Komiti o te Ōtita me te Mōrearea | Audit & Risk Committee

Kaupapataka Wātea | Open Agenda

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

Ko te rā | Date: **Tuesday 1 December 2020**
Wā | Time: **1pm**
Wāhi | Venue: **Silver Fern Events Centre, 44 Stanley Avenue, TE AROHA**

Ngā Mema | Membership

Chairperson	John Luxton
External Member	Joanne Aoake
Elected Members	Mayor Ash Tanner
	Cr Donna Arnold
	Cr Bruce Dewhurst
	Cr Kevin Tappin
	Cr James Thomas
	Cr Adrienne Wilcock

Waea | Phone: 07-884-0060
Wāhitau | Address: PO Box 266, Te Aroha 3342
Īmēra | Email: secretary@mpdc.govt.nz
Kāinga Ipuranga | Website: www.mpdc.govt.nz

ITEM NGĀ IHINGA | TABLE OF CONTENTS WHĀRANGI | PAGE

Ā-TIKANGA | PROCEDURAL

1 Whakatūwheratanga o te hui | Meeting Opening 3
2 Ngā whakapāha/Tono whakawātea | Apologies/Leave of absence 3
3 Pānui take ohorere | Notification of Urgent Business 3
4 Whākī pānga | Declarations of interest 3
5 Whakaaetanga meneti | Confirmation of minutes 3

CORRESPONDENCE

PŪRONGO | REPORTS

6 Decision Reports
6.1 Proposed Meeting Dates for 2021 4
6.2 Review of Delegation Policy and Delegation Register 2020 7
6.3 Draft Work Programme for 2021 9
6.4 Review of the Audit and Risk Committee Charter 12
6.5 Self Evaluation Survey 2020 - Audit and Risk Committee 22

7 Information Reports
7.1 LTP Project Update 24
7.2 LGOIMA Requests Summary for 2020 37
7.3 3 Waters Impact 44
7.4 Civil Defence Emergency Management - Covid-19 Welfare Response and Iwi Engagement 76

8 Public Excluded
Procedural motion to exclude the public 86
C1 In Committee Auditor/Committee Member Discussion

1 Whakatūwheratanga o te hui | Meeting Opening

2 Ngā whakapāha/Tono whakawātea | Apologies/Leave of absence

At the close of the agenda no apologies had been received.

3 Pānui tāpiritanga take | Notification of Urgent Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"An item that is not on the agenda for a meeting may be dealt with at that meeting if-

(a) The local authority by resolution so decides; and

(b) The presiding member explains at the meeting, at a time when it is open to the public,-

  (i) The reason why the item is not on the agenda; and

  (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting."

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

(a) That item may be discussed at that meeting if-

  (i) That item is a minor matter relating to the general business of the local authority; and

  (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

  (iii) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

4 Whākī pānga | Declarations of interest

5 Whakaaetanga mēneti | Confirmation of minutes

Minutes, as circulated, of the Ordinary Meeting of Audit & Risk Committee , held on 13 October 2020

Proposed Meeting Dates for 2021

CM No.: 2321850

Rāpopotonga Matua | Executive Summary

The Audit and Risk Committee is asked to confirm dates for their 2021 meeting schedule.

Tūtohunga | Recommendation

That:

1. **The information be received.**
2. **The Audit and Risk Committee confirm and adopt its meeting schedule for 2021.**

Ngā Take/Kōrerorero | Issues/Discussion

Attached to the agenda is the meeting planner for 2021 showing the confirmed meeting dates for Council and its Committees. The planner includes the proposed dates for the Audit and Risk Committee along with proposed dates for Waharoa (Matamata) Aerodrome Committee and Te Manawhenua Forum with each committee to confirm their meeting dates. Also included are known Local Government NZ commitments.

The overall pattern of meetings is set as:

- Council meet monthly every 2nd Wednesday, with extra meetings for hearings and adoption of documents as required.
- Corporate and Operations Committee (COC) meet monthly every 4th Wednesday.
- Audit and Risk Committee meet quarterly on Tuesday, based on respective Council meetings.
- Te Manawhenua Forum meet quarterly on 1st Tuesday, with the exception of the last meeting, which will occur on 30 November.
- Waharoa (Matamata) Aerodrome Committee meet three times a year on the third or fourth Thursday of a month.

Proposed meeting schedule – Audit and Risk Committee 2021

MONTH	DATE	VENUE
March	Tuesday, 9th	Matamata-Piako District Council Council Chambers, 35 Kenrick Street, Te Aroha
June	Tuesday, 29th	
October	Tuesday, 12th	
November	Tuesday, 30th	TBC

The proposed meeting dates for Audit and Risk are currently aligned with milestones for the Long Term Plan project and Annual Report project. If a change of dates is proposed some discussion should be have with staff to ensure that reporting on these projects to the Committee can be managed.

Committee members should note that the meeting dates have been selected to align with Council audit dates for the Long Term Plan and Annual Report and subsequent meetings of Council. Changes to these dates will need to be discussed with staff to confirm the planned agenda items can still be managed at each meeting.

Attachments

A⇩. Meeting Planner 2021 including LGNZ dates

Signatories

Author(s)	Tamara Kingi **Committee Secretary and Corporate Administration Officer**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

Item 6.1

Attachment A

MPDC Meeting Planner 2021 – inclusive Committee dates and LGNZ commitments

	January		February		March		April		May		June		July		August		September		October		November		December	
SUN																								SUN
MON					1	CDEM Joint Committee															1			MON
TUES					2	TMF					1	TMF									2			TUES
WED					3	National Council					2						1				3		1	COUNCIL	WED
THURS					4	R&P / Stakeholder Function	1				3		1				2				4		2		THURS
FRI	1	New Year's Day			5	R&P	2	Good Friday			4		2	EquiP			3		1	Te Maruata	5		3	National Council	FRI
SAT	2				6		3		1		5		3				4		2		6		4		SAT
SUN	3			Mon 1 Nelson/Buller	7		4		2		6		4		1		5		3		7		5		SUN
MON	4	Day after New Year's	1	Auckland/Northland	8	HGF	5	Easter Monday	3		7	Queen's Birthday	5		2	PAG / GSAG / CDEM Joint Com	6		4		8	PAG / GSAG	6		MON
TUES	5		2		9	ARC	6		4		8		6		3		7	TMF	5		9		7		TUES
WED	6		3	WORKSHOP TBC	10	COUNCIL / Te Maruata	7		5	COUNCIL	9	COUNCIL	7		4		8	COUNCIL	6		10	COUNCIL	8	COC	WED
THURS	7		4		11	Te Maruata Hui	8		6		10	Rural and Provincial	8		5		9		7	NC Strat Day	11		9		THURS
FRI	8		5		12		9		7	Regional	11	R&P	9		6		10		8	National Council	12		10	Te Maruata	FRI
SAT	9		6	Waitangi Day	13		10		8		12		10		7		11		9		13		11		SAT
SUN	10		7		14		11		9		13		11		8		12		10		14		12		SUN
MON	11		8	Waitangi Day (observed)	15		12		10		14		12		9		13		11		15		13		MON
TUES	12		9	Te Maruata	16		13		11		15		13		10		14		12	ARC	16		14		TUES
WED	13		10	COUNCIL	17	WORKSHOP TBC	14	COUNCIL	12	COUNCIL Hearing	16		14	COUNCIL / Te Maruata Hui / NC	11	COUNCIL	15		13	COUNCIL	17		15		WED
THURS	14		11		18		15		13	Hearing Cont.	17		15	Conference	12		16		14		18		16		THURS
FRI	15		12		19		16		14		18		16	Conference	13		17	EquiP	15		19	EquiP	17		FRI
SAT	16		13		20		17		15		19		17	AGM	14		18		16		20		18		SAT
SUN	17		14		21		18		16		20		18		15		19		17		21		19		SUN
MON	18		15	CE Forum	22		19		17		21	CE Forum	19		16		20		18	CE Forum	22		20		MON
TUES	19		16		23		20		18		22		20		17		21		19		23		21		TUES
WED	20		17	Bylaw, Speed Limit Hearing / WORKSHOP	24	COC	21		19		23	COC	21		18		22	COC	20		24	COC	22		WED
THURS	21		18		25		22		20	Te Maruata	24	WMAC	22		19	Zone 2	23	WMAC	21		25	Rural & Provincial	23		THURS
FRI	22		19		26	Zone 2	23	EquiP	21	National Council	25		23		20	Zone 2	24		22		26	Rural & Provincial	24		FRI
SAT	23		20		27		24		22		26		24		21		25		23		27		25	Christmas Day	SAT
SUN	24		21		28		25	ANZAC	23		27		25		22		26		24		28		26	Boxing Day	SUN
MON	25		22	PAG / GSAG	29		26	ANZAC (observed)	24		28		26		23		27		25	Labour Day	29	CDEM Joint Committee	27	Christmas Day (observed)	MON
TUES	26		23		30		27		25		29	ARC	27		24		28		26		30	TMF / ARC	28	Boxing Day (observed)	TUES
WED	27	WORKSHOP	24	COC	31	WORKSHOP TBC	28	COC	26	COC	30	COUNCIL LTP Adoption	28	COC	25	COC	29		27	COC			29		WED
THURS	28		25	EquiP / WMAC			29		27				29		26		30		28				30		THURS
FRI	29		26				30	Zone 2	28				30		27	National Council			29	Zone 2			31		FRI
SAT	30		27						29				31		28				30						SAT
SUN	31		28						30						29				31						SUN
MON									31	PAG / GSAG / CDEM Joint Com					30										MON
TUES															31										TUES

key								
Conference	National Council	Zones	Sector • R & P – Rural & Provincial	Weekends/Public Holidays	Symposium	CE Forum	Advisory Groups • PAG – Police • GSAG – Governance and Strategy	EquiP Board	Waharoa (Matamata) Aerodrome Committee	Te Manawhenua Forum	Audit and Risk Committee	Te Maruata

Agenda Close Dates:
Council / COC, Committees

Review of Delegation Policy and Delegation Register 2020

CM No.: 2321713

Rāpopotonga Matua | Executive Summary

Under the Local Government Act 2002, Council may delegate its statutory powers and its functions to Council Officers.

This report seeks feedback from the Committee on the Delegation Policy and Delegation Register 2020, circulated to committee members separately from the agenda.

Tūtohunga | Recommendation

That:

1. **The information be received.**
2. **The Committee provide feedback, if any, to Council on the delegations prior to the delegations being submitted to Council.**

Horopaki | Background

The Local Government Act 2002

Section 48 of the Local Government Act 2002 (LGA) provides that delegations must be carried out in accordance with Part 1 of Schedule 7 of the LGA. Clause 32(1) of Part 1 to Schedule 7 of the LGA provides that, for the purposes of efficiency and effectiveness in the conduct of a local authority's business, a local authority may delegate to a committee or other subordinate decision-making body, or member or officer of the local authority any of its responsibilities, duties, or powers excepting the powers specified under paragraphs (a)-(f) of that sub-clause.

These delegated powers fall broadly in to three categories:

- Financial
- Warranted powers
- Statutory

Ngā Take/Kōrerorero | Issues/Discussion

Delegations Policy

The Policy focuses on two policy issues:

- Efficient and effective decision making - good management practice is to encourage delegation of decision making to the lowest competent level.
- Managing risk - Council has identified the 'top five risks' which are to be considered by Council and staff when making a delegation.

