive/adverse)	Declare interest and abstain from voting.
	Property on Daroux Dr, Waipapa	Financial interest	Any proposed FNDC Capital works or policy change which may have a direct impact (positive/adverse)	Declare interest and abstain from voting.
	Flowers and gifts	Ratepayer 'Thankyou'	Bias/ Pre-determination?	Declare to Governance
	Coffee and food	Ratepayers sometimes 'shout' food and beverage	Bias or pre-determination	Case by case
	Staff	N/A	Suggestion of not being impartial or pre-determined!	Be professional, due diligence, weigh the evidence. Be thorough, thoughtful, considered impartial and balanced. Be fair.
	Warren Pattinson	My husband is a builder and may do work for Council staff		Case by case
Ann Court - Partner	Warren Pattinson Limited	Director	Building Company. FNDC is a regulator	Remain at arm's length
	Air NZ	Shareholder	None	None
	Warren Pattinson Limited	Builder	FNDC is the consent authority, regulator and enforcer.	Apply arm's length rules
	Property on Onekura Road, Waipapa	Owner	Any proposed FNDC capital work in the vicinity or rural plan change. Maybe a link to policy development.	Would not submit. Rest on a case by case basis.
Mate Radich	No form received			

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Kelly Stratford	KS Bookkeeping and Administration	Business Owner, provides book keeping, administration and development of environmental management plans	None perceived	Step aside from decisions that arise, that may have conflicts
	Waikare Marae Trustees	Trustee	Maybe perceived conflicts	Case by case basis
	Bay of Islands College	Parent Elected Trustee	None perceived	If there was a conflict, I will step aside from decision making
	Karetu School	Parent Elected Trustee	None perceived	If there was a conflict, I will step aside from decision making
	Māori title land – Moerewa and Waikare	Beneficiary and husband is a shareholder	None perceived	If there was a conflict, I will step aside from decision making
	Sister is employed by Far North District Council			Will not discuss work/governance matters that are confidential
	Gifts - food and beverages	Residents and ratepayers may 'shout' food and beverage	Perceived bias or predetermination	Case by case basis
	Taumarere Counselling Services	Advisory Board Member	May be perceived conflicts	Should conflict arise, step aside from voting
	He Puna Aroha Putea Whakapapa	Trustee	May be perceived conflicts	Should conflict arise, step aside from voting should they apply for funds
	Kawakawa Returned Services Association	Member	May be perceived conflicts	Should conflict arise, step aside from voting should they apply for funds
	Whangaroa Returned Services Association	Member	May be perceived conflicts	Should conflict arise, step aside from voting should they apply for funds
	National Emergency Management Advisor Committee	Member		Case by case basis
	Te Rūnanga ā Iwi o Ngāpuhi	Tribal affiliate member	As a descendent of Te Rūnanga ā Iwi o Ngāpuhi I could have a perceived conflict of interest in Te Rūnanga ā Iwi o	Declare a perceived conflict should there appear to be one

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
			Ngāpuhi Council relations	
	Te Rūnanga ā Iwi o Ngāti Hine	Tribal affiliate member	Could have a perceived conflict of interest	Declare a perceived conflict should I determine there is a conflict
	Kawakawa Business and Community Association	Member		Will declare a perceived conflict should there appear to be one
	Sport Northland	Board Member	May be perceived conflicts	Should conflict arise, step aside from voting
Kelly Stratford - Partner	Chef and Barista	Opua Store	None perceived	
	Māori title land – Moerewa	Shareholder	None perceived	If there was a conflict of interest, I would step aside from decision making
Rachel Smith	Friends of Rolands Wood Charitable Trust	Trustee		
	Mid North Family Support	Trustee		
	Property Owner	Kerikeri		
	Friends who work at Far North District Council			
	Kerikeri Cruising Club	Subscription Member		
	Vision Kerikeri	Financial Member		
Rachel Smith (Partner)	Property Owner	Kerikeri		
	Friends who work at Far North District Council			
	Kerikeri Cruising Club	Subscription Member and Treasurer		
	Vision Kerikeri	Financial Member		
	Town and General Groundcare Limited	Director/Shareholder		
Moko Tepania	Teacher	Te Kura Kaupapa Māori o Kaikohe.	Potential Council funding that will benefit my place of employment.	Declare a perceived conflict
	Chairperson	Te Reo o Te Tai Tokerau Trust.	Potential Council funding for events that this trust runs.	Declare a perceived conflict
	Tribal Member	Te Rūnanga o Te Rarawa	As a descendent of Te Rarawa I could have a perceived conflict of	Declare a perceived conflict

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
			interest in Te Rarawa Council relations.	
	Tribal Member	Te Rūnanga o Whaingaroa	As a descendent of Te Rūnanga o Whaingaroa I could have a perceived conflict of interest in Te Rūnanga o Whaingaroa Council relations.	Declare a perceived conflict
	Tribal Member	Kahukuraariki Trust Board	As a descendent of Kahukuraariki Trust Board I could have a perceived conflict of interest in Kahukuraariki Trust Board Council relations.	Declare a perceived conflict
	Tribal Member	Te Rūnanga ā-Iwi o Ngāpuhi	As a descendent of Te Rūnanga ā-Iwi o Ngāpuhi I could have a perceived conflict of interest in Te Rūnanga ā-Iwi o Ngāpuhi Council relations.	Declare a perceived conflict
Mike Edmonds	Chair	Kaikohe Mechanical and Historic Trust	Council Funding	Decide at the time
	Committee member	Kaikohe Rugby Football and Sports Club	Council Funding	Withdraw and abstain
Adele Gardner	N/A - FNDC Honorarium			
	Te Hiku Education Trust	Trustee		
	Te Ahu Charitable Trust	Trustee		
	ST Johns Kaitaia Branch	Trustee/ Committee Member		
	Te Hiku Sports Hub			
	I know many FNDC staff members as I was an FNDC staff member from 1994- 2008			
Partner of Adele Gardner	N/A as Retired			

Far North District Council
Assurance, Risk and Finance Committee Meeting
will be held virtually via Microsoft Teams on:
Wednesday 8 September 2021 at 1.30 pm

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1 KARAKIA TIMATANGA – OPENING PRAYER**2 NGA 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 Team Leader Democracy Support (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 TE TONO KŌRERO / DEPUTATION

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

4 CONFIRMATION OF PREVIOUS MINUTES

4.1 CONFIRMATION OF PREVIOUS MINUTES

File Number: A3051544

Author: Casey Gannon, Meetings Administrator

Authoriser: Aisha Huriwai, Team Leader 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 the Assurance, Risk and Finance Committee confirms the minutes of the Assurance, Risk and Finance Committee meeting held 21 July 2021 as a true and correct record.

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. 2021-07-21 Assurance, Risk and Finance Committee Minutes - A3278239**  

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.

**MINUTES OF FAR NORTH DISTRICT COUNCIL
ASSURANCE, RISK AND FINANCE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, MEMORIAL AVENUE, KAIKOHE
ON WEDNESDAY, 21 JULY 2021 AT 1.30 PM**

PRESENT: Chairperson John Vujcich, Deputy Chairperson Bruce Robertson, Deputy Mayor Ann Court, Cr Mate Radich (via Microsoft Teams), Cr Rachel Smith, Cr Kelly Stratford, Member Mike Edmonds, Member Adele Gardner

STAFF PRESENT: Shaun Clarke (Chief Executive Officer), William J Taylor, MBE (General Manager Corporate Services), Dean Myburgh (General Manager District Services), Andy Finch (General Manager Infrastructure and Asset Management), Darren Edwards (General Manager Strategic Planning and Policy)

1 KARAKIA TIMATANGA – OPENING PRAYER

Chairperson John Vujcich opened the meeting and opened with a karakia.

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

APOLOGY

RESOLUTION 2021/11

Moved: Chairperson John Vujcich

Seconded: Cr Rachel Smith

That the apology received from His Worship the Mayor and Councillor Moko Tepania be accepted and leave of absence granted.

CARRIED

3 NGĀ TONO KŌRERO / DEPUTATION

Nil.

4 CONFIRMATION OF PREVIOUS MINUTES

Agenda item 5.1 document number A3275485, pages 12 - 18 refers.

RESOLUTION 2021/12

Moved: Deputy Chairperson Bruce Robertson

Seconded: Member Adele Gardner

That the Assurance, Risk and Finance Committee confirms the minutes of the Assurance, Risk and Finance Committee meeting held 16 June 2021 as a true and correct record.

CARRIED

5 REPORTS

5.1 AUDIT NEW ZEALAND DOCUMENTATION FOR THE YEAR ENDED 30 JUNE 2021

Agenda item 5.1 document number A3275485, pages 19 - 51 refers.

RESOLUTION 2021/13

Moved: Cr Kelly Stratford

Seconded: Chairperson John Vujcich

That the Assurance, Risk and Finance Committee:

- a) receive the audit documents**
 - i) Audit Proposal Letter for the June 2021 and 2022 Financial Years;**
 - ii) Audit Plan for the Year Ended 30 June 2021; and,**
- b) approve the CEO and Mayor signing the documents on behalf of Council as appropriate.**

CARRIED

At 1:50 pm, Cr Kelly Stratford left the meeting. At 1:52 pm, Cr Kelly Stratford returned to the meeting.

5.2 FAR NORTH HOLDINGS MANAGEMENT ACCOUNTS QUARTER 3 2021

Agenda item 5.2 document number A3274408, pages 52 - 62 refers.

RESOLUTION 2021/14

Moved: Deputy Chairperson Bruce Robertson

Seconded: Cr Kelly Stratford

That the Assurance, Risk and Finance Committee receive the report Far North Holdings Management Accounts Quarter 3 2021.

CARRIED

6 INFORMATION REPORTS

6.1 JULY RISK MANAGEMENT REPORT

Agenda item 6.1 document number A3264780, pages 63 - 79 refers.

RESOLUTION 2021/15

Moved: Cr Rachel Smith

Seconded: Deputy Chairperson Bruce Robertson

That the Assurance, Risk and Finance Committee receive the report July Risk Management Report.

CARRIED

6.2 COUNCIL FINANCIAL REPORT FOR THE PERIOD ENDING 31 MAY 2021

Agenda item 6.2 document number A3270005, pages 80 - 107 refers.

RESOLUTION 2021/16

Moved: Chairperson John Vujcich

Seconded: Deputy Chairperson Bruce Robertson

That the Assurance, Risk and Finance Committee receive the report Council Financial Report for the Period Ending 31 May 2021.

CARRIED

6.3 REVENUE RECOVERY REPORT AS AT 30 JUNE 2021

Agenda item 6.3 document number A3277137, pages 108 - 112 refers.

RESOLUTION 2021/17

Moved: Chairperson John Vujcich

Seconded: Cr Kelly Stratford

That the Assurance, Risk and Finance Committee receive the report Revenue Recovery Report as at 30 June 2021.

CARRIED

6.4 ACTION SHEET UPDATE

RESOLUTION 2021/18

Moved: Chairperson John Vujcich

Seconded: Deputy Chairperson Bruce Robertson

That the Assurance, Risk and Finance Committee receive the report Action Sheet Update July 2021.

CARRIED

7 TE WĀHANGA TŪMATATI / PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2021/19

Moved: Deputy Chairperson Bruce Robertson

Seconded: Cr Kelly Stratford

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)(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 - Technology Update 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 – Tender Panel Report January – June 2021	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

CARRIED

CONFIRMATION OF INFORMATION AND DECISIONS TO BE RELEASED IN PUBLIC

RESOLUTION 2021/21

Moved: Chairperson John Vujcich
 Seconded: Cr Kelly Stratford

That Assurance, Risk and Finance Committee confirms the information and decisions contained in the part of the meeting held with public excluded remain in public exclusion.

CARRIED

RESOLUTION TO READMIT THE PUBLIC

RESOLUTION 2021/22

Moved: Chairperson John Vujcich
 Seconded: Cr Rachel Smith

That the Assurance, Risk and Finance Committee moves out of Public Excluded Committee and into Open committee meeting.

CARRIED

8 KARAKIA WHAKAMUTUNGA – CLOSING PRAYER

Councillor Smith closed the meeting with a karakia.

9 TE KAPINGA HUI / MEETING CLOSE

The meeting closed at 3:15 pm.

The minutes of this meeting will be confirmed at the Assurance, Risk and Finance Committee Meeting held on 8 September 2021.

.....
CHAIRPERSON

5 REPORTS

5.1 INVESTMENT OF RETURNED GST FUNDS 30 JUNE 2021

File Number: A3338916

Author: Janice Smith, Chief Financial Officer

Authoriser: William J Taylor MBE, General Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek approval to invest the GST refund received in August 2021 because of the Local Government (Rating) Act 2002 write off adjustments.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- In April 2021, the Local Government (Rating) Act 2002 (the Act) was amended to make unused/unoccupied Māori Freehold Land not rateable.
- The Act also provided the power for the Chief Executive to write off amounts that were unrecoverable.
- A total of \$14,539,782 was written off Māori Freehold Land rate accounts in relation to these changes and that has resulted in an unplanned refund of GST.

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee approve:

- a) The investment of \$1,960,702 in term deposits with the ASB Bank;**
- b) The revolving investment period be determined by the Chief Financial Officer based on the available rates; and**
- c) The funds remain invested and funds accumulated to repay underlying debt over time.**

1) TĀHUHU KŌRERO / BACKGROUND

In April 2021 the Rating of Whenua Māori Amendment Bill was given Royal Assent.

This introduced new requirements into the Local Government (Rating) Act 2002 that required Council to make land that was unused and unoccupied, non-rateable from 1 July 2021.

Staff identified accounts that were currently under remission as well as those that had an improvement value of \$15,000 or less as being the accounts to which this would apply.

A new section of the Act related to the power for the Chief Executive to write off arrears that were deemed uncollectible.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The rate accounts to which to new provisions applied were identified as follows:

1. Accounts that were already receiving remission under the Māori Freehold Land unused/unoccupied land policy.
2. Accounts that had an improvement value of \$15,000 or less as this was deemed to identify there might only be fencing or sheds on the land.
3. CE initiated write offs were applied to Māori Freehold Land accounts where there were arrears prior to 1 July 2018 and the account had previously had statute barred rates.

The overall value of the write offs as at 30 June 2021 was \$14,539,782. This sum included penalties which are not subject to GST.