The Policy contains information on:

- Powers retained by Council
- Mayoral Powers under the LGA
- Powers delegated to Council committee's under its governance structure
- Powers delegated to Council's hearing commission under its governance structure
- Financial delegations
- Warranted Power appointments
- Statutory delegations (delegations where the highest risk has been initially assessed have been highlighted throughout the delegations document)

Amendments made to Delegations Policy and Register 2020 include:

- Delegation Policy - wording/legislation updates.
- Committee delegations - updated to reflect new Council members from the 2019 elections. Removal of the Thames Valley Civil Defence Emergency Management Group and addition of the Provincial Growth Fund Governance Group and Pare Hauraki Collective Working Group
- Financial delegations - updated to reflect staffing changes. This includes positions that were new to Council, and changes in job title since the last document review. There have been some positions that have had their delegated amount amended to reflect changes in their duties. Position titles of the former Human Resources department have been updated to reflect the new titles.
- Warrant and Statutory - Keys amended to reflect staff tier levels and position titles updated/added including power for additional staff to issue building consents under s51 of the Building Act 2004.
- Statutory delegations – reviewed alongside the legislative compliance checklist. The Transport (Vehicular Traffic Road Closure) Regulations 1965 was included. Staff title changes were updated. There have been changes to who is responding to LGOIMAs to now being partly shared between Communications for media enquiries and Legal Officer for all others.

Analysis

Options considered

The Committee has the option of recommending to Council further amendments to the delegations.

Legal and statutory requirements

Details of the legislative framework have been set out above in this report.

Impact on Significance and Engagement Policy

This matter is not considered significant.

Timeframes

There are no timeframes, the delegations are expected to be updated as and when legislation is introduced or amended by central government.

Financial Impact

There are no funding costs/impacts of this process.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Ellie Mackintosh **Graduate Policy Planner**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

Draft Work Programme for 2021

CM No.: 2321853

Rāpopotonga Matua | Executive Summary

The report outlines the proposed work plan for 2021.

Tūtohunga | Recommendation

That:

1. The Work Programme be approved

Horopaki | Background

Prior to the commencement of each calendar year the Committee sets itself a work programme. While priorities can shift during the year as unexpected issues arise, the work programme is a useful tool to enable Committee members to set their direction and to allow staff to understand the work priorities that need to be achieved. The one notable addition to the work programme is the Long Term Plan project, the bulk of work on this will be undertaken in 2020.

The Committee will also need to consider whether its draft work programme is consistent with its Charter (see separate agenda item).

Ngā Take/Kōrerorero | Issues/Discussion

The following draft work programme is proposed for discussion by the Committee. The work programme identified issues which have been developed and reviewed on an annual basis as a suggested base work programme. There may be other matters that the Committee may wish to consider for inclusion or replacement in the work programme.

Work Programme 2021 – Audit and Risk Committee

March 2021

- Annual update on organisational culture - vision and values
- Annual Report – review of the Audit Arrangements Letters (if available)
- Annual Report – review of the six month report
- Three Water reform project update
- Long Term Plan – project update
- Treasury Policy Review
- Annual Plan – project update
- BDO Internal Audit plan
- IT Security Audit
- Standing item – Specific Project Risk Management Review (Water)
- Standing item – Review of any audit reports that have been completed
- Standing item – In committee auditor/committee member discussion
- Standing item – Quarterly procurement report
- Standing item – Policy review (if required)

June 2021

- Annual Report – review of the report on the interim audit
- Long Term Plan – project update
- Annual insurance programme review
- Weathertight Buildings Update
- Annual Plan – project update
- Annual risk management framework/analysis review & Risk Management Policy
- Accounting Policies
- Three Water reform project update
- Standing item – Specific Project Risk Management Review
- Standing item – Review of any audit reports that have been completed
- Standing item – In committee auditor/committee member discussion
- Standing item – Quarterly procurement report
- Standing item – Policy review (if required)

Please note – the following are usually review this month but are not due in 2021:

- Investment & Liability Policy (2 yearly review cycle due in 2022– noted for reference)
- Review of Fraud and Protected Disclosures Policies (2 yearly review cycle – due 2022 – noted for reference)

October 2021

- Annual Report – review of the final Annual Report, Summary, Audit Opinion and letter of representation
- Long Term Plan – project update
- Annual financial warrant of fitness assessment
- Annual review of delegations
- Annual review of legislative compliance assessment
- Self-evaluation of committee circulated
- Policies raised in interim management report
- Web Security Audit
- Three Water reform project update
- Standing item – Specific Project Risk Management Review
- Standing item – Review of any audit reports that have been completed
- Standing item – In committee auditor/committee member discussion
- Standing item – Quarterly procurement report
- Standing item – Policy review (if required)

December 2021

- Review of the Audit and Risk Committee Charter
- Proposed meeting dates for 2021
- Draft work programme for 2021
- Long Term Plan – project update
- Annual update of External Audit being undertaken by Council
- Annual Risk Policy review
- Self-evaluation of committee completed
- LGOIMA requests
- Three Water reform project update
- Standing item – Specific Project Risk Management Review
- Standing item – Review of any audit reports that have been completed

- Standing item – In committee auditor/committee member discussion
- Standing item – Quarterly procurement report
- Standing item – Policy review (if required)

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Michelle Staines-Hawthorne **Corporate Strategy Manager**	

Approved by	Don McLeod **Chief Executive Officer**	

Item 6.4

Review of the Audit and Risk Committee Charter

CM No.: 2369948

Rāpopotonga Matua | Executive Summary

This report provides the Committee with a copy of its Charter (attached) as approved by Audit and Risk Committee in December 2018 and approved by Council. The Charter was reviewed in December 2018 with the following amendments regarding committee composition:

> *The Chairperson must be suitably qualified and shall be an external appointment with skills and experience to provide value for the Council. The Committee size will be determined by Council and must include members who are financially literate, and have appropriate skills and interest, with provision for a second external member.*

This annual review provides an opportunity for amendments to be recommended to Council for approval if required.

Tūtohunga | Recommendation

That:

1. **The Audit and Risk Committee recommend any amendments to its Charter to go to Council for approval.**

Horopaki | Background

The Office of the Auditor General ("OAG") has resources available on their website regarding making the most of audit committees, guiding principles etc. These resources can be viewed at http://www.oag.govt.nz/our-work/audit-committees. These resources have replaced the previous good practice guide 'Audit committees in the public sector' which recommends that public sector entities should consider putting in place an Audit Committee.

Ngā Take | Issues

At Council's meeting on 13 November 2013 the Audit and Risk Committee was established and delegated the role of "ensuring Council has appropriate risk management and internal and financial control systems". Further to this Council resolved that the Audit and Risk Committee propose a work programme for consideration by Council for the fulfilment of this delegation.

While not specifically requested by Council, the OAG recommends that a charter is developed to guide the work of the Committee and advises "*It is useful to set out the purpose, roles, and responsibilities of the audit committee and its scope in the context of the entity's governance framework.*"

The Charter was last reviewed at the Committee's December 2018 meeting, where amendments to the composition of the committee were recommended.

OAG guidance is that a charter should formally document the accountability, authority, duties, membership, role, and responsibilities of the audit committee. The charter should be approved by the governing body and reviewed and confirmed each year.

The charter should include the audit committee's:

- objective (its role or purpose, the governance framework/context within which it operates, and how it relates to other governance mechanisms/committees);
- authority (the power or authority it has to fulfil its objectives);
- composition and tenure of members (the size of the audit committee, the sort of members it has, how new members are appointed and reappointed, how long members remain on the audit committee, and how members (including the chairperson) are removed in the event of non-performance);
- responsibilities;
- administrative arrangements (meetings, attendance and quorums, decision-making and voting, secretariat, conflict of interest provisions, induction);
- performance assessment arrangements; and
- systems and schedules for reviewing the charter.

Analysis

Options considered

The Committee should review the charter and consider whether in its view, the charter still meets the intent of the delegation from Council and is consistent with the good practice guidance issued by the OAG.

Legal and statutory requirements

A charter for the Audit and Risk Committee is not a statutory requirement, it is recommended as good practice by the OAG.

Impact on policy and bylaws

There are no policy or bylaw issues.

Consistency with the Long Term Plan / Annual Plan

The Audit and Risk Committee will assist Council in ensuring it has appropriate risk management and internal and financial control systems across a wide range of functions provided for under the Long Term Plan/Annual Plan, for example the Council's Annual Report.

Impact on Significance and Engagement Policy

This matter is not considered significant.

Communication, consultation and decision making processes

Any amendments to the charter will be provided to Council for approval.

Ngā take ā-Ihinga | Consent issues

There are no consent issues.

Timeframes

The Audit and Risk Committee should seek approval of any amendments to its Charter as soon as reasonably possible.

Ngā Tāpiritanga | Attachments

A⇩. Matamata-Piako District Council - Audit and Risk Committee Charter - December 2019

Ngā waitohu | Signatories

Author(s)	Michelle Staines-Hawthorne **Corporate Strategy Manager**	

Approved by	Don McLeod **Chief Executive Officer**	

Matamata-Piako District Council
Audit and Risk Committee
Charter and Terms of Reference
Reviewed by the Audit and Risk Committee December 2019

1. Objectives

The primary objective of the Audit and Risk Committee (Committee) is to assist the Matamata-Piako District Council (Council) in fulfilling its overall responsibilities relating to accounting and reporting, internal and external audit, treasury, compliance and risk management. The Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Council's process for monitoring compliance with laws and regulations.

In addition, the Committee will:

1.1 Oversee and appraise the quality of the audits conducted by the Council's internal and external auditors.

1.2 Ensure the integrity of Council's financial management and reporting processes and monitor Council's internal audit practices.

1.3 Ensure the integrity of Council's internal control environment.

1.4 Maintain open lines of communications among the Council, any internal auditors and the external auditors, to exchange views and information.

1.5 Serve as an independent and objective party to review the basis and quality of financial information presented by senior management to Council, regulators and the general public and also advise in the development of the future format and content of external reporting.

1.5 Determine the adequacy of the organisation's administrative, operating and accounting controls.

1.6 Review Council's risk management programme and the effectiveness of risk management activities.

2. Authority

The Council authorises the Committee, within the scope of its responsibilities to:

2.1 Seek any information it requires from:

- any employee of Council, for the avoidance of doubt this includes the Chief Executive Officer (CEO) and all staff employed by the

35 Kenrick Street - PO Box 266 - Te Aroha 3342 - www.mpdc.govt.nz
Morrinsville & Te Aroha 07 884 0060 - Matamata 07 881 9050 - Fax 07 884 8865

TELARC REGISTERED Quality ISO 9001

CEO on behalf of Council (and all employees are directed to co-operate with any request made by the Committee); and
- external parties.

2.2 Obtain outside legal or other professional advice from within Council allocated resources or with the approval of Council should additional unfunded resource be needed.

2.3 Ensure the attendance of Senior Management at meetings as appropriate.

Provided that the Council may define and approve other delegations as appropriate as the Committee's work is progressed.

3. Composition

The Chairperson must be suitably qualified and shall be an external appointment with skills and experience to provide value for the Council. The Committee size will be determined by Council and must include members who are financially literate, and have appropriate skills and interest, with provision for a second external member.

4. Term of Membership

The Committee membership may be reviewed by Council but otherwise will be appointed for the term of Council.

5. Meetings

5.1 The Committee will hold at least four regular meetings per year, and such additional meetings as the Chairperson shall decide in order to fulfill its duties. In addition, the Chairperson is required to call a meeting of the Committee if requested to do so by a majority of Committee Members, the Council or the external auditors.

5.2 The external auditors, Chief Executive and Financial Manager will normally attend Committee meetings, but the Committee may meet as it determines with the Auditors without management being present.

5.3 The Committee will be supported by Council's Committee Secretary who shall be responsible, in conjunction with the Chairperson, for compiling the agenda and circulating it, supported by explanatory documentation to Committee Members prior to each meeting.

The Committee Secretary will also be responsible for keeping the minutes of meetings of the Committee, and circulating them to Committee Members and to the other members of the Council.

5.4 A quorum shall consist of a majority of the Members.

5.5 The Committee will adopt Standing Orders to support its functions.

6. Access

6.1 The Committee shall have unrestricted access to:

- the external auditors;
- the internal auditors;
- senior management of the organisation; and
- Council employees' responsible for internal audit functions.

The Committee shall also have the ability to consult independent experts where they consider it necessary to carry out their duties as approved by Council or as may be authorised under delegation (refer clause 2 also).

6.2 The external Auditors, and the Head of Internal Audit, will have access to the Chairperson of the Committee at any time.