The previous legal position in relation to the write off of rates was that the values had to remain uncollected for 6 years at which point they became statute barred. It was at this point that Council could reclaim the GST paid on the rates charged.

The above changes to the Act resulted in early write off of uncollectible amounts which in turn resulted in an unplanned refund of GST of \$1,960,702

In recent years, Council has maintained an “under lying” debt position of around \$46m. This can be partly attributed to outstanding rate debtors over time. As amounts identified above have now been written off it is recommended that the “windfall” return of GST be invested to earn interest over time and that the accumulated sum be used to repay underlying debt.

Take Tūtohunga / Reason for the recommendation

To seek approval to create an underlying investment from which Council could repay underlying debt over time.

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

There are no specific financial implications as the GST refund has not been factored into the budgets.

ĀPITI HANGA / 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.	IRD rules for GST; Local Government (Rating) Act 2002, Council rating relief policies
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 Community Board views have not been sought as this is a district wide issue
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.	The accounts to which the adjustments have been made are all Māori Freehold Land accounts
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).	Not applicable
State the financial implications and where budgetary provisions have been made to support this decision.	There are no specific financial implications
Chief Financial Officer review.	The Chief Financial Officer prepared this report

5.2 EMERGENT RISK, PROGRAMME DARWIN

File Number: A3326782

Author: Tanya Reid, Business Improvement Specialist

Authoriser: William J Taylor MBE, General Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek approval to include the emerging risk, “Programme Darwin”, on the Organisational Top Risks Dashboard.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

The Risk Management Policy requires the reporting of:

- emerging, changing and decreasing risks of potential impact to the achievement of Council objectives; and
- to escalate in a timely manner any risk management issues or concerns when they arise.

A Programme Darwin risk has been identified as an emerging risk leading to this report recommendation for inclusion of the risk on the Organisational Top Risks Dashboard.

Addition of this emerging risk on to the Organisational Top Risks Dashboard will enable governance focus.

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee approves the addition of the “Programme Darwin” risk onto the Organisational Top Risks Dashboard.

1) TĀHUHU KŌRERO / BACKGROUND

The Organisational Top Risks Dashboard was adopted by Council in May 2019. Good risk management practice includes the identification of emerging risks, and as appropriate (based on impact and likelihood analysis) escalation to the Assurance, Risk and Finance Committee for addition to the Organisational Top Risks Dashboard.

Darwin is a programme of work designed to deliver:

- Accurate, complete asset data that is controlled and maintained by FNDC
- Robust analysis on this data that enables better long-term infrastructure decisions and delivers better value for money
- Clear asset management hierarchy, with the links between strategic and operational asset management defined
- Commitment horizontally – Planning, engineering, finance, strategy, project management, and vertically – Strategic Leadership Team, third tier Managers, Officers; to partner in continuing to develop our capability, capacity, and commitment in asset management
- An accurate data set allowing trade-offs to be determined with confidence so that the best value whole-of-life strategies can be developed, using real-time data
- The asset management IT system, Infor Public Sector Suite (IPS Suite), is fully integrated with all other FNDC and Alliance Partner systems enabling easy information sharing, analysis, and ultimately better information to inform decisions
- A higher level of asset management competence within existing staff, and growing a pipeline of asset management talent
- A culture of continuous development to be agile enough to flex to changing asset management requirements.

On 14th June 2021, a programme Darwin risk workshop was held. The workshop was attended by a cross functional group of subject matter experts including the programme Darwin team. The following risk was identified then scored and categorised at the workshop.

Because of the programme Darwin complexity - long timeline, partially defined programme scope; and the need to be agile, to respond to our changing environment (i.e. physical, technological, regulatory, economic) there is a chance that the programme will not be successfully delivered, leading to poor community outcomes.

This risk was scored, to prioritise, using the FNDC IDEATE methodology which assessed this risk against the defined risk categories and risk tolerances. Further the risk impact was categorised as both organisational and strategic.

In accordance with our Risk Management Policy, adopted by Council August 2019, the “Programme Darwin” risk has been identified as an emerging risk.

It is worth noting that Programme Darwin also impacts the management and treatment of several organisational risks, namely ARF001 Climate Change, ARF004 Asset Management, ARF005 Affordability, ARF010 Data Governance and ARF013 Drinking Water Resilience. The District Plan Team is also reliant on asset management information to inform district planning decisions.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The “Programme Darwin” risk has been analysed as an organisational and strategic risk. The score of 35 puts this risk in the high-risk category. Using the organisational risk and likelihood statements the Programme Darwin inherent risk impact score is calculated as follows:

1. Finance category, 9: Impact is high ($\geq 0.3\%$ rates increase); likelihood is will happen (the risk is likely to occur and there is frequent exposure to this risk)
2. FNDC Customer category, 9: Impact is high (potential loss of essential service and cost to customer); likelihood is will happen (the risk is likely to occur and there is frequent exposure to this risk)
3. Reputational category, 9: Impact is high (loss of national trust and confidence, 2-5 years to re-establish); likelihood is will happen (the risk is likely to occur and there is frequent exposure to this risk)
4. Compliance / Legal, 7: Impact is medium (we are challenged and found to be non-compliant with fines or penalties <\$500,000); likelihood is will happen (the risk is likely to occur and there is frequent exposure to this risk)
5. Health & Safety, 1: Impact is low (no health and safety risk has been identified); likelihood is unlikely (risk is unlikely to occur).

The full Organisational Risk Impact and Likelihood Statements are provided in the appendix.

Table 1: “Programme Darwin” risk inherent risk impact score using the organisational risk and likelihood statements:

	Financial			Customer			Reputational			Compliance/Legal			Health and Safety		
High - Intolerable			X			X			X						
Medium												X			
Low- none													X		
	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen

The likelihood of the “Programme Darwin” risk materialising has been assessed as “will happen.”

Three treatments (see table 4) have been identified, and work on these treatments is already in progress. The impact (to the risk) of implementation of the identified treatments has been assessed.

The residual risk impact is expected to decrease in the financial, customer, reputational and compliance pillars; and likelihood of the impacts materialising in these pillars is expected to decrease for the customer, reputational and compliance pillars. No change is expected to Health & Safety.

Overall, the expected residual risk will decrease to 13 (see table 3), with the likelihood of the risk materialising estimated to be probable (the risk will possibly occur once in every two years).

Table 2: Risk map as assessed August 2021 identifying inherent risk profile and expected residual profile.

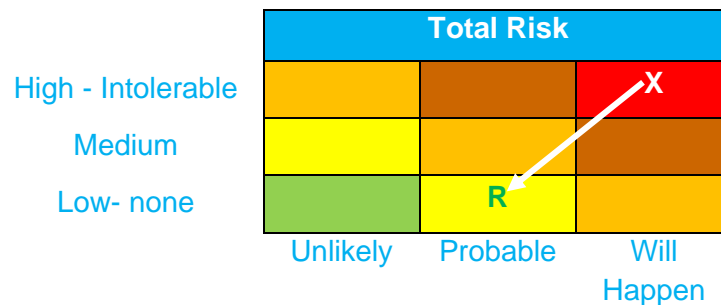


Table 3: Expected change to the risk impact score using the organisational risk and likelihood statements:

	Financial			Customer			Reputational			Compliance/Legal			Health and Safety		
High - Intolerable			X			X			X						
Medium			R									X			
Low- none				R			R				R		X		
	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen	Unlikely	Probable	Will Happen

Table 4: High level treatment plans and progress up-date:

High level treatment plan:	Progress update:
Identify the gaps in the programme resourcing, processes (e.g. Business Requirements Specification), Scoping, Impact Analysis, Costing, Scheduling, etc., for the various programme workstreams.	Planning workshop initiated to identify gaps in programme approach and scope.
The recently updated Darwin stakeholder register will serve as a reference for engagement strategies to particular stakeholder groups.	The Programme Manager is drafting a business case to seek budget for the appointment of a Stakeholder Workstream Lead (12 months appointment), Process Workstream Lead (12-month appointment) and business analysis (six month appointment).
The updated stakeholder register will serve as a reference for communication strategies and plans to respective stakeholder groups.	The PMO has agreed to allow Andy Dowdle to lead the Change Management and Communication workstream.

Two further linked IAM Group risks have been identified (see table 5). The treatment of each of the three risks are interlinked.

Table 5: Linked Programme Darwin risk statements from Infrastructure and Asset Management Group Risk Register:

Group / SLT	Risk level	Inherent Risk	Risk description	Because of	There is a chance that...	leading to...
IAM	Group	31	Operational/Financial	- A lack of clear messages	Stakeholders do not know why we are doing Programme Darwin	Disengagement and risking the delivery of Programme Darwin
IAM	Group	13	People and culture	Ad hoc communication	We are not communicating the right thing to the right people	Confusion and poor engagement

The benefits of adding this risk to the Organisational Top Risks Dashboard are:

- Governance focus to support Council achieving their objectives,
- Regular risk update reporting to the Assurance, Risk and Audit Committee with status and details of the treatment plans being implemented; and
- Deep dive risk workshop(s).

Effective risk management decreases either the probability of risks occurring and/or the impact if the risk does occur. By developing and implementing effective treatment plans we expect to both decrease the probability and impact of these risks.

Two options are proposed

1. Maintain the status quo with the Programme Darwin risk on the Infrastructure and Asset Management Group Risk Register
2. Add the Programme Darwin risk as ARF014 Programme Darwin to the Organisational Top Risks Dashboard, with three monthly risk progress reports, to ensure governance and that we address the questions – where are the gaps and what more could we be doing?

Take Tūtohunga / Reason for the recommendation

To ensure governance, at the appropriate level, our recommend option is option two as Programme Darwin is an organisational high impact strategic risk.

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

No immediate additional budgetary provision. However, the treatment plan does identify the need for additional resources to support workstream leads and business analyst to support the implementation of the programme. The business case will identify whether existing budgets can absorb these costs or whether additional budget will be necessary.

ĀPITIHINGA / ATTACHMENTS

1. **2019 10 Simplified Organisational Risk Categories with Impact and Likelihood Statements - A3326855** [↓](#) 

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	The recommendation in this report does not meet the thresholds as per the Council's significance and engagement policy.
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.
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.	None
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.	The recommendation in this report does not have any direct implications for Māori.
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 are no affected or interested parties to this recommendation.
State the financial implications and where budgetary provisions have been made to support this decision.	There is no financial implication or request for budgetary provision.
Chief Financial Officer review.	The Chief Financial Officer has reviewed this report.

Organisational Risk Impact and Likelihood Statements

	Financial	FNDC Customer (ratepayer, resident and/or other occupant)		Reputation	Compliance / Legal	Health & Safety																													
Impact if risk is left “as is”:	Impact on Budget, Department or Team; and /or Impact on annual Council budget in \$	Financial impact to customer	Customer impact due to loss of a provision of essential service, or essential piece of infrastructure	The impact on FNDC’s reputation	The legal impact on FNDC’s legal adherence / regulatory compliance	The impact to people(s) health & safety arising from FNDC operations or a situation where FNDC are liable																													
High to Intolerable	<ul style="list-style-type: none">>10% of project or departmental budget;>\$100,000 OPEX pa impact to Council budget; and/or≥ 0.3% rates increase	>\$10k	<table><tr><td rowspan="5">People (Far North population)</td><td>> 1000</td><td></td><td></td><td></td></tr><tr><td>6 to 1000</td><td></td><td></td><td></td></tr><tr><td><6</td><td></td><td></td><td></td></tr><tr><td></td><td><12</td><td>12-24</td><td>>24</td></tr><tr><td colspan="4">Hours (delay)</td></tr></table> <table><tr><th colspan="2">Key to impact</th></tr><tr><td>Intolerable</td><td></td></tr><tr><td>Medium</td><td></td></tr><tr><td>Low to None</td><td></td></tr></table>	People (Far North population)	> 1000				6 to 1000				<6					<12	12-24	>24	Hours (delay)				Key to impact		Intolerable		Medium		Low to None		<ul style="list-style-type: none">External reputation severely damaged, considerable effort and expense required to recover e.g.<ul style="list-style-type: none">2-5 years to re-establish confidence;Loss of national trust & confidence including government such as:<ul style="list-style-type: none">Trending presence in national and international media; and/or> 15% staff turnover pa and/or turnover of organisational critical roles	<ul style="list-style-type: none">FNDC get challenged and are found to be non-compliant with :<ul style="list-style-type: none">appointment of a commissioner under the LGA;criminal conviction and/or fines, penalties; orlegal exposure in excess of \$500,000; and/orContract: termination of contract (breach / default etc.)	<ul style="list-style-type: none">Any loss of lifeSerious injury / disability (as defined by the Act) to one or more lives and/or Public Health outcome
People (Far North population)	> 1000																																		
	6 to 1000																																		
	<6																																		
		<12	12-24		>24																														
	Hours (delay)																																		
Key to impact																																			
Intolerable																																			
Medium																																			
Low to None																																			
Medium	<ul style="list-style-type: none">1% - 10% of project or departmental budget; and/or\$50,000 to \$100,000 OPEX pa impact to Council budget and/or0.1 to 0.3% rates increase	\$5k - \$10k		<ul style="list-style-type: none">External reputation damaged, effort and expense is required to recover; and/orLoss of regional trust & confidence including iwi, funding partners and elected members such as:<ul style="list-style-type: none">Presence in regional/local media only; and/or1-2 years to re-establish confidence.10- 15% staff turnover pa with “normal” turnover of organisational critical roles	<ul style="list-style-type: none">FNDC get challenged and are found to be non-compliant with<ul style="list-style-type: none">fines, penalties or legal exposure <\$500,000Contract: receive written notice form the contractor threatening termination if not rectified	Minor harm and/or isolated recoverable illness																													
Low to None	<ul style="list-style-type: none">< 1% of project or departmental budget; and/or<\$50,000 OPEX pa impact to Council budget and/or<0.1 rates increase	<5k		<ul style="list-style-type: none">External reputation minimally affected, little effort or expense required to recover; and/orLoss of stakeholder trust & confidence at local level<ul style="list-style-type: none">Presence in local media only; and/or<1 year to re-establish confidence.<10% staff turnover pa	<ul style="list-style-type: none">Might be challenged or threat of litigation:<ul style="list-style-type: none">but are compliant; orhave the appetite to tolerate non-compliance cost (treating exceeds legal penalty we could receive.)Contract: receive verbal advice that, if breaches continue a default notice may be issued; or results in meeting between two parties in which contractor expresses concern																														

Probability:	
Will happen	The risk is likely to occur. There is frequent exposure to the risk. There are external influences that make managing this risk ineffective.
Probable	The risk will possibly occur e.g. once in every 2 year event There is an exposure to the risk. There are external influences that make managing this risk difficult.
Unlikely	The risk is unlikely to occur e.g. once in every 10 year event There is a low exposure to the risk.