7. Duties and Responsibilities

The duties and responsibilities of the Committee are as follows:

Internal Controls

7.1 Evaluate whether management is setting the appropriate control culture by communicating the importance of internal control and the management of risk and ensuring that all employees have an understanding of their roles and responsibilities.

7.2 Consider the adequacy of security of computer systems and applications, and the contingency plans for processing financial information in the event of a systems breakdown.

7.3 Monitor the implementation by management of internal control recommendations made by internal and external auditors.

7.4 Gain an understanding of the internal control systems implemented by management for the approval of transactions and the recording and processing of financial data.

7.5 Ensure that management has established an effective risk management framework which includes policies and procedures to effectively identify, treat, monitor and report key business risks.

7.6 Monitor the work programme of internal auditors, and review the outcomes, and implementation of recommendations as the result of internal audits.

Financial Reporting

(a) General

7.6 Gain an understanding of the current areas of greatest financial risk and how management is managing these effectively.

7.7 Consider with the internal and external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues.

7.8 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the format, preparation, reporting responsibilities and financial position of Council.

7.9 Ask management and the internal and external auditors about significant risks and exposures and the plans to minimise such risks.

7.10 Review any legal matters which could significantly impact the financial statements.

7.11 Review and approve all significant changes in accounting policy.

7.12 Review insurable risk management and the adequacy of the Council's insurance programmes.

(b) Annual Financial Statements

7.13 Review the annual financial statements and determine whether they are complete and consistent with the information known to Committee Members; assess whether the financial statements reflect appropriate accounting principles.

7.14 Pay particular attention to complex and/or unusual transactions such as restructuring charges.

7.15 Focus on judgmental areas, for example those involving valuation of assets and liabilities; warranty, product or environmental liability; litigation reserves; and other commitments and contingencies.

7.16 Meet with management and the external auditors to review the financial statements and the results of the audit.

7.17 Review the other sections of the annual report before its release and consider whether the information is understandable and consistent with member's knowledge about the Council and its operations.

(c) Interim Financial Statements

7.18 Be briefed on how management has prepared interim financial information together with the assumptions and processes used.

7.19 Assess the fairness of the preliminary and interim statements and disclosures, and obtain explanations from management and internal auditors on whether:

- actual financial results for the interim period varied significantly from budgeted or projected results;
- financial policies have been complied with;
- generally accepted accounting principles have been consistently applied;
- there are any actual or proposed changes in accounting or financial reporting practices;
- there are any significant or unusual events or transactions;
- the Council's financial and operating controls are functioning effectively; and
- the preliminary announcements and interim financial statements contain adequate and appropriate disclosures.

Internal Audit

7.20 Consider the Council's overall audit requirements and recommend to the Council to consider the internal audit requirements.

7.21 Approve the Annual Internal Audit Plan.

External Audit

7.22 Review the external auditors proposed audit scope and approach and ensure an appropriate scope is being undertaken.

7.23 Approve the Annual External Audit Plan.

7.24 Review the performance of the external auditors.

7.25 Consider the independence of the external auditor, including approving and reviewing the level of non-audit services provided and an assessment of any impact this may have on their independence.

7.26 Make recommendations to the Council regarding the reappointment of the external auditors.

7.27 Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

7.28 Ensure that significant findings and recommendations made by the external auditors are received, considered and actioned on a timely basis.

7.29 Make enquiries of external audit regarding the differences identified during the audit. If any differences remain unadjusted obtain explanations from management as to why.

7.30 Ensure that management responds to recommendations by the external auditors.

7.31 Discuss with Council's external auditors, judgments about the appropriateness of the accounting principles as applied in the financial reporting.

7.32 Review and approve the statements included in the annual report in relation to internal control and the management of risk.

7.33 Ensure receipt from external auditors of a formal written statement delineating all relationships between auditor and Council.

7.34 Review audit fees and management consulting services and related fees provided by the external auditors, and recommend an appropriate budget.

7.35 Receive and consider all external functional audits.

Compliance with Laws and Regulations

7.36 Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management investigations and follow-up (including disciplinary action) of any fraudulent acts or non-compliance.

7.37 Obtain regular updates from management regarding compliance matters.

7.38 Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements.

7.39 Review the findings of any examinations by regulatory agencies.

Reporting Responsibilities

7.40 Regularly update the Council on Committee activities and make appropriate recommendations.

7.41 Ensure the Council is aware of matters which may significantly impact the financial condition or affairs of the business.

Other Responsibilities

7.42 Review annually all Financial, Accounting, Compliance and Risk Management Policies.

7.43 Review the effectiveness of ethics and values programmes.

7.44 Perform other oversight functions as requested by Council.

7.45 Recommend to Council Delegations of Authority levels and limits.

7.46 If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.

7.47 Review and update the Charter; receive approval of changes from the Council annually.

7.48 Evaluate the Committee's own performance on an annual basis.

Item 6.5

Self Evaluation Survey 2020 - Audit and Risk Committee

CM No.: 2369965

Rāpopotonga Matua | Executive Summary

Each year as part of its work programme the Audit and Risk Committee completes a self-evaluation of its performance during the calendar year. This report provides information on the self-evaluation framework. The results of the evaluation will be discussed at the Committee meeting.

Results of 2018 and 2017 self-evaluations have been included as additional columns in blue for reference and comparison to this year's results.

Tūtohunga | Recommendation

That:

1. **The report and summary from the Committee Chair regarding the outcome of the self-evaluation be received.**
2. **Feedback on the self-evaluation and any recommended actions for improvement be provided to Council.**

Horopaki | Background

Each year as part of its work programme the Committee completes a self-evaluation of its performance during the calendar year.

The self-evaluation for 2019 involved a questionnaire, completed by the Committee members. These were then reviewed by the Committee Chair, who has provided commentary on the results.

Ngā Take/Kōrerorero | Issues/Discussion

The Committee members were asked to compete the self-evaluation framework, the outcomes of this exercise are set out below and will be discussed at the Committee meeting.

Audit & Risk Committee Self Evaluation Summary 2020

Number	Question - Scored out of 5	2020	2019	2018
1.	Responsibilities under the Committee's Charter are clearly articulated and understood.	3.96	4.8	4.6
2.	The Audit Committee meets the duties/expectations set out in its Charter.	3.90	4.8	4.75
3.	The role of the Audit Committee Chairman is clearly understood.	4.47	4.7	4.75
4.	Members have an understanding of their role on the Committee.	3.96	4.7	4.4
5.	Agenda topics are appropriate and the Audit Committee does not address issues that should be dealt with directly by the Board or another Committee.	4.28	4.5	4.5
6.	The Committee has provided clarity on the escalation process for issues to be followed by management, the external auditor and Group Audit.	4.14	4.5	4.3
7.	The Committee Chairman:			
	(a) Is a good communicator	4.2	4.7	4.6

Number	Question - Scored out of 5	2020	2019	2018
	(b) Builds trust	4.6	4.7	4.6
	(c) Encourages debate	4.3	4.7	4.3
	(d) Builds consensus	4.6	4.7	4.5
	(e) Fosters effective and efficient decision making.	4.3	4.8	4.5
8.	The balance and mix of skills of the Committee is appropriate.	3.94	4.2	4.12
9.	The Committee is sufficiently informed regarding audit and financial reporting (including regulatory) trends in the external environment which can affect the Council.	3.66	4.4	4
10.	Sufficient special tutorial sessions are held to educate Committee members about complex audit and financial reporting (including regulatory) issues.	3.58	3.4	2.63
11.	The Committee has sufficient resources available, both inside and outside the organisation, to allow it to carry out its function effectively.	4.23	4.5	4.45
12.	The Committee understands the organisation's significant financial risks.	4.47	4.6	4.5
13.	The Committee understands the control systems in place to mitigate the organisation's significant financial risks.	424	4.6	4.3
14.	The Committee understands the Council's tax matters.	3.64	4.2	4.3
15.	The Committee ensures adequate co-ordination of activities between internal and external audit.	4.4	4.4	4.6
16.	The Audit Committee's annual plan is well understood.	4.09	4.4	4.6
17.	The frequency of Audit Committee meetings is appropriate.	4.3	4.8	4.5
18.	The duration of Audit Committee meetings is appropriate.	4.5	4.8	4.58
19.	There is an appropriate balance between strategic, operational and governance agenda items.	4.24	4.4	4.25
20.	Committee agendas cover the right issues in a timely way.	4.39	4.6	4.37
21.	Committee papers are distributed to members with enough time for members to prepare for meetings.	4.23	4.1	4.25
22.	Committee papers are clear and provide meaningful insight.	4.36	4.1	4.37
23.	Conduct of meetings ensures open communication, meaningful participation and constructive dissent.	4.73	4.1	4.5
24.	The Committees use of time is effective - the time available is mostly allocated to the most important issues and there is sufficient time allocated for a full discussion.	4.66	4	4.5
25.	Enough time is allowed for discussion of more complex issues.	4.36	4	4.5
26.	Committee members have adequate opportunities to share views with each other without management present.	4.43	4.1	4.6
27.	The Committee makes efficient and effective decisions.	4.23	4	4.45

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Tamara Kingi **Committee Secretary and Corporate Administration Officer**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

Item 7.1

LTP Project Update

CM No.: 2321708

Rāpopotonga Matua | Executive Summary

Council is required to prepare and adopt a Long Term Plan under the Local Government Act 2002 (LGA) every three years. The purpose of this report is to provide an update to the Committee on the Long Term Plan project.

The Committee may wish to provide feedback or comment on the Long Term Plan project.

Tūtohunga | Recommendation

That:

1. **The information is received.**

2. **The Committee provide feedback on the Long Term Plan project.**

Horopaki | Background

Council is required to prepare and adopt a Long Term Pan under the LGA. The Long Term Plan sets out the activities, budgets, Financial Strategy and key financial policies of the Council for the next 10 years and the Infrastructure Strategy for the next 30 years. The Long Term Plan is required to be updated every three years, with the last Long Term Plan being approved in 2018 (available online https://www.mpdc.govt.nz/plans/long-term-plan).

The Long Term Plan:

- describes the type of district our communities have told us they want – our community outcomes
- identifies the key projects to take place over the next 10 years
- provides an overview of each activity we will carry out and the services we will provide for the next ten years
- determines how much this will cost and how we will fund it.

We also do it to give our community the opportunity to have a say on where we are heading and to ensure our planning is robust. In completing the plan, we are required to do a number of things, including:

- take a sustainable development approach and promote community interests
- carry out our business in a clear, transparent and accountable manner
- operate in an efficient and effective manner, using sound business practices
- take into account community views by offering clear information and the opportunity to present views
- provide opportunities for Māori to contribute to decision making
- collaborate and co-operate with other agencies and councils to achieve desired outcomes.

The Long Term Plan is a complex document covering all activities of Council, major strategic documents, financial policies, auditing and a large consultation component with the community.

The Long Term Plan must be adopted prior to 30 June 2021. The project timeline for a Long Term Plan is typically 18 months or more, and involves staff across the whole organisation, Councillors

and the community. A high level overview of the timeline is set out under Communication and Timeline below.

Ngā Take/Kōrerorero | Issues/Discussion

Financial Strategy and Infrastructure Strategy

Council is required to have a Financial Strategy as per section 101A and 101B of the LGA.

As the impact of COVID-19 evolved, Council made a decision at its meeting in May to have 0% increase on the General Rates for the 2020/21 financial year. Council also decided to consult with our communities on the general direction of the Financial Strategy. This was done through our website during July/August, and the survey was also sent out with the Rates notices in August.

A series of workshops have been held with Council to consider the results of the pre-consultation, as well as discussing how to best balance affordability with maintaining services and facilities to support community wellbeing and recovery.

The Draft Financial Strategy will be reported to Council/COC in December, alongside the Draft Long Term Plan and associated policies, for approval to send to Audit. These documents are subject to public consultation using the Special Consultative Procedure of s82 of the LGA. Consultation is scheduled from mid-March to mid-April, with a Hearing of submissions 12/13 May 2021.