Score by impact and likelihood			
High to Intolerable	5	7	9
Medium	3	5	7
Low to None	1	3	5
	Unlikely	Probable	Will happen

6 INFORMATION REPORTS

6.1 SEPTEMBER 2021 RISK MANAGEMENT REPORT

File Number: A3339293

Author: Tanya Reid, Business Improvement Specialist

Authoriser: William J Taylor MBE, General Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To provide an information report on organisational risk management, emergent risk and scheduled risk progress reports for the organisation's top risks.

No decision is required.

WHAKARĀPOOTO MATUA / EXECUTIVE SUMMARY

Risk progress updates are provided for four of the top organisational risks. The risk rating trend for two of these risks has been assessed as stable, one as decreasing and one risk trend as increasing.

Additionally, the Assurance, Risk and Finance Committee agenda includes an information risk progress report on the externally funded project risks.

One new emergent risk has been identified. As an organisational and strategic risk, the "Programme Darwin" risk is subject of a separate decision report.

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee receive the report September 2021 Risk Management Report.

TĀHUHU KŌRERO / BACKGROUND

The top organisational risks are risks that may impact on Council achieving its vision, mission and community outcomes and are regularly reported to the Assurance, Risk and Finance Committee to ensure they are being appropriately managed. A number of these risks are subject to external influences which may affect effective council operations.

Table 1, below, provides a risk snapshot of the Assurance, Risk and Finance Committee Organisational Risk Dashboard with inherent and residual risk scores as accepted by this Committee and the risk progress to the residual risk score as assessed by the risk subject matter experts.

Table 2 details the 2021 risk work programme.

Within Council risk management at a group and departmental level continues.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

Table 1: July 2021 Top organisational risk dashboard

Key to trend of risk rating:  Decline
 No change/stable
 Increase

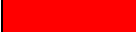


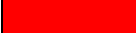






Risk ID:	Risk title	Inherent risk score	Trend of risk rating	Residual risk score	Accountable Risk Governance	Responsible Risk Governance	Risk Progress Report schedule	Risk Progress Report ARF agenda:
ARF001	Climate Change	63		30	CEO	GMSP	6 Monthly	Sep 21
ARF003	Health & Safety Vulnerabilities	46		34	CEO	Manager P&C	3 Monthly	July 21
ARF004	Asset Management Risks	45		18	CEO	GMIAM	6 Monthly	Sep 21
ARF005	Affordability Risk	45		26	CEO	GMSP	6 Monthly	June 21
ARF006	Project Priorities Deliveries Delays	45		14	CEO	GMIAM	3 Monthly	July 21
ARF007	Compliance NRC Abatements	45		18	CEO	GMIAM	6 Monthly	June 21
ARF009	Customer Service Delivery	39		22	CEO	Manager P&C	3 Monthly	Sep 21
ARF010	Data Governance Risks	39		14	CEO	CEO	6 Monthly	June 21
ARF012	Contract Management Risks	39		14	CEO	GMIAM	3 Monthly	July 21
ARF013	Drinking Water Resilience	35		ARF to agree level residual risk	CEO	GMIAM	3 Monthly	Sep 21

Table 2: 2021 risk programme

2021 ARF meeting date:	10/02	24/03	05/05	16/06	21/07	08/09	20/10	01/12
Risk deep dives		ARF001	ARF003	ARF013	ARF003	ARF004	ARF006	ARF005
ARF001 Climate Change		✓				✓		
ARF003 Health & Safety Vulnerabilities	✓		✓		✓		✓	
ARF004 Asset Management Risks		✓				✓		
ARF005 Affordability				✓				✓
ARF006 Project - Priorities Deliveries Delays	✓		✓		✓		✓	
ARF007 Compliance NRC Abatements				✓				✓
ARF009 Customer Service Delivery		✓		✓		✓		✓
ARF010 Data Governance Risks				✓				✓
ARF012 Contract Management Risks	✓		✓		✓		✓	
ARF013 Drinking Water Resilience		✓		✓		✓		✓

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

Organisational risk management

At Elected Members request, the July 2021 deep dive was replaced with a health and safety vulnerabilities deep dive, to share the results of a recent internal Great Workplaces Wellbeing survey which investigates how our new way of working (including the hybrid operating model) has affected our people's wellbeing.

Further deep dives are scheduled for the remainder of this calendar year, see Table 2.

Emergent risk:

Additional to this risk management report the agenda includes a decision report seeking approval to include the organisational and strategic emerging risk, "Programme Darwin", on the Organisational Top Risks Dashboard.

Table 3: Table of identified emergent risk

Emergent risks	Presented to ARF:	Progress
1. The risk of externally funded shovel ready, economic stimulus employment opportunity projects due to the impact of the COVID-19 pandemic.	October 2020	Subject of a risk progress report to the Assurance, Risk and Finance Committee meeting, September 2021.
2. The financial and legal risks due to the effects of climate change. Timing of a report on this risk, to the Assurance, Risk and Finance Committee meeting, is to be determined.	October 2020	March 2021 Climate Change deep dive was held. Proposed to break the climate change into two risks to enable focus on transition risks such as financial and legal. See attached climate change risk progress report.
3. District Services have proposed to escalate one of their top group risks for consideration of inclusion on the top organisational dashboard.	October 2020	It is proposed that this be included in the Assurance, Risk and Finance Committee risk workshop agenda.
4. The risk of not fit for purpose business continuity arrangements.	October 2020	This was subject to a report at the December 20 Assurance, Risk and Finance Committee meeting. An up-date is provided under the group risk section.
5. Government's Three Waters Reform programme.	December 2020	The Government has announced an integrated package of reform proposals (four new, large water service delivery entities) together with a financial support package. Council has to 1 October, to complete analysis to understand the potential impact of the reform.
6. Potential impact of the Worksafe decision, in December 2020, to charge 13 parties over the Whakaari/White Island tragedy; and the government review of WorkSafe New Zealand's performance of its regulatory functions in relation to activities on Whakaari White Island .	February 2021	Impact to be considered when further information is to hand. MBIE expects to receive this report by 30 June 2021. To date no report has been made public.

Organisational risk progress reports:

Four scheduled risk progress reports, including high level treatment plan progress, are provided with highlights and analysis of risk progress below. More detail is available in the attached risk progress reports.

Risk progress reports – highlights and analysis:

1. ARF001 Climate Change Risk Progress Risk Progress Report: The inherent risk rating trend has been assessed as increasing. Terms of reference for the Climate Change risk reference group have been drafted. The kickoff meeting for this group is scheduled for 18 August with the executive sponsor, GM SPP.
2. ARF004 Asset Management Risk Progress Report: The inherent risk rating trend has been assessed as stable. While progress is being made to treat this risk the inherent risk profile has not changed due to delays in the implementation of the proposed treatments.
3. ARF009 Customer Service Delivery Risk Progress Report: The inherent risk rating trend has been assessed as declining. A recent change has been made to the programme reporting lines, from People & Capability to the Transformation & Assurance Team, to align transformation workstreams to enhance value delivered.
4. ARF013 Drinking Water Resilience Risk Progress Report: The inherent risk rating trend has been assessed as stable. The DIA funded work on the Water Safety Plans remains scheduled to be completed by 31 March 2022. This work will be used to inform and develop the residual risk profile.

An information report, to provide a risk progress up-date on the programme of externally funded projects, has been included on the agenda. Council secured external project funds as a part of the government's economic response to the COVID-19 pandemic. The goal of this funding is to provide economic stimulus and employment opportunity within the Far North District. Four externally funded project risks were identified. Most mitigations are implemented.

No further additional reporting requirement for the top organisational risks has been identified.

Group Risk Up-date

1. IAM NTA risk assessment

On 19 July 2021, the IAM managers met with NTA representatives to review risk governance. This meeting focussed on NTA specific risks. Two NTA specific risks have been identified, neither of which have met the threshold for escalating onto the organisational risk dashboard. Both risks are in the operational / financial category (the whole of business view of FNDC performance including service/services delivery, risk, finance, environmental) with a medium risk impact score of 25 and 23 respectively.

One of these risks speaks to the current national land transport fund constraints. This is subject to a "risk watch" as the full impact of fund constraints are yet to be quantified, that is the data baseline for this risk is changing and is outside of the control of Council. For instance, to date the NTA has presented, or will present, to the Tender Panel a total of \$8,125,000 of physical works co-funded by Waka Kotahi NZTA without security of this funding.

NTA have also raised an issue with retaining staff on visas. This issue has been escalated to People & Capability for their guidance.

2. A Programme Darwin risk workshop was held with the Programme Darwin team and key stakeholders. Three organisational risks (IAM062/063/064) were identified, assigned owners and a cause and effect analysis completed. This is subject to a separate decision report.
3. District Services have established a one-page report, "Group Risk Summary". This management tool is up-dated monthly.
4. Group Risk dashboards

The dashboards provide information on:

- the total number of identified risks;
- the percentage of risks assessed categorised as high, medium or low impact score;

- the level of the risk within Council (Department, Group or Organisation level risk); and
- the risk description by category (see Table 4):
 - Health, Safety & Wellbeing
 - Legal
 - Operational / Financial
 - Optimising efficiency
 - People and culture
 - Regulatory and Compliance
 - Reputational / Strategic.

Group Risk Dashboards

District Services Risk Dashboard

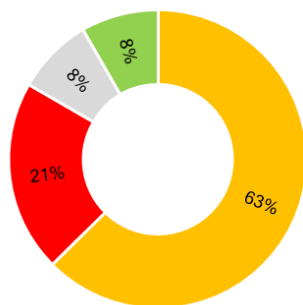
24 risks

✓ Three lines defence established

Date: 09/08/21

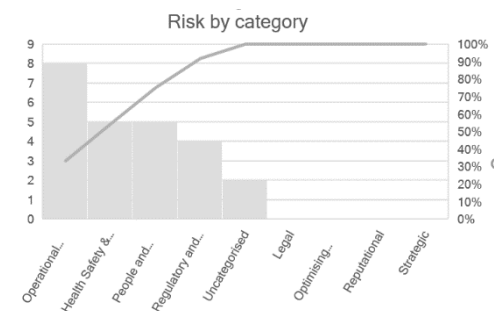
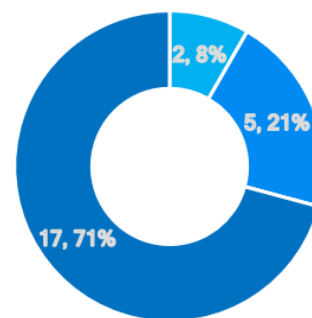
Risk by impact score

■ High Impact ■ Medium Impact ■ Low Impact ■ To be scored



Risk by organisational level

■ Organisational ■ Group ■ Department



IAM Group Risk Dashboard

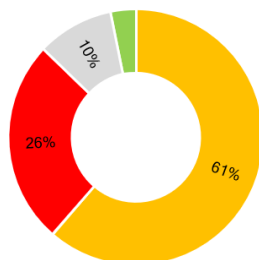
31 risks

✓ Three lines defence established

Date: 09/08/21

Risk by impact score

■ High Impact ■ Medium Impact ■ Low Impact ■ To be scored



Risk by organisational level

■ Organisational ■ Group ■ Department

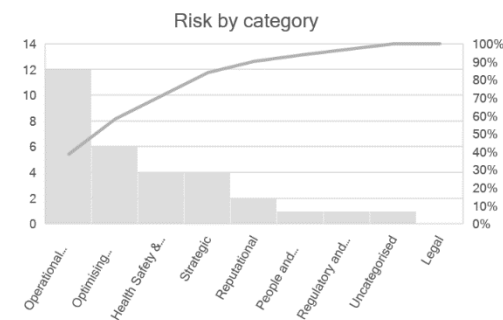
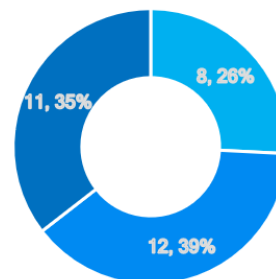


Table 4: Key to risk category

Risk Description	Description of category	Example
Health Safety & Wellbeing	a work environment that is without risk to health and safety, so far as is reasonably practicable	Lone worker vulnerability
Legal	Application of the law (and its consequences) to FNDC actions	Court action
Operational/Financial	Whole of business view of FNDC performance including service/services delivery, risk, finance, environmental,	Affordability Born digital improvements
Optimising efficiency	Managing the present, lineal response to what exists today such as system, Continuous Improvement, process	e.g. BCA application Disability awareness workshops
People and culture	Capability, mindsets, behaviour	Audits
Regulatory and Compliance	Conforming to rules, external = law or regulation; internal = policies	Customer service delivery
Reputational	The external estimation in which FNDC and brand is held	Climate change / Affordability
Strategic	Adapting to change: Innovation / create the future / selectively forget the past	

Progress to refresh Council's business continuity arrangements:

District Services recently completed a successful business continuity exercise to test their preparedness and BCP's. This exercise culminated with "lessons learned" and an improvement action plan.

A roadmap, to review Strategic Planning and Policy Group business continuity arrangements, is to be drafted late August.

FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

No additional budgetary provision is requested.

ĀPITI HANGA / ATTACHMENTS

1. **2021 08 ARF001 Climate Change Risk Progress Report - A3339043** [↓](#) 
2. **2021 08 ARF004 Asset Management Risk Progress Report - A3334563** [↓](#) 
3. **2021 08 ARF009 Customer Service Delivery Risk Progress Report - A3335459** [↓](#) 
4. **2021 08 ARF013 Drinking Water Resilience Risk Progress Report - A3334562** [↓](#) 



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ARF001 Climate Change

Risk Status Progress Report for September 2021

Prepared: 10/08/21

Description of Risk and Impact

Climate change is the highest scoring risk on the organisational dashboard with significant risks both to the community and to the council.