Revenue and Financing Policy

The Revenue and Financing Policy has been reviewed. The Draft Policy will be reported to Council/COC in December for approval to send to Audit.

The Revenue and Financing Policy is subject to public consultation alongside the Long Term Plan in mid-March.

Rates Remissions Policy

The Rates Remissions Policy has been reviewed – Council has indicated no changes to the current policy settings. The policy was last reviewed in 2018 and needs to be reviewed every six years.

The Policy is subject to public consultation alongside the Long Term Plan in mid-March.

Budgets

Council has reviewed the proposed budgets (capital and operational) over a series of workshops. The uncertainties around potential long term impact of COVID-19 on the economy and our communities have been carefully considered, while also ensuring that we can continue to deliver our services and support community wellbeing.

The Draft budgets will be reported to Council/COC in December for approval to send to Audit.

Fees & Charges

Council has reviewed the Fees & Charges for the various activities over a series of workshops.

The Fees & Charges are subject to public consultation alongside the Long Term Plan in mid-March.

Development Contributions Policy

The Development Contributions Policy has been reviewed through a series of Council workshops.

External expert advice has also been sought on specific issues such as conversion ratios and base units. This has resulted in an adjustment of the ratio for Roading contributions in particular for Retail development (from 0.8 to 1.6). Other changes from the current policy are minor, and brings us in line with similarly sized Councils.

Staff have also liaised with Iwi on making provisions for papakainga developments and kaumatua housing within the new policy.

With the emerging trend of small dwellings/tiny houses, the Draft Policy introduces a new development category for these types of development, with a separate conversion ratio applied for each infrastructure service activity.

The Draft Policy will be reported to Council/COC in December for approval to send to Audit.

The Policy is subject to public consultation alongside the Long Term Plan in mid-March.

Consultation Document

Consultation documents are expected to concise and clearly present the significant issues, plans, and projects that council intends to include in its LTP presenting the key choices and implications clearly to the community.

The Local Government Act 2002 (LGA) states that a consultation document's purpose is to provide an effective basis for public participation in local authority decision-making processes relating to the content of an LTP. A good consultation document should not attempt to summarise the contents of the LTP, it should describe the key issues proposed.

Staff are currently drafting the Consultation Document, which will be workshopped with Council 18 and 25 November, with the CD formally reported to Council for approval to send to audit in December.

The Consultation Document and the underlying information will be audited in January, with the Final CD reported to Council in March 2021 for approval to consult.

The CD is subject to the Special Consultative Procedure, and consultation is scheduled from mid-March to mid-April 2021, with a Hearing scheduled 12/13 May 2021.

Mōrearea | Risk

A risk register is maintained for the Long Term Plan project. This is reported to the Audit and Risk Committee quarterly and attached to this report.

Council's auditors are scheduled to begin the interim audit on 7 December. Audit have signalled that because of COVID 19 and the resultant delays with other clients, including central government agencies there is a risk that they will not be able to progress the interim audit as much as they would otherwise have done. Staff will remain in contact with the Audit team to work through this issue. At this stage staff recommend continuing to follow our current timeline for the project.

Ngā Whiringa | Options

The Committee is invited to provide feedback and comments on the Long Term Plan project.

Ngā take ā-ture, ā-Kaupapahere hoki| Legal and policy considerations

Requirement for a Long Term Plan

The preparation of the Long Term Plan is a requirement under the Local Government Act 2002. Schedule 10 of the LGA sets out the requirements for a LTP. The LTP must include information about;

- Community Outcomes
- Groups of Activities
- Capital expenditure for groups of activities
- Statement of service provision
- Funding impact statement for groups of activities
- Variation between territorial authority's longer term plan and assessment of water and sanitary services and waste management plans
- Council controlled organisations
- Development of Māori capacity to contribute to decision-making processes
- Financial Strategy and Infrastructure Strategy
- Revenue and Financing Policy
- Significant and Engagement Policy
- Forecast financial statements
- Financial statements for previous year
- Statement concerning balancing of budget
- Funding impact statement
- Rating base information
- Reserve funds
- Significant forecasting assumption

Local Government Wellbeing Amendment Act 2019

The Local Government Wellbeing Amendment Act 2019 came into force in May 2019, re-introducing the four well-beings into legislation. This means Council must promote the social, economic, environmental and economic wellbeing of communities in the present and for the future. Council must report on how we are contributing towards the well-beings.

Mayoral Powers

Under LGA s41A, "*it is the role of a mayor to lead the development of the territorial authority's plans (including the long-term plan and the annual plan), policies, and budgets for consideration by the members of the territorial authority*."

Council policies and strategies

As part of the preparation of the Long Term Plan, Activity and Asset Management Plans will be checked against Council's key strategic and policy documents and wider regional and national documents for strategic fit. The preparation of the Long Term Plan may lead to the review of some Council policy documents.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The Long Term Plan project is one of Council's key opportunities to engage with our communities to find out what their aspirations and priorities are. The LTP is subject to the special consultative process under the LGA (s83). The special consultative process is a structured one-month submission process with a hearing for those who have submitted and wish to speak to their submission.

The Long Term Plan project timeline also provides for a 'pre-consultation' process with the community referred to as the Right Debate where Council can ask for feedback on key issues it is considering for the Long Term Plan.

The timeline for the project centres on key dates for completion of the draft documents in December 2020, auditing in January / February 2021 and consultation in March / April 2021. The below table provides a summary of key milestones and timelines.

Description	Start	Finish
Briefing Papers		COMPLETE
Growth Projections	Oct 2019	COMPLETE
Forecasting Assumptions	Feb 2020	COMPLETE
Revaluation of Assets	Jan 2020	COMPLETE
Community Outcomes Review	Jan 2020	COMPLETE
Rates Structure	April 2020	COMPLETE
Right Debate (pre-consultation)	April 2020	COMPLETE
Infrastructure and Financial Strategy	April 2020	Dec 2020
Asset Management Plans	Feb 2020	Dec 2020
Policy Review	April 2020	Dec 2020
Council controlled organisation section	July 2020	Dec 2020
Maori participation in decision making	July 2020	Dec 2020
Budgets/Financials/Notes	July 2020	Dec 2020
Document Development	July 2020	Dec 2020
Quality checks and administration	July 2020	ONGOING
Communications Strategy and implementation	Feb 2020	ONGOING
External Audit Process*	Dec 2020	June 2021
Special Consultative Procedure	Jan 2021	June 2021

*Audit NZ has confirmed their timetable in their Audit Engagement Letter dated 4 November 2020;
First interim visit (initial assessment) 2 weeks – 7 December 2020
Second interim visit 3 weeks – 18 January 2021
Audit Clearance on consultation document – 26 February 2021
Audit opinion on Consultation Document – 10 March 2021
Finalised report on consultation document engagement – 16 April 2021
Final LTP audit visit – 24 May 2021
Audit clearance on LTP – 18 June 2021
Audit opinion on adopted LTP – 30 June 2021

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision
The LTP contributes to our all our community outcomes.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The development of the Long Term Plan and associated policies are funded from the Strategy and Engagement operational budgets. The audit fees for the 2021-31 Consultation Document and Long Term Plan is $84,000 excl GST and disbursement.

Ngā Tāpiritanga | Attachments

A⇩. LTP Risk Log

Ngā waitohu | Signatories

Author(s)	Ann-Jorun Hunter **Policy Planner**	

Approved by	Sandra Harris **Senior Policy Planner**	
	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

2021-31 Long Term Plan Project Risk Register

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
1.	**Inappropriate focus for elected members** There is a risk the Long-Term Plan development does not establish the appropriate focus for elected member's political involvement, for example by not focusing on the issues that require decisions.		Project team	Possible	Significant	Moderate	Elected members will be briefed on current Long-Term Plan and other projects, current and future national and regional strategic direction, local issues, and provided with an understanding of demographic factors (age structure, population projections, specific areas of growth and decline, household size, dwelling types) and performance measures. This will ensure the level of detail within the Long-Term Plan project does not mean elected members lose focus on the important issues and matters requiring decisions.	Possible	Moderate	Minor	LTP Project Manager		Open	29 Jul 2020 – Following the adoption of the Annual Plan, focus has now shifted back to the Long Term Plan. 26 Mar 2020 – COVID-19 is the focus of everyone at the moment, and it can be difficult to consider a 10 year plan while the immediate future is uncertain.
2.	**Inadequate budget control** $45,000 is provided each financial year for the Long-Term Plan (GL 3036). Any unused funds are carried over for the Long-Term Plan year to smooth the rates impact of the project. This includes demographic work, document design, printing, advertising and other costs associated with consultation on both the right debate (pre-consultation) and consultation document. In addition to this, funding is provided through Asset/Policy for the preparation of asset management plans and related documents and another budget to provide for Audit fees. Costs provided for the audit of the Long Term Plan will be outlined in in the audit arrangements letter. Provision of insufficient budgets could adversely affect the quality of supporting information and the consultation process with the community.		Project team	Possible	Significant	Moderate	The project manager is responsible for monitoring the budget and advising the executive team of any issues. Budgets are set based on knowledge of previous project costs, taking in to consideration any likely increases in cost and any cost savings that can be achieved. At this stage we are confident that the project can be completed comfortably within the project budget.	Highly unlikely	Significant	Minor	LTP Project Manager		Open	

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
	Poor management of budgets could result in insufficient funding to complete key processes around document production and engagement with the community. Poor management of budgets could detrimentally affect political/community views of the project and Council as a whole regarding a high profile planning/budgeting document.													
3.	**Poor community engagement** The Long Term Plan and consultation document are the primary vehicles for talking to the community about the Council's plans for the next 10 years. Key conversations regarding levels of service, rates and debt need to take place within this framework. While it is not expected that all individuals within the community will agree with Council proposals, we expect to achieve a level of understanding of the issues the Council faces and why it has made the decisions that it has. A lack of engagement with the community at an early stage in the project may lead to a misunderstanding of what both Council and the community perceive the key choices Council needs to make. Failure to convey messages around Council's proposal for the next 10 years, why these decisions have been made and the alternatives available to the community may lead to a lack of understanding/ engagement with the community on key issues.		Project team	Possible	Significant	Moderate	Pre-consultation may be undertaken on the key issues identified as part of the Long Term Plan. The intent of these exercises is to achieve a level of understanding with the community on the issues facing Council prior to their inclusion in the long term plan budgets. A Communication Strategy for the project is being developed and will be discussed with Council in Feb/Mar 2020.	Possible	Significant	Moderate	LTP Project Manager		Open	1 Dec 2020 – Pre-consultation results have been reported to Council and taken into consideration during the draft LTP development. There was a high number of responses to the ideas portal and staff are currently working with those who submitted the most popular ideas. 29 Jul 2020 – Pre-consultation launched early July and will run through August. To date the ideas portal (Your Voice, Your Vision) is receiving a steady stream of new ideas, comments and votes. Further promotion of the various topics will continue in August with reporting on results due in September. 26 Mar 2020 – COVID-19 is the focus of everyone at the moment, and it can be difficult to have a meaningful conversation with the community about the long term plans when their immediate future is uncertain.