Significant risks to the community include:

- Coastal retreat and displacement of people due to sea level rise
- Increased insurance premiums and potential inability to insure some areas
- Difficulty sourcing mortgage finance for those in vulnerable locations
- Public health risks e.g. due to new vector diseases
- Agriculture/horticulture will be different, and the economy will change
- More Civil Defence emergencies relating to more extreme weather events and the increased risk of forest fires
- Burden of rates for the District as whole and especially for deprived communities.

Significant risks for Council include:

- Damage to vulnerable infrastructure and assets such as parks and reserves
- Cost to protect/shift/future-proof infrastructure and assets
- Large/long term financial risks
- Increasing insurance costs and potential inability to insure some areas
- Our ability to borrow money will potentially be at risk if we have inadequate plans and strategies to adapt to climate change
- Reputational, legal and financial risks both through action (e.g. identifying locations at risk and tagging LIM reports, thus affecting property values) and inaction (e.g. by not identifying vulnerable locations, which then suffer from sea level rise).

Response to these risks

Existing treatments in response to these risks include:

- The Council's Climate Change Roadmap approved by Council in May 2020
- A baseline carbon footprint measure presented to Council in October 2020
- Ongoing participation in the regional Climate Adaptation Te Taitokerau (CATT) working group comprising representatives of the four Northland councils with the purpose of creating a regional climate change adaptation strategy.

Progress overview

Main activities in the last six months include:

- Analysis and research to determine possible communities to include in community engagement work over the 2021-2024 LTP period. Around thirty coastal communities were identified which are at significant risk

from coastal erosion, flooding and inundation and damage to the surrounding roading network. We plan to select three communities where pilot community engagement projects will take place over the next three years in conjunction with the Regional Council and GNS Science;

- Contributing to a joint CATT submission to the Climate Change Commission on its advice to the government on developing a national carbon reduction plan;
- Formation of a Joint Committee to oversee the CATT group including elected members and iwi/hapū reps from each Council. The first meeting of the Committee was in April 2021;
- Working on a draft Climate Change Adaptation Strategy with the CATT Group. This strategy was workshopped with the Joint Committee on 9 August 2021 and will be presented formally to the Joint Committee on 30 August for endorsement, after which it will be sent back to the individual Councils, including FNDC, for consideration;
- Taking part in a cross-Council hui on climate change communication in August 2021, which resulted in a joint working group being established to develop climate change communications material and a regional platform to communicate progress;
- Appointment of a new Principal Advisor to further Council's Sustainable Procurement Policy;
- Formation of a cross-functional Climate Change Risk Reference Group of council staff charged with reviewing the current climate change risk analysis. As discussed in the "Deep Dive" exercise that took place with the Assurance, Risk and Finance Committee in February, it is likely that this will result in two separate analyses, one for Council and one for the Far North District as a whole.

Planned projects

Looking forward, the main climate change-related projects planned for 2021/22 include:

- Further development of a carbon reduction plan
- Guidance for sustainability initiatives e.g. solid waste, sustainable procurement
- Input into spatial planning work
- Broad communication & engagement with the community and key government agencies
- Hui with iwi and hapū
- Pre-engagement & research for pilot community adaptation projects
- Bringing the draft regional climate change policy to elected members for consideration
- Development of a climate assessment policy for Council.

Inherent Risk:	Trend	Residual Risk:	Accountable:	CEO	Date raised:	29/11/18	Report frequency:
	Increase		Responsible:	GM SPP	Date accepted:	30/05/19	Six monthly

ARF004 Asset Management Risk

Risk Status Progress Report for September 2021

Prepared: 05/08/21

Description of risk and impact

Full Asset Life Cycle Asset Management requires a “system thinking” integrated approach (enterprise asset management) to optimise the whole life cycle of our assets. This ensures fit for purpose, cost effective assets are designed, constructed, maintained and disposed of in a sustainable manner, to the benefit of our communities, ensuring kaitiakitanga and enduring resilience.

Existing Treatments

The inherent risk profile has not changed due to delays in the implementation of the proposed treatments.

Issue	Treatment to date	Further planned treatment	Responsible
No current Asset Management Information System (resulting in piecemeal asset information, including number of assets).	An Asset Management Information System, IPS by INFOR, has been chosen and statements of works signed. A development IPS environment (DEMO) has been set up where data migration, systems integrations and financial asset management configuration is underway in preparation for production system go live (PROD).	Production system go live is scheduled for December 2021 followed by phase 2 which is about optimizing and automating business processes. Dynamic reporting of assets will also be configured after the system go live.	Programme Darwin
Incomplete condition assessment information.	22 February 2021 the Tender Panel approved the \$990k 3Waters condition assessment procurement plan. These work packages ran to the end of July 2021.	A budget of \$1.6m for FY21 to FY23 has been approved. A Project lead for the asset condition and data capture programme has been appointed and a timeline is being developed.	Asset Management
Asset Management Plans (AMPs).	As part of the Long-Term Plan process, a combined draft Asset Management Plan for 3 Waters and District Facilities was prepared and provided to Audit (<i>this is</i>	The AMP will be available by end of September 2021. No further action required on this.	Asset Management

Issue	Treatment to date	Further planned treatment	Responsible
	<i>required for audit purposes only</i>). Upon final audit sign-off (end of August 2021), the AMP will be made available. This will likely occur in September 2021.		
The current renewals programme is typically based on age rather than condition.	The proposed condition assessment programme will allow a condition-based renewals programme.	This is a 10-year programme. As data becomes available condition-based renewals will be implemented.	Asset Management
Lack of integrated performance and reliability data from operations.	Integration of operational performance and reliability data from operations will be developed. This will enable optimized investment decisions for renewals noting the relationship between cost, level of service and risk.	Work on the relationship (relating to the data and information interface) has seen initial workshops with FNW and Rec Services focused on refreshing Program Darwin objectives and their stakeholder role(s).	Programme Darwin
Operating run to failure of assets rather than programmed maintenance based on: <ul style="list-style-type: none"> Asset class Failure mode Life cycle cost modelling Predictive, preventative, risk-based maintenance 	Continued Asset Planning will ensure all of lifecycle for Council's assets are addressed.		Programme Darwin / Asset Management / Operations
The lack of integration of growth impacts when considering asset renewal (we need to operate in a "systems" approach).	An enterprise asset management philosophy was adopted, January 2020.	The transformation program framework, which includes looking at roles and responsibilities across the assets team in relation to the Enterprise Asset Management, has been agreed and is in the initial implementation phase.	Programme Darwin
Lack of a robust project management framework.	A Project Management Framework has been adopted.	Embedding of the framework across teams.	PMO / PDT / Asset Management

Where are the gaps? / what more could we be doing?

- Planning, analysis and data analysis to enable data-driven decision-making (particularly providing advice in relation to Levels of Service, robust options analysis and rating impact trajectories). This will improve with the implementation of the new Asset Management System.
- Better articulating the link between strategic planning to operationalisation of those, and the process for how we consider and integrate these.
- Capturing our data better – equipment criticality, feeding this into decommissioning plans and the asset lifecycle.
- Consultation - Our open and transparent policy for consultation with all stakeholder particularly Iwi, impacts the time it takes to renew consents and implement projects. This risk needs to be reflected in all project timelines particularly within our LTP commitments. In the past this time and resource commitment has been significantly underestimated.

Inherent Risk:	Trend	Residual Risk:	Accountable:	CEO	Date raised:	29/11/18	Report frequency:
	Stable		Responsible:	GM IAM	Date accepted:	30/05/19	Six monthly



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ARF009 Customer Service Delivery

Risk Status Progress Report for September 2021

Prepared: 11/08/21

Description of risk and impact

Customer Service Delivery is the efficient and cost-effective delivery of required District Council services to residents, ratepayers, visitors and the community. This includes timely processing and communication with the public around services.

In some cases, ineffective and inefficient processes, and information, cause delays in processing requests and affects timely communication with customers.

Frustrated customers often call elected members who need to escalate or facilitate information back to the individual.

Existing Treatments

Treatments established:

- A. Customer Experience Improvement Programme.
- B. Customer feedback improvement loop.

High level treatment plan and progress up-date:

One of the new strategic priorities within the “up and out” organisational strategy is enriching the culture for our customers. This includes two significant priorities:

- Its all about the customer; and
- We know our stuff.

There will be several initiatives in the coming year to support these foci. These will be included, and reported, as part of the Customer Experience Improvement Programme.

High level treatment plan:	Progress update:
Customer Experience Improvement Programme	<p>In progress.</p> <p>Progressing well with an update scheduled in Q1 2021/22 to include organization strategy initiatives.</p> <p>Bimonthly customer focus discussion with CEO.</p> <p>Elected Members update presented in June 2021.</p> <p>Community Board presentation is scheduled for end of Q1 2021/22.</p>
Delivery of the Customer Experience Improvement Programme	
Customer centric culture business engagement (internal and external)	<p>Ongoing.</p> <p>An internal competition is been run between the customer facing teams from Q1-Q2 2021/22 focused</p>

	<p>on improving satisfaction by keeping customers informed.</p> <p>Coaching, mentoring and establishing feedback loops continues to be enhanced by the new customer feedback system.</p>
<p>Customer Journey Mapping Programme</p> <p>Unified consistent cross organisation approach to support customer facing teams to improve and align customer journeys with our systems and embed a customer centric mindset with colleagues.</p>	<p>In progress.</p> <p>Planning work is been completed and start dates being scheduled Transport and Finance projects will pilot the programme.</p>
<p>Review of customer feedback processes, tools to analysis information and drive improvements.</p>	<p>Complete and now BAU.</p> <p>Venues are now added into the system. The new digital system is achieving great response rates, (currently 417% compared to 16%) and providing customer insights. Refinements and additions continue to ensure we gain the reach customers and gain valuable feedback.</p> <p>We use the voice of our customers to drive customer focused improvements, recover bad experiences and help lift our customer culture.</p>
<p>Investigating impact on customers of our changing world.</p>	<p>Ongoing</p> <p>Will be a focus of the programme refresh as we can see changes in customer behaviors and suggestions in feedback.</p>

Where are the gaps? / what more could we be doing?

- Enterprise wide RFS Redesign Project to align customer experience across the organisation (being considered in Customer Journey Mapping Programme and revised Customer Experience Improvement Programme).
- Establish broadened view of customer interactions via Elected Members and CE Office.
- Gain feedback from first call resolution customers.

Inherent Risk:	Trend	Residual Risk:	Accountable:	CEO	Date raised:	29/11/18	Report frequency:
	Decline		Responsible:	Chief Transformation and Technological Officer.	Date accepted:	30/05/19	Three monthly



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ARF013 Drinking Water Resilience

Risk Status Progress Report September 2021

Prepared: 10/08/2021

Description of risk and impact

In accordance with our Risk Management Policy, adopted by Council August 2019, the “Drinking Water Resilience” risk was adopted at the 05/07/20 Council meeting as a top organisational risk. This risk was scored and prioritised using Council’s bespoke IDEATE methodology.

Council own and operate eight drinking water schemes supplied by 14 primary and supplementary sources and nine water treatment plants.

The primary source for Kaikohe, Kaitaia, Opononi, Rawene, Kawakawa and Paihia are surface water takes from local rivers and streams. Kerikeri also relies heavily on surface water as its secondary source. For each of these surface water takes Council hold a consent issued by the Northland Regional Council. The consents have conditions relating to many things but most importantly:

- the volume of water FNDC is authorised to take, and
- the instantaneous residual flow we are required to leave in the environment.

Surface water takes are impacted by droughts. Droughts typically cover a large geographical area; not just a single catchment or community. Irrespective of the volume of water FNDC is consented to take, there is a 20 percent chance each year that we will not be authorised to take water from the surface water sources for a week or more.

Group / SLT	Risk level	Inherent Risk	Risk description	Because of	There is a chance that...	leading to...
Infrastructure and Asset Management	Organisational	35	Strategic	Lack of freshwater resilience - long-term trends in rainfall coupled with changing and increasing consumer demands	Current freshwater supply systems will continue to not meet demand both now and into the future	Critical impact on our communities i.e. lengthy water restrictions; no/interrupted supply; costly economic consequences (affordability); extensive Health & Safety impacts across the district; economic and reputational risk from a failure to supply adequate potable and fresh water; negative environmental impacts.

The “Drinking Water Resilience” risk has been analysed as both an organisational and a strategic risk. A score of 35 or greater is in the high-risk category. Drinking Water Resilience scored 35:

To ensure clarity this risk excludes “Action for healthy waterways” new rules and regulations aimed to:

- stop further degradation of New Zealand's freshwater resources and improve water quality within 5 years
- reverse past damage and bring New Zealand's freshwater resources, waterways, and ecosystems to a healthy state within a generation.

Existing Treatments

1. Professionally managed water source and networks.
2. Asset management plans.
3. Water Supply Bylaw - this allows us to make water restrictions.
4. Water Shortage Management Plan – this outlines the processes and provides guidance on how water restrictions can be implemented to manage demand.
5. Water Shortage Management Committee is established with internal technical specialists who monitor and make recommendations on water restrictions to GMIAM.
6. Drought Communication Plan.
7. Ability to enact a dedicated drought response team (as used in the 19/20 drought).

High level treatment plan and progress up-date:

High level treatment plan:	Progress update:
Drought resilience work for 20/21 financial year.	This work continues in FY22 with DIA funded projects needing to be complete by 31 March 2022. A large part of this program is externally funded through the Crown 3-waters reform.
Water shortage management plan.	Annual review completed and approved. Learnings from the 20/21 season have been documented for use in coming years
2021/2031 Long Term Plan.	Programme of work for water infrastructure has been developed. The LTP was approved in June 2021 and activities for year 1 have now been or are being scoped for delivery
Programme Darwin – to understand asset knowledge to refine investment planning.	The establishment of an Asset Management System is progressing. The other streams in the programme including Asset Lifecycle Management are being defined and resourced following a reset session in May that garnered useful insight from what staff saw as being needed from this programme.
Crown 3-waters reform funding.	MOU signed. Funding agreement and delivery plans have been approved. The Funding Agreement and Delivery Plan submitted September 2020 included a portfolio of projects to be completed prior to March 2022. The projects are split roughly 60% capital in nature, and 40% operational. Of the 18 projects, 13 of these projects will improve resilience. Key projects include:

	<ul style="list-style-type: none"> • Kaitaia new water source • Kaikohe new water source • Update water safety plans across the district • Network model upgrades • Enhanced water leak management • Enhanced water monitoring capability and data capture
Water Safety Plans	Water Safety Plans are being updated for each of our eight water schemes, also under the DIA funded programme. This significant piece of work is progressing and is on track for completion by 31 March 2022. This work will inform our understanding on the resilience issues faced by each scheme along with an improvement plan for those issues.
Water Shortage Management Committee	Establishment of the WSMC for the 2021/22 summer is underway with Chairmanship remaining with the Infrastructure Planning team. The lessons learned from the session held in May identified a number of improvements to the Water Shortage Management Plan and ecosystem which will be adopted this coming year
Drought Communication Plan	The “be water wise” campaign commenced December 2020 and continues to be live.