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
4.	**Lack of document control/quality** The Long Term Plan, Consultation Document and the associated strategies and policies are intended to tell a cohesive story about what Council plans to do. The documents draw from a wide range of sources, with parts written by a number of people across the organisation. There is a risk that the Long Term Plan, Consultation Document and the associated strategies and policies could lack cohesion and contain inconsistencies and errors.		Project team	Moderate	Significant	Significant	All documents are reviewed by a core group of the project team, including the PM, Communications, Finance and Asset Management to ensure consistency of language, projects and financials throughout the documents. Time for internal Q&A has been allocated in January 2021 prior to the commencement of the audit. Communications staff provide 'plain englishing' of the Long-Term Plan for readability and consistency. All Activity Managers are involved with the development of the Activity Plans and are asked to proof read their sections of the LTP.	Possible	Significant	Moderate	LTP Project Manager		Open	
5.	**Weak level of governance engagement** The Long Term Plan and consultation document are the primary vehicles for talking to the community about the Council's plans for the next 10 years. This document requires ownership by the elected members and it should reflect their collective decisions for the community. A lack of engagement with the elected members in the project may lead to a misrepresentation of what they collectively see as they key issues for the community and a lack of ownership of the document.		Project team	Moderate	Moderate	Moderate	Staff will be engaging with Council explaining the work streams as a 'project on a page'. While returning Councillors were assumed to have an existing level of understanding of the requirements of the Long Term Plan, all Councillors have been taken through the same material. Workshops on a number of items and Council reports will be undertaken to ensure understanding of the key issues. At the start of the project, elected members will be provided with high level briefings of the overall strategic direction at a national, regional and local level.	Possible	Moderate	Moderate	LTP Project Manager		Open	

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
6.	**Lack of resourcing/loss of key staff** The preparation of the Long Term Plan represents a higher workload for financial and planning staff than managed in years where an Annual Plan is prepared. Lack of resourcing and/or loss of key staff could adversely impact project timelines and document quality. Staff loss may also be for short-term period for example annual leave, injury.		Project team	Likely	Moderate	Significant	The project team remains largely the same as previous LTP and has a good understanding and experience with the Project Management and individual work streams within the project. A loss of one or two key staff, while not ideal for the project, is not likely to have a significant impact. A project management resource is to be employed to support project management practice across the organisation. A full time Infrastructure Assets Project Officer has been employed to prepare business cases for LTP and other projects. Replacement of staff would follow standard HR processes; staff must give a minimum of one month's notice of resignation – giving an opportunity for handover of any critical issues before their departure. In the event of loss of staff, the budgets can accommodate some use of consultants to assist with document preparation.	Possible	Moderate	High	LTP Project Manager		Open	1 Dec 2020 – Corporate Strategy Manager has resigned and her last day is 26 November. Sandra Harris (Senior Policy Planner) and Larnia Rushbrook (Deputy Finance Manager) will be co-Project Manager for the Long Term Plan and take over the ownership of Risks previously assigned to Corporate Strategy Manager. 30 June 2020 – Staff are back to working as normal. There is currently a recruitment freeze, this may result in staff shortages (short or long term) if anyone leaves. 26 Mar 2020 – COVID-19 has triggered the government to declare state of emergency, and civil defence centres have been activated. This means that some staff will be required to support CD efforts and pulled away from the project. Also, staff are now working from home for the foreseeable future, and therefore has limited access to some of the resources such as the corporate software systems.

Item 7.1

Attachment A

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
7.	**Not addressing legislative changes or meeting legislative compliance** Central government has undertaken a series of amendments to key local government legislation including - The LGA Amendment Act 2019 re-introduced the wellbeings (social, cultural, environmental and economic), and this should be reflected in the LTP. - Climate Change legislation has also come into force since the last LTP, and there is an expectation that Council considers the impact of climate change and how to respond as part of the LTP. A lack of understanding of changes to legislation could result in non-compliance with legislative requirements. There's a risk that Non-compliance with legislative requirements may result in a challenge to Council processes and decision making regarding the setting of budgets, rates and policy.		Project team	Likely	Significant	Significant	Changes to legislation will be signalled to Councillors as part of the 'project on a plan' as work streams from the project have progress Councillors have received update on the relevant legislation to ensure they understand the Council's obligations. The Society of Local Government managers (SOLGM) issues guidance, a health check and a checklist - recently updated to incorporate legislative changes. These guidance documents will be referred to by staff throughout the project. SOLGM also offers education programmes, which this year have focussed on changes to legislation as it applies to the LTP. Council staff will also consider developing a quality assurance plan as suggested by SOLGM. The local government sector also operates a series of list-serves which allow staff to discuss issues with people in similar roles across the local government sector. Staff regularly review publications by the Office of the Auditor General (OAG) relating the Long Term. Council's auditors request the completion of a self-assessment prior to the commencement of the audit.	Possible	Signifi8cant	Minor	LTP Project Manager Finance Manager Asset Manager Strategy & Policy			28 September 2020 – Due to the general election, Parliament has risen, and no legislative changes are expected prior to Christmas. 29 Jul 2020 – Taumata Arowai – The Water Services Regulator Bill has passed through Parliament and the new regulator is currently being set up. The Water Services Bill was introduced to Parliament in July and referred to Select Committee. There is still uncertainty of what the reformed three waters will look like and how the transition will be done. The Project Team is formulating the LTP assumptions to ensure this is considered as part of the LTP project. RMA Amendments were passed into law in 2020 and re-introduced the Financial Contribution. This is being included in the consideration for the DC Policy Review currently underway.
8.	**Not achieving timeframes** The Long Term Plan must be adopted prior to 30 June 2021. The project timeline for a Long Term Plan is typically around 18 months. 8-12 months is allocated to preparation of activity/asset management plans, revaluations, budgets, and other supporting documents. The remaining 6 months is allocated to the auditing process, adoption and consultation on		Project team	Moderate	Significant	Significant	A project timeline was developed for the project in conjunction with key staff. This is critical to ensuring adequate resources are available and buy-in from the project team on document delivery. The project will be delivered to Councillors as a 'project on a page' identifying the key work streams and indicative timeframes for delivery of material.	Possible	Signifi8cant	Minor	LTP Project Manager			30 June 2020 – The project timeline has been reviewed and as a result the budget discussions with elected members will occur during Sept/Oct before a final draft is prepared and approved for audit in Nov/Dec. The timeline for audit and SCP remains the same, with adoption of plan by 30 June 2021. 26 Mar 2020 – COVID-19 has interrupted all businesses and organisations, and the LTP Project timeline is being reviewed in light of this. The original timeline made allowance for

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
	the documents, hearings, amendments and adoption of the final documents. Slippage in critical timeframes could adversely impact document quality, Council and community engagement in the development of the Long Term Plan and legislative compliance.						The revaluations of assets - a critical component of budget development was brought forward, meeting the needs of our Annual Report project and the Long Term Plan. The project timeline has been designed for 'early delivery' of the Long Term Plan. This means that the draft documents have been delivered and scheduled for auditing slightly ahead of when they would usually be completed in the Local Government sector, this means there is for some slippage in project timeframes							multiple workshops, and some of these may not happen with matters going to Council in formal report instead to ensure the key milestones can be reached within the required timeframes.
9.	**Incorrect underlying information/assumptions** The underlying assumptions are critical to the completion of the long Term Plan, it is essential that we work with the best information available. If underlying information and assumptions are significantly incorrect, this will adversely affect our planning and budgeting for the Long Term Plan. This can result in the over/under allocation of resource to provide for the long term growth of our communities.			Moderate	Moderate	Moderate	Information on the underlying information and assumptions will be obtained through expert demographers and using approved inflation assumptions. At the start of the project, elected members will be briefed on demographic projections (age structure, population projections, specific areas of growth and decline, household size, dwelling types), district economy and lifestyle trends. External advice on some of the key assumptions is obtained.	Certain	Very High	Extreme	LTP Project Manager Finance Manager Asset Manager Strategy & Policy		Open	28 September 2020 – Forecasting assumptions are reported to Audit & Risk and Council in October. 29 Jul 2020 – The Project Team are working with its auditors to ensure the assumptions around COVID recovery, Climate Change and the three waters reform are well thought through and carefully considered. 30 June 2020 – SOLGM will be providing some updated guidance on the forecasting assumptions in light of COVID. The assumptions will assessed for likelihood and level of uncertainty, and this will reflect the uncertain times the world is going through. 26 Mar 2020 – COVID-19 and the government response will significantly impact on the economic environment at all levels. The impact of COVID-19 will remain unknown for some time, and it is impossible to predict or forecast how the local community will respond and recover. The impact on the lending/borrowing environment as well as invests remains unknown. The travel restrictions and the financial impact will also impact on population projections, which again will impact on our forecasting assumptions around growth in rating base income from other sources such as

Item 7.1

Attachment A

Risk #	Description	Date raised	Raised by	Gross Risk rating			Mitigating Actions	Residual Risk rating			Owner	Review Date	Status	Comments
				Likelihood	Impact (Severity	Gross Risk		Likelihood	Impact (Severity)	Net Risk				
														DCs and consents and licensing, and what capital expenditure will be required when.

LGOIMA Requests Summary for 2020

CM No.: 2369846

Rāpopotonga Matua | Executive Summary

The relevant legislation for requests for information is Local Government Official Information and Meetings Act 1987 (LGOIMA). We are required to respond to LGOIMA requests as soon as reasonably practicable and (except in some specific instances) within 20 working days.

For the year from (from 2 October 2019 to 30 September 2020) there was a total of 103 LGOIMA requests made of which 100 were answered, due to 3 being withdrawn. The average time to respond was 8.05 days (up to 20 working days are provided for in law, the average last year was 5.42 days).

The $38 per half hour charge is set in line with guidelines produced by the Ombudsman. This is not likely to be reviewed for some time.

The expectation of the Ombudsman is very much that Council's should provide information at little or no cost where possible, with the view that freely available information supports a transparent government.

Tūtohunga | Recommendation

That:

1. This information be received by the Audit and Risk Committee.

Horopaki | Background

The Audit and Risk Committee in 2016 requested staff to review the way in which LGOIMA requests are handled by Council including the potential for recovering costs associated with the time spent in responding. The Executive Team responded by asking staff to track time spent on these requests.

Ngā Take | Issues

This report does not include all the media requests made to Council within the timeframe mentioned.

An issue is providing information to requestors that meet their expectations, within a reasonable timeframe. There is also the matter of when and how much Council should charge to recover its costs in responding to these requests.

These matters need to be considered in light of the purpose of the legislation in relation to releasing information which is:

"(a) to increase progressively the availability to the public of official information held by local authorities, and to promote the open and public transaction of business at meetings of local authorities, in order—

(i) to enable more effective participation by the public in the actions and decisions of local authorities; and

(ii) to promote the accountability of local authority members and officials,—

and thereby to enhance respect for the law and to promote good local government in New Zealand:

(b) to provide for proper access by each person to official information relating to that person."

Charging

Council has set the following charges and guidance since 2016/17 for charging for requests.

Official information charges		
Time - first hour or part thereof		Free
Time - after first hour	Per half hour or part there of	$38.00
Pages copied - first 20 A4 (or smaller) pages free	Over 20 pages/per page	$0.20
Cost of CDs, video, tapes, printing larger than A4 and other materials or viewing arrangements requested		Actual cost

The Local Government Official Information and Meetings Act 1987 (Act) requires us to make available certain information which we hold. The Act also makes provision for us to make a charge for the information supplied but this charge must be reasonable and is for the cost of labour and materials involved in making the information available. If the request expresses urgency then the Council may have to use additional resources to gather the information promptly and the Act permits the Council to charge for these extra resources. If there is a charge for information we will advise you of the likely charges before we commence processing the request and will give you the opportunity to decide whether or not to proceed with the request. In such cases we may also require that the whole or part of any charge be paid in advance before commencing to process the request. If the time taken to process the information and/or the number of copies supplied is only a small margin over the 'free' allowance, we may use our discretion as to whether any charge should be made.

Where repeated requests are made by the same person or group in respect of a common subject over intervals of up to eight weeks we will aggregate these requests for charging purposes. This means that the second and subsequent requests will not be subject to one hour of free time and 20 free standard A4 (or smaller) photocopies.

The charge represents a reasonable fee for the cost of providing information. It may include (but is not limited to) time spent:

- *in searching an index to establish the location of the information*
- *in locating and extracting the information from the place where it is held*
- *in reading or reviewing the information*
- *in supervising the access to the information.*

Under the Act we are not permitted to charge for:

- *locating and retrieving information which is not where it ought to be*
- *time spent deciding whether or not access should be allowed, and in what form.*

The liability to pay any charge may be modified or waived at the discretion of the delegated officer receiving the request. Such decisions should have regard to the circumstances of each request. However, it would be appropriate to consider:

- *whether payment might cause the applicant hardship*
- *whether remission or reduction of the charge would facilitate good relations with the public or assist the department in its work*
- *whether remission or reduction of the charge would be in the public interest because it is likely to contribute significantly to public understanding of, or effective participation in, the operations or activities of the government, and the disclosure of the information is not primarily in the commercial interest of the requester.*

Charges are set in accordance with Ministry of Justice, Charging Guidelines for Official Information Act 1982 Requests (2002). If an identifiable natural person seeks access to personal information about that person then the request is governed by the Privacy Act 1993 and these charges do not apply. Information that is already publicly available (for example at our libraries and offices or on our website) is not subject to the Act, and normal charges apply to the supply of this information. A person who makes a request for information under the Act may make a complaint to the Office of the Ombudsmen regarding our decision regarding supply of that information.