Where are the gaps? / what more could we be doing?

The June 2021 deep dive was a rapid immersion into our drinking water resilience risk. At the session Elected Members wanted to understand resilience in regard to changing conditions and operations, and how our thinking around resilience has matured. The main activities underway or being considered to further build our resilience are:

- Alternative water supply for Kaitaia should be available after Christmas 2021
- Second deep bore at Monument Hill
- Reservoir storage for Kerikeri
- Catchment management process review of Water Treatment Plants
- Water Safety Plans (which also address risk management) will protect from source to customer and include improvement plans

What the acceptable level of risk is, for each water scheme and the residual risk profile, is yet to be determined. Whilst previous workshops with Elected Members were unable to assess the residual risk score, those workshops and ongoing work identified three aspects to understanding our adaptive capacity – source, treatment and network, of which there are a number of contributing factors towards achieving resilience.

Water Safety Plans are being updated for each of our eight water schemes. This significant piece of work will be completed by March 2022 and will inform our understanding on the resilience issues faced by each scheme. When completed this assessment, along with capacity analysis as part of the network modelling and any other available relevant information, can then be used to inform the Assurance, Risk and Finance Committee discussion to develop a residual risk profile.

The solutions to the gaps identified below will become clearer as 3-water reforms become more advanced and with the enactment of the Water Services Bill. These gaps are:

- What are Council obligations in respect of non-public schemes?
- If a private scheme starts to impact ratepayer health what is Council's responsibility?
- Council needs to determine what level of residual risk are we prepared to accept.

- The uncertainty of the ongoing ownership/management of these schemes under the Crown's proposed water supply reforms and the transition of this activity if these reforms are adopted.

Inherent Risk:	Trend	Residual Risk:	Accountable:	CEO	Date raised:	March 2020	Report frequency:
	Stable		Responsible:	GM IAMs	Date accepted:	05/07/20	Three monthly

6.2 RISK PROGRESS REPORT FOR PROGRAMME OF EXTERNALLY FUNDED PROJECTS.

File Number: A3333582

Author: Tanya Reid, Business Improvement Specialist

Authoriser: William J Taylor MBE, General Manager - Corporate Services

TAKE PŪRONGO / PURPOSE OF THE REPORT

To provide a risk progress report on the risks associated with the programme of the externally funded “shovel ready” projects that form part of the Government’s economic response to the COVID-19 pandemic. No decision is required.

WHAKARĀPOOTO MATUA / EXECUTIVE SUMMARY

As a part of the current government’s economic response to the COVID-19 pandemic Council, and the Far North District, have secured external project funds. The goal of this funding is to provide economic stimulus and employment opportunity within the Far North District.

This risk progress report provides an update to inform the Assurance, Risk and Finance Committee, in their governance role, how we are managing the uncertainty associated this programme of the externally funded projects.

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee receive the report Risk progress report for programme of externally funded projects..

TĀHUHU KŌRERO / BACKGROUND

As part of the government response to the expected negative economic impact of the COVID-19 pandemic, central government provided a number of infrastructure funds to stimulate the economy. Council bid, and won, funding for a programme of “externally funded” projects. (These projects are also known as “ESEO” (economic stimulus, employment opportunity) projects and for clarity will be referred to, within this report, as externally funded.

Two programmes of work, by request of the CEO, have recently been added to programme of “externally funded” projects. These are:

1. NAX Kawakawa to Opuia Rail restoration with Council funded cycle trail; and
2. Lindvart Park Sports Hub

By funding agreement projects Council is delivering:

3. Te Hiku Revitalisation
4. Waipapa Sports Hub
5. Kerikeri Domain
6. Innovating streets:
 - a. Kawakawa safety and streetscape improvement
 - b. Tai Tokerau Kaikohe Safe Streets
 - c. Moerewa Safe Streets
7. Otiria Rugby Club
8. Strategic Roads – Priority 1 Routes (Ngapipito Rd & Peria Rd) to provide supplementary tarmacked routes for logging and agricultural trucks
9. Ruapekapeka roading upgrade
10. NAX Kawakawa to Opuia Rail restoration with Council funded cycle trail
11. Lindvart Park Sports Hub

The characteristics of these externally funded projects are:

- that they are either wholly, or partially, externally funded
- may involve multiple funding streams
- with different funding requirements and conditions
- have multiple stakeholders, who may also be the project lead
- have short milestone timelines associated with the delivery of the projects the funding is intended for.

Four externally funded project risks were identified and presented to the Assurance, Risk and Finance Committee in October 2020. These risks are (see table 1 for a full description):

1. Complexity external funding
2. Funding gap
3. Impact on rates
4. Disruptions

These four risks are classified as organisational risks in the Operational/Financial category (whole of business view of FNDC performance including service/services delivery, risk, finance, environmental). Organisational risks may impact on council achieving its vision, mission and community outcomes. Each of the risks has been assessed as medium impact and likely to occur. The risks are recorded in the IAMs Risk Register where Treatment owners and progress is also recorded.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

This risk progress information report provides a high level risk update in four parts:

- A. Treatment progress by risk
- B. Reporting
- C. High level organisational risk assessment against each of the funding agreements
- D. Progress on achieving Government's overarching goals

A range of treatments, for each of the four externally funded project risks, have been implemented. Most of these risks are now fully mitigated. A summary is provided in table 1, below:

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION**Table 1:** Externally funded project risks statements, treatments and status of progress:

	Score	Because of	There is a chance that....	Leading to....	Treatments:
1 Complexity external funding	29	The high level of complexity of the ESEO externally funded FNDC led projects: short timelines to complete CAPEX projects multiple funding pots multiple external parties/stakeholders involved different funding requirements different external parties can be leading the projects e.g. FNHL	Projects may not proceed, may be delayed or not completed.	Loss of funding; Reputational risk; Uncompleted projects; Legal / compliance disputes; Extended timelines; and/or Requirement for additional FNDC funding.	<p>In place: Central register capturing key governance and management information.</p> <p>In place: Establish Programme Steering Group.</p> <p>In place: Utilise project management methodology with risk analysis.</p> <p>Completed: Appoint professionally qualified project managers;</p> <p>In place: Using standard Council procurement strategy.</p> <p>Completed: Contractor engagement/information workshop held</p> <p>In place: Separate team to deliver the externally funded projects.</p> <p>In place: consultation plan and process for all projects.</p> <p>In place: Council approved amendments to FNDC process</p>

	Score	Because of	There is a chance that....	Leading to....	Treatments:
2 Funding gap	29	Projects are not fully funded, or funding agreements are not honoured or able to be honoured by the legal entities who sign the funding agreements with Government.	Council may need to find additional funding to complete projects or projects may be abandoned	<p>Council's reputational damage;</p> <p>Increased borrowing to fund;</p> <p>Funding re-allocated from planned work; so annual plan objectives are not met;</p> <p>Increase risk to Council of asset failures; and/or</p> <p>Council has white elephants on the books.</p>	<p>Completed: Review project funding commitments mid-September before.</p> <p>Completed: As the funding applicant understand Council's obligations to funding providers;</p> <p>In place: Elected Member engagement strategy; monthly reporting into MBIE and discussions both local and in Wellington.</p> <p>In place: Funding agreements are in place for all projects we are in control of.</p>
3 Impact on rates	25	Impact to long term rate payer funding requirements due to operational budget requirements / depreciation and upgrading of new assets.	There may be a need to increase rates to fund OPEX, depreciation and CAPEX requirements	Additional costs to rate payers (as increased rates) impacting affordability across the district and negatively impacting current growth forecasts.	<p>Completed: Model financial implications to understand future operational requirements/costs, which includes costs to fund any community entity via a grant to manage an asset, including depreciation and renewal costs and their impact on rates;</p> <p>To be completed: Model the economic benefits to the ratepayers, their ability to earn greater income in the future from these projects (affordability metric);</p> <p>Ongoing: Internal appointment of dedicated financial accountant. Weekly reporting into finance team.</p>

	Score	Because of	There is a chance that....	Leading to....	Treatments:
4 Disruptions	21	Disruption(s), out of our control (e.g. Drought / COVID-19), to agreed project timeline disrupted supply chains; shortages of required goods and services; and/or need to halt the project as we are unable to work.	We may not be able to deliver to, or renegotiate, the agreed milestones	Failure to deliver the project as project milestones that are linked to the funding payments are not achieved; or Additional cost to rate payers to complete the project	<p>Ongoing: Focus on local business reduces risk of supply chain disruptions.</p> <p>Ongoing: Monitor external environment and modify project plans as required.;</p> <p>Ongoing: Follow H&S protocols.</p>

B. To support and monitor this programme of work a three-part structured reporting programme is in place:

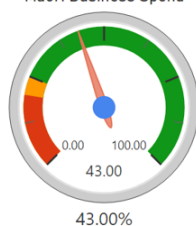
1. The Programme Steering Group meets four weekly to receive a brief report on each of the externally funded projects and to decide key legal and funding arrangements such as ownership of assets created.
2. Regular monthly reporting to SLT Performance Meeting.
3. Regular monthly reporting into IAMs Business Report

To support reporting dashboards, see below, are being established.

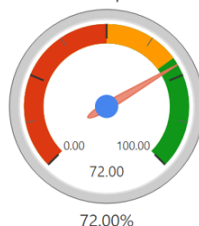
Social Procurement: Kerikeri Domain, Waipapa Sports Hub, Otiria Rugby, Te Hiku Revitalisation

Procurement Data	
Procurements	81
Total Value	\$ 3,390,649
Local Companies Engaged	61
Average Value	\$ 41,860
Local Spend	\$ 2,389,901
Maori Business Spend	\$ 1,411,435

Maori Business Spend



Local Spend



Employment Data	
Total Working (accumulative)	210
Previous Unemployed	10
Maori	96
Apprentices	5
Women	90
Local	177

SITEWISE

Businesses Engaged	Early Stages	Progressing	Newly Qualified	Improved Score
42	13	5	14	10

SiteWise and Safety Training: District Wide

Safety Training	
Elevated Work Platform	19
Working at Heights	12
Confined Spaces	24&25 Aug
Hazardous Substances	28 Sep

C. High level organisational risk assessment against each of the funding agreements

The highest organisational risk would be to not meet the milestones required within the funding agreements. To date this has been well managed, with quick delivery supported by good reporting to MBIE; and as required timelines have been renegotiated with MBIE. We are fully up to date with invoicing against all milestones, on all projects. This has meant that, reputationally, Council is well regarded resulting in further successful bids for government funding.

A risk assessment has been completed for each of the externally funded projects. This information is captured in Table 5 which also provides the high-level status.

Table 2: Organisational risk assessment by funding agreement:

Funding Agreement	Status	Organisational risk assessment
1. Te Hiku Revitalisation	Multiple projects	Low risk No issues
2. Waipapa Sports Hub	Physical works started	Low risk Behind schedule due finding main fibre cable which needs to be re-located; and required a resource consent. Both issues have now been addressed and agreement in place with MBIE to extend milestone timeline each

Funding Agreement	Status	Organisational risk assessment
3. Kerikeri Domain	Design completed. Procurements underway.	Medium Tight time frames and high profile
4. Innovating streets: a. Kawakawa safety and streetscape improvement b. Tai Tokerau Kaikohe Safe Streets c. Moerewa Safe Streets	Delivery phase	Low risk There is an agreement to run over time if weather has adverse affect on ability to deliver.
5. Otiria Rugby Club	Project completed Final report with MBIE All funding received	Low risk
6. Strategic Roads – Priority 1 Routes (Ngapipito Rd & Peria Rd)	Delivery phase	Low risk Ngapipito Rd is behind schedule. Agreement in place with MBIE to extend milestone timeline.
7. Ruapekapeka roading upgrade	Stage 1 underway Stage 2 is in procurement.	Low risk
8. NAX Kawakawa to Opuia Rail restoration with Council funded cycle trail.	Design	High risk Possible cost overruns due to working methodologies being imposed by the rail trust who are currently the lease holder for the cycleway route on kiwi rail property.
9. Lindvart Park Sports Hub.	Design	High risk Insufficient budget to undertake the planned works. A request has been made by Council to review and reverse engineer a number of the costs overrun items of scope.

- D. The Government goal of providing this funding is to provide economic stimulus and employment opportunity within the Far North District. These goals can be categorised as:
1. Jobs and careers
 2. Arresting and reversing environmental degradation
 3. Partnering with Tangata Whenua
 4. Growing the local market
 5. Ratepayer affordability

The following provides a brief update on the progress to-date towards achieving the Government's overarching goals.

1. Jobs and careers

To address the challenges of intergenerational poverty and disparity through high unemployment of Māori and youth within Northland. To provide training and career pathways that move people from low-paid to highly paid skilled workers. To break the cycle of the working poor, eventually raising the minimum wage to the Living Wage.

- See Growing the local market for the outcome of job and careers Initiatives

2. Arresting and reversing environmental degradation

Climate change, water security and resilience, are number one risks to our community from an infrastructure, wellbeing and economic perspective. We must protect and secure our water sources and protect our natural environment for generations to come. Our natural environment including our water and soil is our future economic potential.

- Green design experience is a specific skillset targeted in designer selection. Waipapa Sports Hub Architect selection criteria for appointment of lead designer. Natural products specified for playground design.
- Water harvesting for the local community was incorporated into plans at Otiria Rugby club as was recycling building materials and furniture where possible. These outcomes were successfully achieved.
- Water bore for self-sufficient supply is a project objective at Waipapa Sports Hub was targeted in the project and has now been achieved. A high production bore has been established.
- Significant native plantings are incorporated into design requirements for both Te Hiku and Kerikeri Domain projects. Plants and planting to be sourced locally.

3. Partnering with Tangata Whenua

With 50.5% of our District's population of Māori descent, and 11 iwi and 200+ hapu, we must work harder to create meaningful relationships and genuine participation in delivering services and resolving challenges in the Far North.

- The Te Hiku o Te Ika project working group has consulted closely with Iwi to create a strong working relationship which has seen Iwi artists take the lead in the development of concepts and designs. Agreements totalling \$800k have been executed with Ngati Takoto and Te Rawara for Cultural Artwork and work is underway.
- Ruapekapeka Road has an agreement in place with Te Ruapekapeka Trust (includes representation from local Hapu/Iwi and DOC). This includes provisions for cultural monitors and local labour resources associated with local Marae.
- Ruapekapeka road project has engaged cultural monitors during the earthworks drainage works on stage 1 (near the Pa site).

- Tourism Infrastructure fund round 5 applications for projects at the Te Paki sand dunes and Cape Reinga road are a Ngati Kuri and FNDC partnership approach. These projects were notified as successful in July and have received funding from MBIE.

4. *Growing the local market*

Create opportunity for Far North businesses to participate in the delivery of services to FNDC. We recognise the importance of a healthy, resilient local supply chain in providing diversity of competent suppliers, growing economic potential for Far North business to participate in national and export contract, and building deeper economic resilience within our community.

- Amotai have appointed Missy Armstrong to support Māori business in the Northland area. With support from FNDC an Amotai Māori Business and Purchasers meeting was held in Kerikeri on 20 May. FNDC CEO was a guest speaker. The event was a full house with over 100 attendees. Amotai will continue provide lists of Māori businesses across a range of categories to enable target invitations to tenders and FNDC will advise Amotai of new Māori business we work with.
- The lack of readily available Health and Safety training has been identified as one of the key issues for Far North businesses. We have contracted a local Māori Business Health and Safety contractor to assist with Health and Safety related development and also to provide safety audit support. See Table 2 for safety training offered and number of participants where training has been completed. Table 3 provides a progress up-date on contractor Sitewise pre-qualification.

Table 3: Safety Training offered:

Safety Training	
Elevated Work Platform	19
Working at Heights	12
Confined Spaces	24&25 Aug
Hazardous Substances	28 Sep

Table 4: Contractor Health & Safety (SiteWise) pre-qualification:

Contractor Health & Safety pre-qualification				
Businesses Engaged	Early Stages	Progressing	Newly Qualified	Improved Score
42	13	5	14	10

- Accurate pricing of complex jobs has been identified as a limitation for growing businesses. For the Kerikeri Basketball court, a Quantity Surveyor was engaged to enable the project team to support a local Māori business (with a proven FNDC track record) with pricing the job. This will end up being price neutral as the local company is highly competitive at a unit rate level.

- Joint Venture options to enable more mature contractors to engage local contractors on components of specialised projects and to qualify local business for ongoing maintenance. Most recent award was concrete works in Te Hiku where a local new Māori Business was partnered up with a Tier 2 for concrete works as a deliberate decision in the award process. The Tier 2 was a willing supporter of developing smaller business. Work is about to commence
- 125 suppliers have registered an interest in project work. 79 via the FNDC online Expression of Interest. 92 of these are Far North Businesses and 20 are from the wider Northland region.
- As newly qualified suppliers come onboard their details are shared with Facilities Maintenance to enter the available contractor pool. This is now co-ordinated through FNDC Principal Advisor – Sustainable Procurement. Construct North, who qualified for FNDC works on the Otiria Rugby Club project has also been engaged on the Kerikeri Domain project.
- A Masters Services Agreement (Umbrella Agreement) has been developed to simplify the contracts process for all parties and to provide better contractual protection for FNDC on low value works. Contracts will be rolled out as construction phases commence. Each individual job will have a Short form Work Order raises that refers back to the Master agreement. There is no need for a separate contract every time.
- Have moved to electronic procurement platform (eProcure) to enable local businesses to easily compete for the large volume of minor works. This will also enable upskilling business ability to submit good proposals. Online procurement processes have been completed with good results for both participants and the procurement/evaluation team. Most notable is the online evaluation capability which provides robust probity and audit protection.

Table 5: People employed on externally funded projects:

<i>Te Hiku Revitalisation Waipapa Sports Hub Kerikeri Domain Otiria Rugby Club NAX Opua Cycle Trail </i>	
<i>Ruapekapeka Road, Peria Road and Ngapipito Road</i>	
People Employed on Projects	288
Māori and Pasifika	143

Data Pending for:

Innovating Streets (Construction started week of 19 July)

Sweetwater: (Construction start August)

5. Ratepayer affordability

As 27% of our ratepayers have household incomes of less than \$30k pa, and only 21% with household incomes over \$70k, our responsibility is to prioritise spend and investment where it is most needed.

That we make assessments on a whole of life perspective while at the same time balancing the broader social, economic, environmental and cultural needs of our ratepayers.

- We are actively negotiating the requirement for out of region suppliers to qualify local business for the local installation works and ongoing maintenance. This will reduce ongoing operational costs. Current examples, Ahipara Pumptrack, Te Hiku and Kerikeri Playgrounds, Te Hiku outdoor BBQs, Kerikeri Skatepark.
- Taking a long-term view for cost reduction, such as working with a local supplier to stock supplies of certified playground bark. This not only works for the building phase of these projects but will reduce transport costs for the maintenance of existing playgrounds.

- Projects are working together for procurement. The Playgrounds procurement included both the Te Hiku (3) and Kerikeri Playgrounds. The evaluation team consisted of members from both projects and FNDC. The results were excellent. In the post RFP negotiations, we were also able to include the Kaikohe Playground, which is a business as usual project into the discount structure \$30k savings.
- The use of eProcure enables the easy integration of members of the FNDC Facilities Management and Asset Management Teams into the evaluation process for supplier submissions, focusing in particular on the whole of life costings.

FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

This report does not identify nor request additional budgetary provision.

ĀPITI HANGA / ATTACHMENTS

Nil

6.3 COUNCIL FINANCIAL REPORT FOR THE PERIOD ENDING 31 JULY 2021**File Number:** A3346391**Author:** Angie Thomas, Manager - Accounting Services**Authoriser:** Janice Smith, Chief Financial Officer**TE 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 31 July 2021.

TE WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

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

NGĀ TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee receive the report Council Financial Report for the Period Ending 31 July 2021.

TE TĀHUHU KŌRERO / BACKGROUND

This report provides financial information as at 31 July 2021.

TE MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

The report is for information only.

NGĀ 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.

NGĀ ĀPITIHINGA / ATTACHMENTS

1. Council Financial Report July 2021 (Pd1) FINAL - A3348930 [↓](#) 



Far North District Council

Council Financial Report

for the period ending **31-July-2021**

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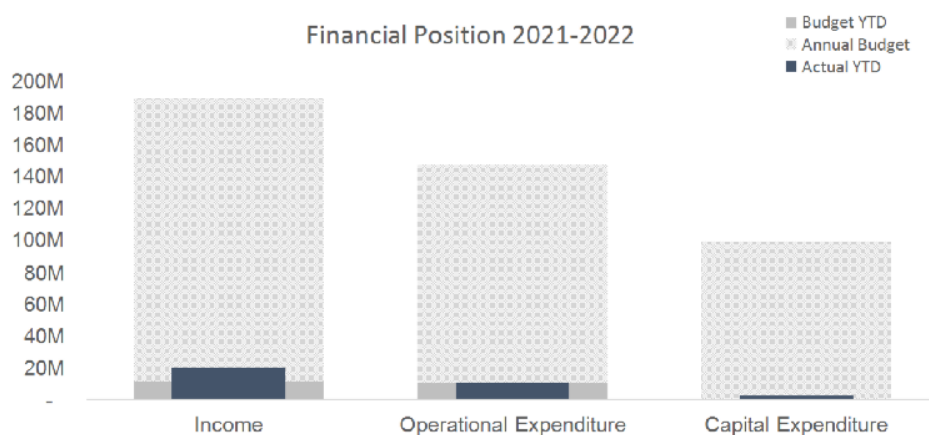
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Financial Overview

Key financial metrics from the Statement of Financial Performance for the Far North District Council as at 31-July-2021.

There are no Budget YTD figures for the July month for Capital Expenditure as the timing of the projects are not completed until August.



Year to Date

Actual Position as at 31-July-2021

	Actual YTD	Budget YTD	Variance to Budget YTD	% Variance Actual to Budget YTD
Total Income	20.0M	11.4M	8.6M	76%
Operational Expenditure	10.4M	9.8M	0.7M	7%
Net Operating Position	9.5M	1.6M	8.0M	83%
Capital Expenditure	2.2M	- M	2.2M	0%

Year End

Forecast Position as at 30-June-2022

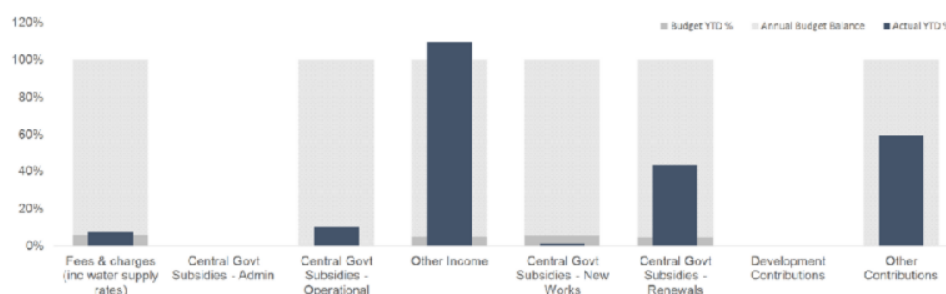
	Annual Forecast	Annual Budget	Forecast Variance to Budget	% Variance Forecast to Budget YTD
Total Income	188.9M	188.9M	- M	0%
Operational Expenditure	147.5M	147.5M	- M	0%
Net Operating Position	41.5M	41.5M	- M	0%
Capital Expenditure	99.0M	99.0M	- M	0%

**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
12.3M	3.6M	8.6M	236%	94.2M	94.2M	- M	0%



Highlights:

Fees & charges

- There has been a large number of resource consent applications processed and the team is meeting statutory timeframes. Building Consents has had the highest number of consents for July on average for the last six years and the team has improved their time keeping process for chargeable time.

Central Govt Subsidies – Operational

- Income has been received from Waka Kotahi (NZTA) as interim funding for maintaining levels of service across the district while the final programme is approved in August/September 2021.

Other Income

- There is \$3M of unspent Department of Internal Affairs (DIA) grant funding that has been brought into this year to complete the 3-Water Reform projects. The DIA funded 50% of the total 3-Water Reform projects budget upfront but a large amount of this was not required in 2020-21. Further claims for funding have been delayed as a result.
- Unspent Provincial Growth Funding (PGF) funds has been brought into this year to complete the final reinstatement costs for Lake Omapere planned for this summer.

Central Govt Subsidies – New Works

- Income received in advance last financial year 2020-21 from Ministry of Business, Innovation and Employment (MBIE) for public toilet upgrade and enhancements at Cable Bay carpark, Waitangi Boat Ramp and temporary portable toilets across the district.

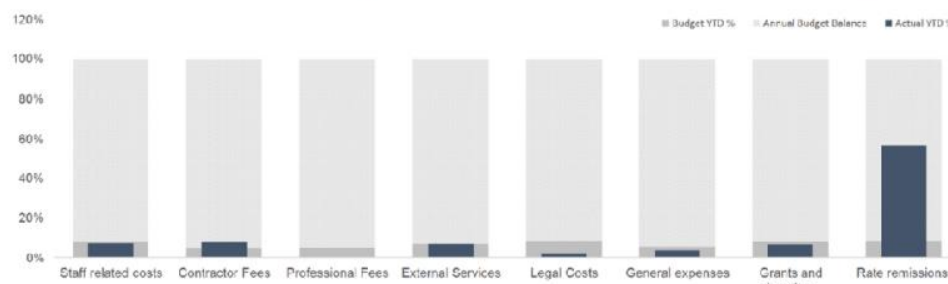
Other Contributions

- Unspent Ministry of Business, Innovation and Employment (MBIE) grant funding has been brought into this year to complete the southern animal welfare facility.
- Income received in advance last financial year 2020-21 from Ministry of Business, Innovation and Employment (MBIE) under the Provincial Growth Fund (PGF) as capital grants received for the Kerikeri Domain, Waipapa Sports Hub and Te Hiku o te Ika projects. These are planned to be spent this financial year.
- There is \$1M of unspent Department of Internal Affairs (DIA) grant funding that has been brought into this year to complete the 3-Water Reform projects. The DIA funded 50% of the total 3-Water Reform projects budget upfront but a large amount of this was not required in 2020-21. Further claims for funding have been delayed as a result.

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
7.0M	6.5M	0.6M	9%	107.6M	107.6M	- M	0%



Highlights:

Contractor Fees

- Maintenance and operational expenses incurred across the roading network for sealed & unsealed pavement maintenance, drainage, structures, traffic services maintenance. Cashflow forecast would be reviewed following funding approval by Waka Kotahi (NZTA) for the 2021-24 programme in August/September 2021.

Professional Fees

- A number of consultants have not yet been engaged across the organisation.

External Services

- Planned Provincial Growth Fund (PGF) received to support enabling works for the road sealing capital projects at Ruapekapeka, Ngapipito and Peria Road.

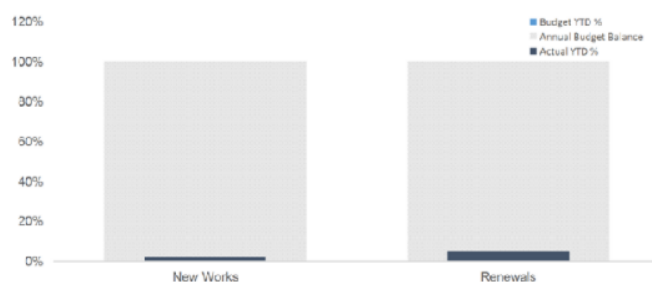
Rate Remissions

- Rate Remissions are primarily transacted in the first month for the whole year where ongoing remissions have been approved. Additional remissions are received during the year but the timing of these is unpredictable. The unpredictable nature of this activity makes it difficult to set and time budgets accurately. Cashflow forecast is being reviewed.