Requests

The following table sets out the LGOIMA requests received by Council. The analysis shows the list of requests for information, the number of days to respond and the amount of staff time it took to respond, for the past year. The average time to respond was 8.05 days (up to 20 working days are provided for in law, the average last year was 5.42 days).

There were four requests that went over the 20 days. Three ran over time due to an error in judgement of days left, all of them were only over by a day. For the forth one an extension as per LGOIMA was requested as we were required to talk with TCDC about what was to be released as they were involved.

Three requests were withdrawn, no explanations were given as to why.

Date of Request	Description	Number of Days to Respond	Reason
02/10/2019	Council Contact Details	0	
03/10/2019	Matamata Civic Center	14	
24/10/2019	Matamata Civic Center	14	
03/10/2019	Audit and Risk Meeting	2	
03/10/2019	Te Aroha Events Centre (Further Questions)	10	
04/10/2019	Connection of Wastewater and Stormwater Lines	2	
05/10/2019	Spraying Calendar	9	
14/10/2019	Shooting Ranges	3	
14/10/2019	Staff Remuneration	1	
15/10/2019	Updated Mayor and Councillor Details	1	
16/10/2019	Elected Member Information (1989-2001)	6	
16/10/2019	Library Stock Number	6	
16/10/2019	Waharoa Aerodrome Information	21	
21/10/2019	Updated Mayor and Councillor Details	1	
22/10/2019	Police Enquiry	2	
22/10/2019	External Catering Costs	10	
23/10/2019	Wastewater Treatment in Te Aroha Expenditure	17	
24/10/2019	Menz Shed Morrinsville	9	
24/10/2019	Wastewater Consent Information	14	
29/10/2019	Number of Complaints Council Receives	8	
29/10/2019	Plan Change 53	5	
30/10/2019	Project Updates (PGFs & Playgrounds/Reserves)	13	
11/11/2019	Councillors' Induction Training	2	
12/11/2019	Recycling Practices	6	
12/11/2019	Aerodrome Information	11	
20/11/2019	Flights paid for by MPDC 2018/19	6	

Date of Request	Description	Number of Days to Respond	Reason
28/11/2019	Request for Building Information	5	
28/11/2019	Council spending on election promotion and voter engagement	15	
02/12/2019	Protected Trees	4	
03/12/2019	Development Contributions	3	
03/12/2019	Jamark Plumbing Consent Enquiry	2	
06/12/2019	Development Contributions (Follow up Questions)	0	
09/12/2019	Sport & Recreation Funding	2	
10/12/2019	Waharoa Aerodrome Lease of Site 29	2	
11/12/2019	Carter Holt Harvey - Tauhei School Clarification & Stanley Avenue School	0	
12/12/2019	Swimming Pool Inspections	1	
12/12/2019	Garage Being Built Plans etc.	3	
12/12/2019	Council Action at 575 Kiwitahi Railway Rd	3	
13/12/2019	Horse Riding on Hauraki Rail Trail	1	
17/12/2019	Jamark Plumbing Consent Enquiry #2	2	
18/12/2019	Carter Holt Harvey - Tauhei School Clarification & Stanley Avenue School	0	
18/12/2019	Pensioner Housing	1	
08/01/2020	Number of lifestyle blocks in Matamata area	1	
13/01/2020	Communication and Documents Relating to Station Rd/Matamata College St	20	
13/01/2020	Nitrates in Drinking Water	16	
30/01/2020	Rainwater tank use and regulations	11	
04/02/2020	Disposal of Tyres	4	Transferred
10/02/2020	Abductions or attempted abductions on Council facilities	8	
14/02/2020	The Relationship Between the Recycling Market and Rates Increases	1	
14/02/2020	Request to Contact Owners of 4 and 6 Terrace Avenue, Morrinsville	1	
14/02/2020	Rainwater collection	4	
14/02/2020	Request to Contact Owners - Kainga Ora	1	
25/02/2020	Paul Cronin, Agenda Requirements and Warranting of Police	16	
01/03/2020	Commercial Waste Disposal - Coastal Bins Limited	7	
01/03/2020	Commercial Waste Disposal - Smart Environmental	16	
02/03/2020	Abandoned Land - Adjoining 1 Paratu Road.	2	
02/03/2020	52 Page Street, MV - Proposed Industrial Subdivision	5	
05/03/2020	Policies on the Rehoming of Dogs	14	
05/03/2020	MU55 Report	3	
08/03/2020	CEO Twitter	12	
12/03/2020	Copy of Council's District Valuation Role (DVR)	17	
17/03/2020	Dealings with Arthur D Riley & Co Ltd and Associated Companies	10	
20/03/2020	Civil Defence Review		Withdrawn
27/03/2020	New Residential Building Consents for Matamata/District	13	
31/03/2020	Annual Plan 2020/21 Advertising Text Query	18	
05/04/2020	Freedom Camping Survey	1	
21/04/2020	Plastic Recycling & Waste Management	1	
28/04/2020	Roading - Pavement Climate Resilience	8	

Date of Request	Description	Number of Days to Respond	Reason
30/04/2020	Money Paid, Services and Documentation WLASS	25	Completed Late – Conferred with TCDC
30/04/2020	Sports Stadium Query (Matamata)		Withdrawn
01/05/2020	Council Policies	15	
05/05/2020	Non-Consented Dwellings and Buildings	21	
11/05/2020	Inaugural Council Minutes	9	
25/05/2020	Canine Research	20	
28/05/2020	Stormwater Monitoring - Data Request	19	
04/06/2020	Staff at Council and average pay	0	
04/06/2020	Nitrate-Nitrogen Levels Recorded in Council's Municipal Water	17	
11/06/2020	Average Rate of all Values of Property in MPDC District		Withdrawn
29/06/2020	Matamata Aerodrome Charging	4	
30/06/2020	Piakonui Metal Road Costs	2	
01/07/2020	Water Rates Remission figures (Water Leaks)	14	
01/07/2020	Water Rates Remission Figures (Water Leaks)	14	
06/07/2020	Smokefree & Vaping Policies Documents	4	
06/07/2020	Development Contribution Fees 2020/21	4	
08/07/2020	Council art work expenses	17	
08/07/2020	Subdivision Processing Stats	18	
09/07/2020	Pound Dog Rehoming	2	
15/07/2020	Building and Resource Consent information - Industrial Land Use	9	
21/07/2020	Drinking Fountain Locations in Matamata-Piako District	6	
24/07/2020	Hauraki Coromandel Climate Action Incorporated V Thames-Coromandel District Council	1	
31/07/2020	Unauthorised Vegetation Clearance	4	
03/08/2020	Code of Conduct for Members and Staff	15	
14/08/2020	Difference in Rates Revenue - Taxpayers' Union	9	
18/08/2020	Barton Road Quarrying	20	
28/08/2020	2019 Ratepayers' Report (Territorial Authorities) - Part 1	12	
06/09/2020	How is the Council using its rights under the Public Health Act to ins	12	
07/09/2020	Ratepayer's Report - Part 2	21	
08/09/2020	Heritage and Protected Tree Fund	5	
15/09/2020	District Museum Funding	11	
15/09/2020	Request for Owners of Matamata Vets	1	
16/09/2020	Ratepayers' Report (Part 3)	14	
28/09/2020	Firework Bans & Public Safety Bylaw	7	
30/09/2020	Matamata-Piako District Council Owned and Publicly Displayed Art	6	

Analysis

Council follows the Ombudsman's guide which can found online at the Ombudsman's Website.

Printing/Photocopying Costs
Under the Ombudsman's guide mentioned above, they specify a charge of $0.20 per page for photocopying in excess of 20 pages. In practice almost all of the requests for information are now provided electronically to recipients.

Legal and statutory requirements

The relevant legislation is Local Government Official Information and Meetings Act 1987. Under this act, we are required to respond to LGOIMA requests as soon as reasonably practicable and (except in some specific instances) within 20 working days.

The process has been amended to make sure that teams are working together to have the details for all LGOIMAs captured in one place so that there is no longer a separation between requests from media and others.

Impact on policy and bylaws

Council's current policy on charging for LGOIMAs is set out in the fees and charges. Staff are of the view that this policy has been complied with. Council has documented internal processes for handling official information requests and these have been communicated to the Audit and Risk Committee.

Consistency with the Long Term Plan / Annual Plan

These issues are not relevant in terms of the Long Term Plan / Annual Plan

Impact on Significance and Engagement Policy

This issue is not significant in terms of Council's policy.

Communication, consultation and decision making processes

These issues do not require community consultation. Council may consult with the information requestor, and other agencies with regards to the transfer of requests. There is a statutory decision-making process which Council must follow set by LGOIMA.

Publicity of Requests

We are currently working on a new system with plans to begin using it next year, this will allow us to put the information requests and responses on our website.

Financial Impact

i. Cost

The actual cost to council in responding to requests is variable, depending on the seniority of the responder, and could range from $45 per hour to $125 or more but the fees are set per Ombudsman guidelines.

There were some requests Council could have charged for but for various reason staff did not, including;

- The team responsible decided not to charge.
- The information was requested by Media which we endeavour to not charge as they hold a high public interest threshold.
- The information should have already been available/stored in RM and was not so would not charge for the process of getting it digitised.

- The information was already collated before the collator of the request was made aware of the time it had taken.
- The information was collected through multiple teams.
- If there was a strong belief other people would be wanting the same information, for fairness did not want to charge the first requestor the administrative costs and then allow any subsequent people to have the same information for free.
- Council receives a benefit in providing the information without charging.

ii. Funding Source

The cost of responding is currently absorbed in to salary budgets within each team tasked with responding.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Ellie Mackintosh **Graduate Policy Planner**	

Approved by	Michelle Staines-Hawthorne **Corporate Strategy Manager**	
	Don McLeod **Chief Executive Officer**	

3 Waters Impact

CM No.: 2373993

Rāpopotonga Matua | Executive Summary

Staff will discuss the follow on effects of three waters stimulus packages and water reform.

In July 2020, the Government announced a $761 million funding package to provide post COVID-19 stimulus to maintain, improve three waters infrastructure, support a three-year programme of reform of local government water service delivery arrangements (reform programme), and support the establishment of Taumata Arowai, the new Waters Services Regulator.

A Joint Central/Local Government Three Waters Steering Committee has been established to provide oversight and guidance to support progress towards reform, and to assist in engaging with local government, iwi/Māori, and other water sector stakeholders on options and proposals.

The reform programme is designed to support economic recovery, and address persistent systemic issues facing the three waters sector, through a combination of:

- stimulating investment, to assist economic recovery through job creation, and maintain investment in water infrastructure renewals and maintenance; and
- reforming current water service delivery, into larger scale providers, to realise significant economic, public health, environmental, and other benefits over the medium to long term.

Initial funding from the stimulus package will be made available to those councils that agree to participate in the first stage of the reform programme, through a Memorandum of Understanding (MoU), Funding Agreement, and approved Delivery Plan. The MoU was signed end of August 2020, with the Funding Agreement and Delivery Plan submitted and approved end of September 2020.

Tūtohunga | Recommendation

That:

1. the information be received

Horopaki | Background

Issues facing the three waters system, and rationale for reform

Over the past three years, central and local government have been considering the issues and opportunities facing the system for regulating and managing the three waters (drinking water, wastewater, and stormwater).

The Government Inquiry into Havelock North Drinking Water – set up following the serious campylobacter outbreak in 2016 – identified widespread, systemic failure of suppliers to meet the standards required for the safe supply of drinking water to the public. It made a number of urgent and longer-term recommendations to address these significant systemic and regulatory failures.

The Government's Three Waters Review highlighted that, in many parts of the country, communities cannot be confident that drinking water is safe, or that good environmental outcomes are being achieved. This work also raised concerns about the regulation, sustainability, capacity and capability of a system with a large number of localised providers, many of which are funded by relatively small populations.

The local government sector's own work has highlighted similar issues. For example, in 2014, LGNZ identified an information gap relating to three waters infrastructure. A 2015 position paper, argued for a refresh of the regulatory framework to ensure delivery of quality drinking water and wastewater services, and outlined what stronger performance in the three waters sector would look like.

Both central and local government acknowledge that there are many challenges facing the delivery of water services and infrastructure, and the communities that fund and rely on these services. These challenges include:

- Underinvestment in three waters infrastructure in parts of the country, and substantial infrastructure deficits. For example, it is estimated that between $300 to $570 million is required to upgrade networked drinking water treatment plants to meet drinking water standards; and up to $4 billion is required to upgrade wastewater plants to meet new consent requirements. These deficits are likely to be underestimates, given the variable quality of asset management data.
- Persistent funding and affordability challenges, particularly for communities with small rating bases, or high-growth areas that have reached their prudential borrowing limits.
- Additional investment required to increase public confidence in the safety of drinking water, improve freshwater outcomes, and as a critical component of a collective response to climate change and increasing resilience of local communities.

COVID-19 has made the situation even more challenging. Prior to COVID-19, territorial authorities were planning on spending $8.3 billion in capital over the next five years on water infrastructure. However, COVID-19 is likely to cause significant decreases in revenue in the short term. As a result, borrowing will be constrained due to lower debt limits that flow from lower revenues, and opportunities to raise revenue through rates, fees and charges will be limited.

Progress with three waters regulatory reforms

Good progress is already being made to address the regulatory issues that were raised by the Havelock North Inquiry and Three Waters Review. The Government is implementing a package of reforms to the three waters regulatory system, which are designed to:

- improve national-level leadership, oversight, and support relating to the three waters – through the creation of Taumata Arowai, a new, dedicated Water Services Regulator;
- significantly strengthen compliance, monitoring, and enforcement relating to drinking water regulation;
- manage risks to drinking water safety and ensure sources of drinking water are protected;
- improve the environmental performance and transparency of wastewater and stormwater networks.

Legislation to create Taumata Arowai had its third reading on 22 July 2020 and received royal assent on 6 August 2020. This new Crown entity is currently being built, and will become responsible for drinking water regulation once a separate Water Services Bill is passed (anticipated mid 2021).

However, both central and local government acknowledge that regulatory reforms alone will not be sufficient to address many of the persistent issues facing the three waters system. Reforms to service delivery and funding arrangements also need to be explored.

Overview of proposed approach to three waters investment and service delivery reform

At the recent Central/Local Government Forum, central and local government leadership discussed the challenges facing New Zealand's water service delivery and infrastructure, and committed to working jointly on reform. A Joint Central/Local Government Three Waters Steering Committee has been established to provide oversight and guidance to support this work.

Central and local government consider it is timely to apply targeted infrastructure stimulus investment to enable improvements to water service delivery, progress service delivery reform in partnership, and ensure the period of economic recovery following COVID-19 supports a transition to a productive, sustainable economy.

In July 2020, the Government announced an initial funding package of $761 million to provide post COVID-19 stimulus, support a three-year programme of reform of local government water service delivery arrangements, and support the establishment and operation of Taumata Arowai.

The reform programme is designed to support economic recovery, and address persistent systemic issues facing the three waters sector, through a combination of:

- stimulating investment, to assist economic recovery through job creation, and maintain investment in water infrastructure renewals and maintenance; and
- reforming current water service delivery, into larger scale providers, to realise significant economic, public health, environmental, and other benefits over the medium to long term.

While the Government's starting intention is for publicly-owned multi-regional models for water service delivery (with a preference for local authority ownership), final decisions on a service delivery model will be informed by discussion with the local government sector and the work of the Joint Steering Committee.

Further information on the reform objectives, and the core design features of any new service delivery model, are provided in pages 3 to 4 of the MoU.

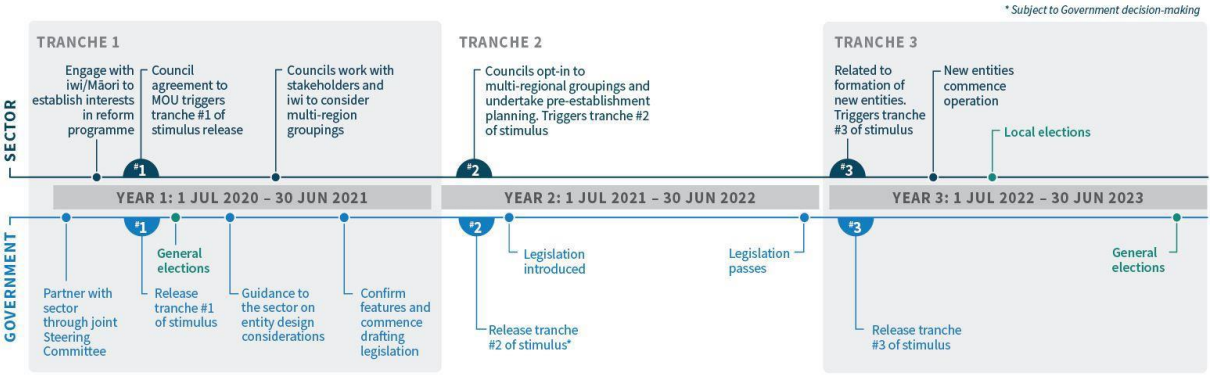
Reform process and indicative timetable

As noted above, this is a three-year programme to reform three waters service delivery arrangements, which is being delivered in conjunction with an economic stimulus package of Crown investment in water infrastructure. The reform programme will be undertaken in stages.

The initial stage is an opt in, non-binding approach, which involves councils taking the actions and signing the documents described below (MoU, Funding Agreement, and Delivery Plan).

Councils that agree to opt in by the end of August 2020 will receive a share of the initial funding package. Any further tranches of funding will be at the discretion of the Government and may depend on progress against reform objectives.

An indicative timetable for the full reform programme is provided below. While this is subject to change as the reforms progress, and subject to future Government budget decisions, it provides an overview of the longer-term reform pathway.



Ngā Take/Kōrerorero | Issues/Discussion

Allocation of the investment package

The Government has determined a notional allocation framework based on a nationally-consistent formula. The general approach to determining each authority's notional allocation is based on a formula that gives weight to two main factors:

- The population in the relevant council area, as a proxy for the number of water connections serviced by a territorial authority (75 per cent weighting)
- The land area covered by a local authority excluding national parks, as a proxy for the higher costs per connection of providing water services in areas with low population density (25 per cent weighting).

The investment package is structured into two components:

- A direct allocation to each territorial authority, comprising 50% of that territorial authority's notional allocation; and
- A regional allocation, comprising the sum of the remaining 50% of the notional allocations for each territorial authority in the relevant region

See the attached Notional Funding Allocation table for the allocation of funding across New Zealand. The relevant allocations for Council are:

- $2.47 million (excluding GST) direct allocation
- $33.3 million (excluding GST) regional allocation

The purpose of the Government's regional allocation is to establish collective participation by councils in the reform programme. Each regional group of councils has until 30 September to agree on how best to apportion the regional funds to the individual territorial authorities that make up the region.

The Steering Committee has recommended a preferred approach to the allocation of regional funding, being the same formula that is used to determine the direct allocations to territorial authorities. The Waikato Mayoral Forum has recommended that this method be used to allocate the regional funding – as per the attached report, and this has been agreed with the DIA.

The initial stage of the reform programme involves three core elements:

- Memorandum of Understanding;
- Funding Agreement;
- Delivery Plan.

Initial funding will be made available to those councils that sign the MoU, and associated Funding Agreement, and provide a Delivery Plan. This initial funding will be provided in two components: a direct allocation to individual councils, and a regional allocation. The participating councils in each region are required to agree an approach to distributing the regional allocation

Memorandum of Understanding

A MoU has been developed by the Steering Group, for each council to enter into with the Crown. This is a standardised document, which cannot be amended or modified by either party.

Signing the MoU commits councils to:

- engage in the first stage of the reform programme – including a willingness to accept the reform objectives and the core design features set out in the MoU;
- the principles of working together with central government and the Steering Committee;
- work with neighbouring councils to consider the creation of multi-regional entities;
- share information and analysis on their three waters assets and service delivery arrangements.

At this point, this is a voluntary, non-binding commitment. It does not require councils to commit to future phases of the reform programme, to transfer their assets and/or liabilities, or establish new water entities.

The MoU is effective from the date of agreement until 30 June 2021, unless terminated by agreement or by replacement with another document relating to the reform programme.

A legal opinion by Simpson Grierson, commissioned by SOLGM on behalf of the Steering Committee, advises that the MoU does not contain any explicit triggers for consultation under the Local Government Act 2002.

Funding Agreement

Council has been allocated $2.47 million by the Crown, if it opts in to the reform programme. A further $33.3 million has been allocated to the Waikato Region to agree an appropriate distribution between participating Councils. This funding will be provided as a grant, which does not need to be repaid if the Council does not ultimately commit to reform at later stages of the process.

There are several options for how the regional funding could be allocated between councils. The joint central-local government Three Waters Steering Committee preferred approach is to apply the same formula[1] used to calculate the direct allocations. Under this approach, the Council would receive an additional $2.47 million (approx.) contributing to a total funding allocation of $4.94 million (approx.)

It is recommended that the Council agrees to that its share of the regional allocation should be $2.47 million (approx.), noting that participation by two thirds of territorial authorities within the region is to access the regional funding.

[1] Applying a 75% weighting for population and a 25% weighting for land area, excluding national parks.

The Funding Agreement is one of the mechanisms for accessing the funding package. Like the MoU, it is a standardised document, for agreement between each council and the Crown. It cannot be amended.

The Funding Agreement guides the release and use of funding. It sets out:

- the funding amount allocated to the Council;
- funding conditions;
- public accountability requirements, including the Public Finance Act;
- reporting milestones.

While there is some local flexibility around how the funding can be applied, the Government has indicated that this investment is intended to support economic recovery, enable improvements in water service delivery, and progress the service delivery reform programme.

The Funding Agreement will be supplemented by a Delivery Plan, which is the document that sets out how the grant funding is to be applied by the Council.

Delivery Plan

The Delivery Plan is the other mechanism for accessing the funding package. This Delivery Plan must show that the funding allocation is to be applied to operating and/or capital expenditure relating to three waters infrastructure and service delivery, and which:

- supports economic recovery through job creation; and
- maintains, increases, and/or accelerates investment in core water infrastructure renewal and maintenance.

The Delivery Plan is a short-form template, which sets out:

- a summary of the works to be funded, including location, estimated associated costs, and expected benefits/outcomes;
- the number of people to be employed in these works;
- an assessment of how the works support the reform objectives in the MoU;
- reporting obligations.

The Delivery Plan has been supplied to Crown Infrastructure Partners (and other organisations as agreed between the Council and Crown), for review and approval. Crown Infrastructure Partners will monitor progress against the Delivery Plan, to ensure spending has been undertaken with public sector financial management requirements.

Mōrearea | Risk

There are a number of risks associated with these matters.

- We may not be able to provide all the information requested, with respect to our systems and processes.
- We may not meet the deadline to have all the information they have requested in all respects, at a time key staff are busy with the LTP and summer capital works program.
- Whilst DIA have not indicated any penalty the likely one for transgressing too significantly would be to not allow it to be a charge of the extra funding they have provided.

- To mitigate these risks we are;
    - Allocating two recently retired (retiring) staff to undertake this specific project. One is experienced on the financial side and the other on the asset and system side
    - Communicating with DIA to explain any delay and ensure they fully appreciate the cause of delays etc.