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
2.2M	- M	2.2M	100%	99.0M	99.0M	- M	0%



Highlights:

New Works

- The Kaitia New Source (Sweetwater) project is progressing. Ventia Limited has been awarded the physical works contract and a site blessing has taken place. Site clearance and physical works were due to begin at the end of July.
- Public Toilets - relocation and renovation of existing toilet facility at Whatuwhiwhi is ongoing from last financial year which will require carry over budget to be approved by Council in September.
- Waipapa Sports Hub project ongoing from last financial year which will require carry over budget to be approved by Council in September and budget retimed.
- Te Hiku o te Ika (Revitalisation project) ongoing from last financial year which will require carry over budget to be approved by Council in September and budget retimed.
- West Coast Road bridge project, roadside barriers / guardrails project and associated improvements across the district are ongoing from last financial year. Cashflow forecast would be reviewed following funding approval by Waka Kotahi (NZTA) for the 2021-24 programme in August/September 2021.
- Footpath projects at BOI-Whangaroa Ward SH11 Kaipatiki Rd to York Rd is a subsidised project ongoing from last financial year. Cashflow forecast would be reviewed following funding approval by Waka Kotahi (NZTA) for the 2021-24 programme in August/September 2021.
- Opua cycle trail project ongoing from last financial year is unsubsidised. Cashflow forecast is being reviewed.

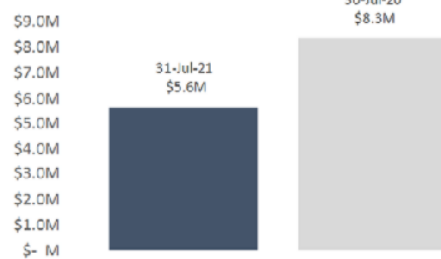
Renewals

- Renewal works across roading network for unsealed road metaling, routine drainage, pavement rehabilitation, structures replacement, traffic services and minor safety & improvement works at Koropewa Road Sealing project. Cashflow forecast would be reviewed following funding approval by Waka Kotahi (NZTA) for the 2021-24 programme in August/September 2021.

Treasury Report

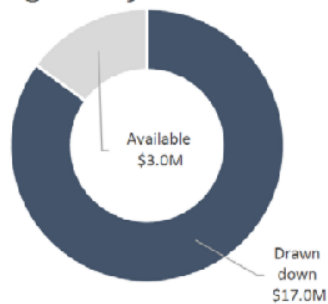
Cash Position

Compared to same time last year



	31-Jul-21	30-Jul-20
ASB General Fund	\$ 0.5M	\$ 3.3M
ASB Special Funds	\$ 5.1M	\$ 5.1M
Investments	\$ - M	\$ - M
Total Cash	\$ 5.6M	\$ 8.3M

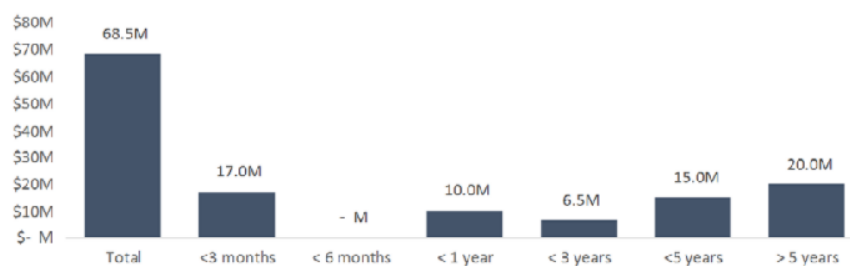
Banking Facility



Banking Facility	\$ 20.0M
Drawn down	\$ 17.0M
Available	\$ 3.0M

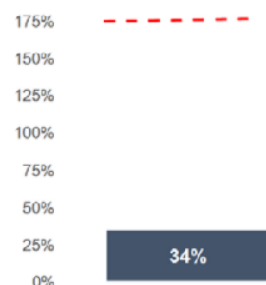
Public Debt

Loans by Maturity Date



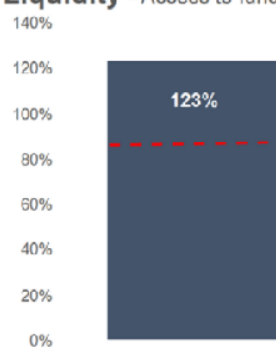
Treasury Compliance

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



Net Debt	\$ 62.8M
Budgeted Total income	\$ 184.9M
Debt Ceiling	\$ 323.5M
Net debt as % total revenue	34%
Policy Maximum	141%

Liquidity - Access to funds must be greater than 110%



External Debt	\$ 51.5M
ASB Banking Facility	\$ 20.0M
ASB Banking Facility used	-\$ 17.0M
Total Committed Public Debt	\$ 54.5M
Liquid Investments Cash at Bank	\$ 5.7M
Liquid Investments ASB Overdraft Facility	\$ 3.0M
	\$ 63.2M
Access to Funds	123%
Policy Minimum	110%

Note: Total revenue is based on 2021/22 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 July 2021 (Pd1)

	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)	7,730	7,716 -	14	92,675	-	92,675	84,945	8%	92,675	-
Rates - penalties	0	-	0	2,063	-	2,063	2,064	0%	2,063	-
Fees & charges (inc water supply rates)	1,245	1,021 -	224	17,590	-	17,590	16,345	7%	17,590	-
Central Govt Subsidies - Admin	-	-	-	-	-	-	-	0%	-	-
Central Govt Subsidies - Operational	1,451	9 -	1,442	14,445	-	14,445	12,993	10%	14,445	-
Other Income	2,447	106 -	2,341	2,244	-	2,244 -	203	109%	2,244	-
Capital Income										
Central Govt Subsidies - New Works	455	2,483	2,028	48,428	-	48,428	47,973	1%	48,428	-
Central Govt Subsidies - Renewals	299	29 -	271	690	-	690	391	43%	690	-
Development Contributions	-	-	-	-	-	-	-	0%	-	-
Other Contributions	6,370	-	6,370	10,799	-	10,799	4,429	59%	10,799	-
Total Operating Income	19,999	11,364 -	8,635	188,935	-	188,935	168,935	11%	188,935	-
Operational Expenditure										
Staff related costs	2,413	2,662	249	34,476	-	34,476	32,063	7%	34,476	-
Contractor Fees	2,451	1,436 -	1,015	32,873	-	32,873	30,422	7%	32,873	-
Professional Fees	202	587	789	11,930	-	11,930	12,133	-2%	11,930	-
External Services	416	417	1	6,135	-	6,135	5,719	7%	6,135	-
Legal Costs	19	73	54	873	-	873	854	2%	873	-
General expenses	594	928	334	16,871	-	16,871	16,277	4%	16,871	-
Grants and donations	166	196	40	2,385	-	2,385	2,229	7%	2,385	-
Rate remissions	1,177	174 -	1,003	2,087	-	2,087	910	56%	2,087	-
Allocations (direct and indirect)	-	0	0	0	-	0	0	0%	0	-
Interest costs	106	190	84	2,282	-	2,282	2,176	5%	2,282	-
Sub total	7,131	6,663 -	468	109,913	-	109,913	102,783	6%	109,913	-
Depreciation and other asset costs	3,348	3,131 -	217	37,569	-	37,569	34,221	9%	37,569	-
Gain/Loss on Disposal	30	-	30	-	-	-	30	100%	-	-
Total Operational Expenditure	10,449	9,794 -	655	147,483	-	147,483	137,033	100%	147,483	-
Net Operating Surplus	9,550	1,570	7,979	41,452	-	41,452	31,903		41,452	-

Statement of Capital Performance

for the period ending July 2021 (Pd1)

	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	574	-	-	574	62,816	-	62,816	62,242	1%	62,816	-
Environmental Management	54	-	-	54	981	-	981	927	5%	981	-
Roading and Footpaths	962	-	-	962	1,700	-	1,700	738	57%	1,700	-
Wastewater	112	-	-	112	13,047	-	13,047	12,935	1%	13,047	-
Stormwater	11	-	-	11	3,672	-	3,672	3,661	0%	3,672	-
Solid Waste Management	0	-	-	0	767	-	767	767	0%	767	-
Water Supply	426	-	-	426	11,573	-	11,573	11,147	4%	11,573	-
Governance & Strategic Administration	65	-	-	65	3,407	-	3,407	3,341	2%	3,407	-
Customer Services	17	-	-	17	993	-	993	976	2%	993	-
Strategic Planning & Policy	-	-	-	-	-	-	-	-	0%	-	-
Total Capital Expenditure	2,220	-	-	2,220	98,957	-	98,957	96,738	2%	98,957	-

Analysis of Operational 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	4,767	2,516 -	2,251	59,124	-	59,124	54,357	-8%	59,124	-
Environmental Management	1,102	655 -	447	5,748	-	5,748	4,040	-19%	5,748	-
Roading and Footpaths	2,174	181 -	2,013	17,820	-	17,820	15,648	-12%	17,820	-
Wastewater	374	25 -	348	301	-	301 -	73	-124%	301	-
Stormwater	520	- -	520	-	-	-	520	-100%	-	-
Solid Waste Management	99	123	25	1,535	-	1,535	1,437	-6%	1,535	-
Water Supply	2,991	29 -	2,961	7,017	-	7,017	4,025	-43%	7,017	-
Governance & Strategic Administration	187	87 -	99	1,999	-	1,999	1,813	-9%	1,999	-
Customer Services	36	44	8	577	-	577	541	-6%	577	-
Strategic Planning & Policy	20	6 -	14	75	-	75	55	-26%	75	-
Total Operating Income	12,268	3,648 -	8,621	94,196	-	94,196	81,923	13%	94,196	-

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	492	717	226	9,065	-	9,065	8,573	5%	9,065	-
Environmental Management	384	798	414	10,198	-	10,198	9,813	4%	10,198	-
Roading and Footpaths	1,341	330 -	1,011	26,934	-	26,934	25,594	5%	26,934	-
Wastewater	621	590 -	31	7,263	-	7,263	6,043	9%	7,263	-
Stormwater	112	288	155	3,259	-	3,259	3,147	3%	3,259	-
Solid Waste Management	161	360	179	4,348	-	4,348	4,168	4%	4,348	-
Water Supply	544	500 -	44	6,126	-	6,126	5,582	9%	6,126	-
Governance & Strategic Administration	2,324	1,746 -	578	22,445	-	22,445	20,121	10%	22,445	-
Customer Services	462	443 -	19	5,713	-	5,713	5,251	8%	5,713	-
Strategic Planning & Policy	312	589	277	7,372	-	7,372	7,060	4%	7,372	-
Total Direct Costs	6,772	6,339 -	433	102,724	-	102,724	95,952	7%	102,724	-

Capital Spend Analysis

as at 31-Jul-2021

	YTD (\$000's)				Full Year (\$000's)					
LTP Group	YTD Actual	Commitments	LTP Budget	Carry Forward Budget	Total Annual Budget	Actual vs Budget %	Total Annual Forecast	Actual vs Forecast %	Forecast vs Budget %	Forecast vs Budget Variance
District Facilities	235	5,069	18,730	0	18,730	1.3%	18,730	1.3%	100%	0
Wastewater	112	1,163	13,047	0	13,047	0.9%	13,047	0.9%	100%	0
Water Supply	61	1,066	6,722	0	6,722	0.9%	6,722	0.9%	100%	0
Stormwater	11	237	3,672	0	3,672	0.3%	3,672	0.3%	100%	0
Solid Waste	0	74	767	0	767	0.0%	767	0.0%	100%	0
Project Delivery Team Subtotal	418	7,609	42,937	0	42,937	1.0%	42,937	1.0%	100%	0
Roading & Footpaths	946	3,004	1,700	0	1,700	55.7%	1,700	55.7%	100%	0
IAM Total	1,364	10,613	44,637	0	44,637	3.1%	44,637	3.1%	100%	0
Environmental Management	49	45	28	0	28	177.2%	28	177.2%	100%	0
Governance & Strategic Administration	65	526	3,407	0	3,407	1.9%	3,407	1.9%	100%	0
Customer Services	17	329	993	0	993	1.7%	993	1.7%	100%	0
Strategic Planning	0	0	0	0	0	0.0%	0	0.0%	0%	0
Other Total	132	900	4,428	0	4,428	3.0%	4,428	3.0%	100%	0
Sub Total	1,496	11,513	49,065	0	49,065	3.0%	49,065	3.0%	100%	0
DIA Projects										
Water Supply	365	10,911	4,852	0	4,852	7.5%	4,852	7.5%	100%	0
Wastewater	0	0	0	0	0	0.0%	0	0.0%	0%	0
Stormwater	0	0	0	0	0	0.0%	0	0.0%	0%	0
Total DIA Projects	365	10,911	4,852	0	4,852	7.5%	4,852	7.5%	100%	0
ESEO Projects										
District Facilities	339	1,426	44,086	0	44,086	0.8%	44,086	0.8%	100%	0
Environmental Management	5	1	953	0	953	0.5%	953	0.5%	100%	0
Roading & Footpaths	15	5,517	0	0	0	0.0%	0	0.0%	0%	0
Total ESEO Projects	359	6,944	45,040	0	45,040	0.8%	45,040	0.8%	100%	0
Total	2,220	29,369	98,957	0	98,957	2.2%	98,957	2.2%	100%	0

Comments:

The 'Total Annual Forecast' is what is expected to be spent by 30 June 2022.

Capital Spend Analysis by %

The picture below indicates the position if the commitments that are still to be completed are included in the calculations

Actual + commitments against total forecast budget	
LTP Group	YTD Actual (%)
District Facilities	28.3%
Wastewater	9.8%
Water Supply	16.8%
Stormwater	6.8%
Solid Waste	9.7%
Project Delivery Team Subtotal	18.7%
Roading & Footpaths	232.4%
IAM Total	26.8%
Environmental Management	339.1%
Governance & Strategic Administration	17.4%
Customer Services	34.9%
Strategic Planning	0.0%
Other Total	23.3%
Sub Total	26.5%
DIA Projects	
Water Supply	232.4%
Wastewater	0.0%
Stormwater	0.0%
Total DIA Projects	232.4%
ESEO Projects	
District Facilities	4.0%
Environmental Management	0.6%
Roading & Footpaths	0.0%
Total ESEO Projects	16.2%
Total	31.9%

6.4 ELECTED MEMBERS SENSITIVE EXPENDITURE**File Number:** A3334364**Author:** Rhonda-May Whiu, Elected Member Administrator**Authoriser:** William J Taylor MBE, General Manager - Corporate Services**TAKE PŪRONGO / PURPOSE OF THE REPORT**

To provide information on all expenses incurred by Elected Members this period that are considered sensitive.

WHAKARĀPOOTO MATUA / EXECUTIVE SUMMARY

All Elected Member Sensitive Expenditure incurred from 1 April to 30 June 2021 was \$13,543.29.

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee receive the report Elected Members Sensitive Expenditure.

TĀHUHU KŌRERO / BACKGROUND

Formal reporting of all Elected Member expenses is a best practice recommendation from Audit New Zealand. Reimbursement of expenses processed as part of the fortnightly pay claim process are also included in the attached figures. This report reflects the months in which payments were processed and do not necessarily reflect the months when the expenses were incurred. Elected Member Sensitive Expenditure is any council expenditure where there may be a perceived personal benefit to an Elected Member.

Elected Member Sensitive Expenditure for the 2020-2021 financial year:

1 July to 30 September 2020	\$16,205.35
1 October to 31 December 2020	\$16,822.12
1 January to 31 March 2021	\$29,282.49
1 April to 30 June 2021	\$13,543.29
Financial Year Total	\$75,853.25

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

This information will be reported quarterly to the Assurance, Risk and Finance Committee.

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

This report identifies financial expenditure that has occurred from 1 April to 30 June 2021.

ĀPITI HANGA / ATTACHMENTS

- Elected Members Sensitive Expenditure 1 April to 30 June 2021 - A3349822**  

Elected Member Expenses 1 April to 30 June 2021		
Purpose	Elected Member	Amount (Excluding GST)
National Council Dinner	Mayor John Carter	\$ 147.39
ANZAC Wreath	Mayor John Carter	\$ 65.22
Reimbursement of April phone account	Mayor John Carter	\$ 163.71
Reimbursement of May phone account	Mayor John Carter	\$ 128.60
Council Jackets	Mayor John Carter, Ann Court, Kelly Stratford and David Clendon	\$ 454.06
Risk Training Accommodation and Incidentals	John Vujcich	\$ 157.48
Local Government NZ Conference Flights	John Vujcich	\$ 734.44
Strategy Essentials Training (Payment 2 of 2)	Mayor and Councillors	\$ 6,000.00
National Emergency Management Conference Flights	Dave Collard	\$ 599.65
National Emergency Management Conference Accommodation and Incidentals	Dave Collard	\$ 501.74
ANZAC Wreaths	Te Hiku CB and Darren Axe	\$ 117.39
ANZAC Service Printing	Te Hiku CB	\$ 185.00
ANZAC Wreath	Sheryl Bainbridge	\$ 80.00
Community Board Conference Incidentals	Belinda Ward	\$ 45.00
Community Board Conference Incidentals	Adele Gardner	\$ 45.00
Community Board Conference Incidentals	Lane Ayr	\$ 45.00
Community Board Conference Incidentals	Frank Owens	\$ 45.00
Community Board Conference Incidentals	Manuwai Wells	\$ 30.00
Community Board Conference Incidentals	Emma Davis	\$ 30.00
Community Board Conference Incidentals	Jaqi Brown	\$ 30.00
Community Board Conference Airport Parking	Belinda Ward	\$ 54.78
National Emergency Management Conference Taxi's	Dave Collard	\$ 94.04
Rural and Provincial Sector Meeting Accommodation and Incidentals	David Clendon	\$ 345.22
Rural and Provincial Sector Meeting Flights	David Clendon	\$ 1,050.09
Risk Essentials Training	Mike Edmonds	\$ 939.13
Risk Essentials Training Accommodation and Incidentals	Mike Edmonds	\$ 152.18
Community Board Conference Airport Parking	Emma Davis	\$ 54.78
RLTP and RPTP Incidentals	Ann Court	\$ 85.57
Parking	Ann Court	\$ 37.39
New Zealand Planning Institute Conference Flights	Felicity Foy	\$ 311.17
Whangarei Meetings Accommodation and Incidentals	Dave Collard	\$ 392.78
Ferry Tickets	Emma Davis	\$ 47.83
Community Board Conference Incidentals	Frank Owens	\$ 43.91
New Zealand Planning Institute Conference Incidentals	Felicity Foy	\$ 151.91
Community Board Conference Incidentals	Manuwai Wells	\$ 21.74
Parking	Moko Tepania	\$ 10.43
ANZAC Wreath	Sheryl Bainbridge	\$ 69.57
National Emergency Management Conference Incidentals	Dave Collard	\$ 76.09
1 April to 30 June 2021 Total		\$ 13,543.29

6.5 PEOPLE AND CAPABILITY QUARTERLY UPDATE: 1 APRIL - 30 JUNE 2021**File Number:** A3347764**Author:** Mia Haywood, People and Capability Data and Systems Specialist**Authoriser:** Jill Coyle, Chief People Officer**TAKE PŪRONGO / PURPOSE OF THE REPORT**

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

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

Included in the report is information on:

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

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee receive the report People and Capability Quarterly Update: 1 April - 30 June 2021.

TĀHUHU KŌRERO / BACKGROUND

This report will be presented to the Audit, Risk and Finance Committee on a quarterly basis.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

This report is Information only.

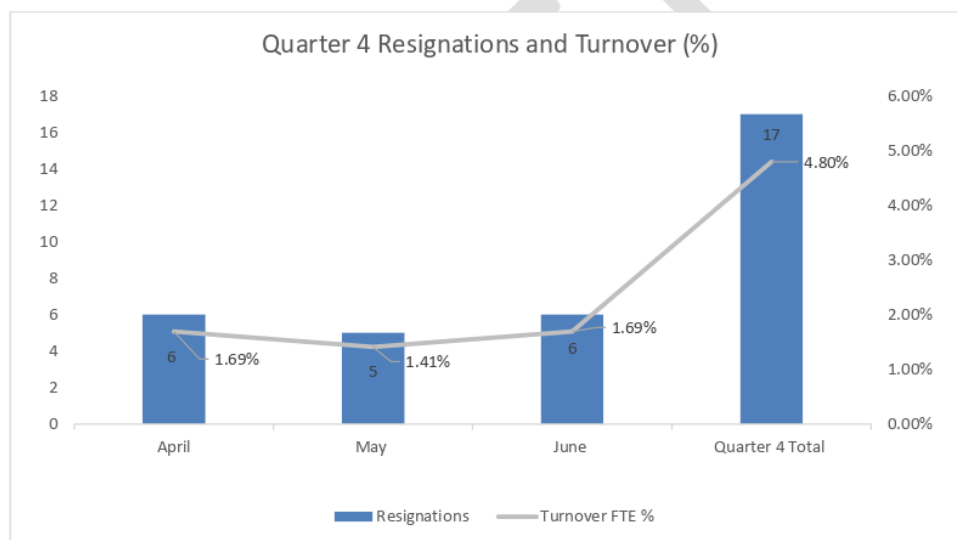
ĀPITIHINGA / ATTACHMENTS

1. Staff Turnover Report Quarter 4 - A3347851 [↓](#) 

People and Capability Report to Assurance, Risk and Finance Committee Period 1 April – 30 June 2021

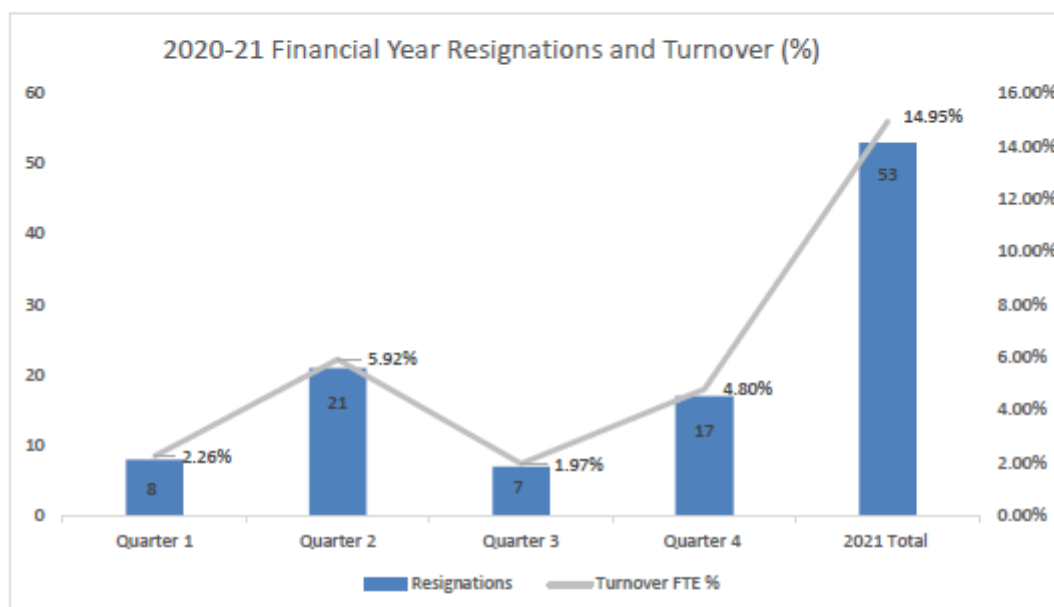
Staff Turnover

During quarter four, Far North District Council had seventeen resignations. This has resulted in a quarterly turnover rate of 4.80%.



2

For the year ending 30 June 2021 we have had a total of 53 permanent staff members leave Far North District Council, which has resulted in an annual turnover rate of 14.95%. We have identified that external agencies and consultants are recruiting FNDC people from some of our key roles, specifically in the Building and Planning departments. Having reviewed the LGNZ list serve statistics regarding turnover we have subject to confirmation, if not lower but equivalent turnover rates to most other Councils for the last financial year.



Exit Interviews and Analysis

Of the seventeen leavers from this period only two have completed the exit survey. The reasons given for leaving Far North District Council was to move closer to family and to pursue study. While the uptake on Exit Surveys are low, we have built in a process to the new CAnywhere platform which sees the Exit Survey being automatically sent to employees before their last day of work. We are optimistic that this will increase the number of responses we receive.

Our People & Capability Team are actively encouraging our leavers to provide us with feedback

Personal Grievances

There is currently one personal grievance which is in progress at the time of the report.

Retention and Recruitment Issues

Quarter four did not bring about any pressing issues. It was recruitment as usual.

Disciplinary Actions and Costs

During this period there have been four incidents referred for disciplinary action, two received a Performance Improvement Plan, one has since been completed. Two disciplinary actions have been lodged with one being completed within the quarter.

6.6 ASSURANCE, RISK AND FINANCE COMMITTEE ACTION SHEET UPDATE AUGUST 2021**File Number: A3370412****Author: Casey Gannon, Meetings Administrator****Authoriser: Aisha Huriwai, Team Leader Democracy Services****TAKE PŪRONGO / PURPOSE OF THE REPORT**

To provide the Assurance, Risk and Finance Committee with an overview of outstanding decisions from 1 January 2020.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Council staff have reintroduced action sheets as a mechanism to communicate progress against decisions/resolutions and confirm when decisions have been implemented.
- The focus of this paper is on Assurance, Risk and Finance Committee decisions.
- Action sheets are also in place for Council and Community Boards.

TŪTOHUNGA / RECOMMENDATION

That the Assurance, Risk and Finance Committee receive the report Action Sheet Update August 2021.

1) TĀHUHU KŌRERO / BACKGROUND

The Democracy Services Team have been working on a solution to ensure that elected members can receive regular updates on progress against decisions made at meetings, in alignment with a Chief Executive Officer key performance indicator.

Action sheets have been designed as a way to close the loop and communicate with elected members on the decisions made by way of resolution at formal meetings.

Action sheets are not intended to be public information but will provide updates to elected members, who, when appropriate can report back to their communities and constituents.

2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The outstanding tasks are multi-facet projects that take longer to fully complete.

The Democracy Services staff are working with staff to ensure that the project completion times are updated so that action sheets provided to members differentiate between work outstanding and work in progress.

Take Tūtohunga / Reason for the recommendation

To provide the Assurance, Risk and Finance Committee with an overview of outstanding committee decisions from 1 January 2020.

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

There are no financial implications or need for budgetary provision in receiving this report.

ĀPITIHINGA / ATTACHMENTS

1. **ARF Action Sheet Update - August 2021 - A3370453**  

OUTSTANDING ACTIONS REPORT				
Division: Committee: Officer:		Assurance, Risk and Finance Committee		Printed: Monday, 30 August 2021 12:58:23 PM Date From: 1/01/2020 Date To: 30/08/2021
Meeting	Date	Title	Resolution	Notes
Assurance, Risk and Finance Committee 10/02/2021	10/02/2021	Update of Policy - Appointment of Directors to Council Organisations	<p>MOTION</p> <p>Moved: Cr John Vujcich Seconded: Cr Kelly Stratford</p> <p>That the Assurance, Risk and Finance Committee recommend to Council that the updated Policy 2117 – Appointment and Remuneration of Directors for Council Organisations be approved.</p> <p>AMENDMENT</p> <p>Moved: Cr John Vujcich Seconded: Member Bruce Robertson</p> <p>That the Assurance, Risk and Finance Committee recommend to Council:</p> <ul style="list-style-type: none"> a) the updated Policy 2117 – Appointment and Remuneration of Directors for Council Organisations be approved, subject to; b) the Chair of Assurance, Risk and Finance Committee and Chair of Strategy and Policy Committee have delegated authority to approve the amendments on an updated policy. <p>The amendment became the substantive motion.</p> <p>RESOLUTION 2021/3</p> <p>Moved: Cr John Vujcich Seconded: Member Bruce Robertson</p> <p>That the Assurance, Risk and Finance Committee recommend to Council:</p> <ul style="list-style-type: none"> a) the updated Policy 2117 – Appointment and Remuneration of Directors for Council Organisations be approved, subject to; b) the Chair of Assurance, Risk and Finance Committee and Chair of Strategy and Policy Committee have delegated authority to approve the amendments on an updated policy. <p style="text-align: right;">CARRIED</p>	Report included on 7 th Sept 2021 SPP Committee Agenda

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	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 - Draft Annual Report Financial position 30 June 2021	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 s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	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 - September Assurance and Audit Report	s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	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
7.4 - Technology Update 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

7.5 - Far North District Council Current Legal Action and Potential Liability Claims as at 23 August 2021	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

9 TE KAPINGA HUI / MEETING CLOSE