- To mitigate the risk of not completing all physical works allocated against the Grant we have;
    - Submitted works that have low entry barriers for completion and that are scalable (good necessary work)
    - Engaged an external Consultant who has worked with us on many projects, as independent Chair of an internal Project Oversight group
    - Asked that this group reports monthly on progress and issues
    - Taken a pragmatic, transparent approach to engagement of contractors

It is also proposed that regular reporting to the Audit and Risk Committee on the 3 waters reform be added as a standing item on the agenda in 2021.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The MoU is the 'opt in' to the first stage of the reform and stimulus programme. The MoU needs to be signed and submitted by the end of August 2020. The Funding Agreement and draft Delivery Plan need to be submitted by the end of September 2020, with the final delivery plan approved end of October 2020, to access the stimulus funding.

Councils that do not opt in by the end August 2020 deadline will not receive a share of the stimulus funding. Councils will still be able to opt in to the reform programme at a later date, but will not have access to the initial funding package, retrospectively.

Expenditure will need to commence before 31 March 2021, and must be completed before 31 March 2022.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Connected Infrastructure
Community Outcome: Infrastructure and services are fit for purpose and affordable, now and into the future. Quality infrastructure is provided to support community wellbeing. We have positive partnerships with external providers of infrastructure to our community

Theme: Economic Opportunities
Community Outcome: We are a business friendly council. Our future planning enables sustainable growth in our District.

Theme: Environmental Sustainability
Community Outcome: We support environmentally sustainable practices and technologies. We engage with our regional and national partners to ensure positive outcomes for the community.
Theme: Vibrant Cultural Values
Community Outcome: We promote and protect our arts, culture, historic, and natural resources.

Ngā take ā-Ihinga | Consent issues

Depending on the projects that are put forward, resource and building consent may be required.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The funding would come from Central Government as outlined above. Any cost overruns on a project would be Council's responsibility. Any flow on costs (depreciation, operating etc.) would be Council's responsibility.

Ngā Tāpiritanga | Attachments

A⇩. 3 Waters MOU with DIA

B⇩. Delivery plan and Addendum

Ngā waitohu | Signatories

Author(s)	Don McLeod **Chief Executive Officer**	

Approved by	Don McLeod **Chief Executive Officer**	

Item 7.3

Attachment A

Memorandum of Understanding

Three Waters Services Reform

Between the Sovereign in right of New Zealand acting by and through the Department of Internal Affairs and

Matamata-Piako District Council

PURPOSE

This Memorandum of Understanding (Memorandum) sets out the principles and objectives that the Parties agree will underpin their ongoing relationship to support the improvement in three waters service delivery for communities with the aim of realising significant public health, environmental, economic, and other benefits over the medium to long term. It describes, in general terms, the key features of the proposed reform programme and the Government funding arrangements that will support investment in three waters infrastructure as part of the COVID 19 economic recovery.

BACKGROUND

Over the past three years central and local government have been considering solutions to challenges facing the regulation and delivery of three water services. This has seen the development of new legislation to create Taumata Arowai, the new Water Services Regulator, to oversee and enforce a new drinking water regulatory framework, with an additional oversight role for wastewater and stormwater networks.

While addressing the regulatory issues, both central and local government acknowledge that there are broader challenges facing the delivery of water services and infrastructure, and the communities that fund and rely on these services. There has been regulatory failure, underinvestment in three waters infrastructure in parts of the country, and persistent affordability challenges, and additional investment is required to increase public confidence in the safety of drinking water and to improve freshwater outcomes. Furthermore, investment in water service delivery infrastructure is a critical component of a collective response to climate change and increasing resilience of local communities.

The Parties to this Memorandum consider it is timely to apply targeted infrastructure stimulus investment to enable improvements to water service delivery, progress reform in partnership, and ensure the period of economic recovery following COVID-19 supports a transition to a productive, sustainable economy. Additional funding will be subject to Government decision-making and reliant on the Parties demonstrating substantive progress against the reform objectives. The quantum, timing, conditions, and any other information relating to future funding will be advised at the appropriate time but will likely comprise additional tranches of funding and more specific agreement to key reform milestones.

The reform process and stimulus funding, proposed by Government, is designed to support economic recovery post COVID-19 and address persistent systemic issues facing the three waters sector, through a combination of:

- stimulating investment, to assist economic recovery through job creation, and maintain investment in water infrastructure renewals and maintenance; and
- reforming current water service delivery, into larger scale providers, to realise significant economic, public health, environmental, and other benefits over the medium to long term.

There is a shared understanding that a partnership approach will best support the wider community and ensure that the transition to any eventual new arrangements is well managed and as smooth as possible. This requires undertaking the reform in a manner that enables local government to continue and, where possible, enhance delivery of its broad "wellbeing mandates" under the Local Government Act 2002, while recognising the potential impacts that changes to three waters service delivery may have on the role and functions of territorial authorities.

In addition to these objectives, the Parties recognise that any consideration of changes to, or new models for, water service delivery arrangements must include the following fundamental requirements and safeguards:

- mechanisms that provide for continued public ownership of water service delivery infrastructure, and protect against privatisation; and
- mechanisms that provide for the exercise of ownership rights in water services entities that consider the interests and wellbeing of local communities, and which provide for local service delivery.

The Parties also recognise the reform programme will give rise to rights and interests under the Treaty of Waitangi and both Parties acknowledge the role of the Treaty partner. This includes maintaining Treaty settlement obligations and other statutory rights including under the Resource Management Act 1991 and the Local Government Act 2002. The outcome of discussions with iwi/Māori will inform design of appropriate mechanisms to reflect Treaty interests. This will include clarity of roles and responsibilities.

The Parties agree to work together to identify an approach to service delivery reform that incorporates the objectives and safeguards noted above, and considers the following design features as a minimum:

- water service delivery entities, that are:
  - of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
  - asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
  - structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards;
- delivery of drinking water and wastewater services as a priority, with the ability to extend to stormwater service provision only where effective and efficient to do so; and
- publicly owned entities, with a preference for collective council ownership;
- mechanisms for enabling communities to provide input in relation to the new entities.

The Parties acknowledge that work will also be undertaken to develop a regulatory framework, including mechanisms to protect the interests of consumers.

FUNDING ARRANGEMENTS

The Government has indicated its intention to provide funding to stimulate investment to enable improvements in water service delivery, support economic recovery and progress Three Waters Services Reform. The quantum of funding available for the Council (and each participating Council) will be notified by Government prior to signing this Memorandum.

PRINCIPLES FOR WORKING TOGETHER

The Parties shall promote a relationship in their dealings with each other, and other Parties related to the three waters services reform, based on:

- mutual trust and respect; and
- openness, promptness, consistency and fairness in all dealings and communication including through adopting a no-surprises approach to any matters or dealings related to the reform programme; and
- non-adversarial dealings and constructive problem-solving approaches; and
- working co-operatively and helpfully to facilitate the other Parties perform their roles; and
- openly sharing information and analysis undertaken to date on the state of the system for delivering three waters services and the quality of the asset base.

This Memorandum is intended to be non-binding in so far as it does not give rise to legally enforceable obligations between the Parties.

REFORM OBJECTIVES AND CORE DESIGN FEATURES

By agreeing to this Memorandum, the Parties agree to work constructively together to support the objectives of the three waters service delivery reform programme.

The Parties agree that the following objectives will underpin the reform programme and inform the development of reform options/proposals:

- significantly improving the safety and quality of drinking water services, and the environmental performance of drinking water and wastewater systems (which are crucial to good public health and wellbeing, and achieving good environmental outcomes);
- ensuring all New Zealanders have equitable access to affordable three waters services;
- improving the coordination of resources, planning, and unlocking strategic opportunities to consider New Zealand's infrastructure and environmental needs at a larger scale;
- increasing the resilience of three waters service provision to both short- and long-term risks and events, particularly climate change and natural hazards;
- moving the supply of three waters services to a more financially sustainable footing, and addressing the affordability and capability challenges faced by small suppliers and councils;
- improving transparency about, and accountability for, the delivery and costs of three waters services, including the ability to benchmark the performance of service providers; and
- undertaking the reform in a manner that enables local government to further enhance the way in which it can deliver on its broader "wellbeing mandates" as set out in the Local Government Act 2002.

INTERACTIONS, MONITORING, INFORMATION AND RECORDS

The Parties nominate the following representatives to act as the primary point of communication for the purposes of this Memorandum and any other purpose related to the reform programme.

Government's representative	Territorial Authority's representative
Allan Prangnell threewaters@dia.govt.nz CC. Chief Legal Advisor Legal.notices@dia.govt.nz	Don McLeod Chief Executive dmcleod@mpdc.govt.nz

It is the responsibility of these representatives to:

- work collaboratively to support the reform objectives;
- keep both Parties fully informed;
- act as a first point of reference between Parties and as liaison persons for external contacts; and
- communicate between Parties on matters that arise that may be of interest to either party.

If the contact person changes in either organisation, the other party's contact person must be informed of the new contact person immediately and there should be an efficient transition to ensure the momentum of the reform process is not undermined.

6

Funding will be provided as soon as practicable following agreement to this Memorandum and the associated Funding Agreement and Delivery Plan. The Delivery Plan will need to show that the funding is to be applied to operating or capital expenditure on three waters service delivery (with the mix to be determined by the Council) that:

- supports economic recovery through job creation; and
- maintains, increases and/or accelerates investment in core water infrastructure renewals and maintenance.[1]

The Delivery Plan will be based on a simple template and will include a summary of projects, relevant milestones, costs, location of physical works, number of people employed in works, reporting milestones and an assessment of how it supports the reform objectives set out in this Memorandum.

The Delivery Plan will be supplied to Crown Infrastructure Partners, and other organisations as agreed between the Parties, who will monitor progress of application of funding against the Delivery Plan to ensure spending has been undertaken consistent with public sector financial management requirements.

Agreement to this Memorandum and associated Funding Agreement and Delivery Plan are required prior to the release of Government funding. The Council will have the right to choose whether or not they wish to continue to participate in the reform programme beyond the term of the Memorandum.

FUTURE AGREEMENTS

The Parties may choose to enter other agreements that support the reform programme. These agreements will be expected to set out the terms on which the Council will partner with other councils to deliver on the reform objectives and core design features, and will include key reform milestones and detailed plans for transition to and establishment of new three waters service delivery entities.

PROGRAMME MANAGEMENT

The Government will establish a programme management office and the Council will be able to access funding support to participate in the reform process.

The Government will provide further guidance on the approach to programme support, central and regional support functions and activities and criteria for determining eligibility for funding support. This guidance will also include the specifics of any information required to progress the reform that may be related to asset quality, asset value, costs, and funding arrangements.

TERM

This Memorandum is effective from the date of agreement until 30 June 2021 unless terminated by agreement or by replacement with another agreement related to the reform programme.

[1] Maintains previously planned investment that may have otherwise deferred as a result of COVID-19.

CONFIDENTIALITY

Neither of the Parties is to disclose, directly or indirectly, any confidential information received from the other party to any third party without written consent from the other party, unless required by processes under the Official Information Act 1982 or the Local Government Official Information and Meetings Act 1987 (whichever applies), or under a Parliamentary process- such as following a Parliamentary question, in which case the relevant party is to inform the other party prior to disclosure. Protocols will be established to enable exchange information between Councils where that is consistent with progressing reform objectives.

DISPUTE RESOLUTION

Any dispute concerning the subject matter of this document is to be settled by full and frank discussion and negotiation between the Parties.

7

SIGNED by The Sovereign in right of New Zealand acting by and through the Chief Executive of the Department of Internal Affairs

Date 26 August 2020

SIGNED by

Ash Tanner, Mayor

on behalf of

Matamata-Piako District Council

Date 26 August 2020

SIGNED by

Neil Goodger, Deputy Mayor

on behalf of

Matamata-Piako District Council

Date 26 August 2020

Witness signature

Witness name

Michelle Hawthorne

Witness occupation

Lawyer

Witness address

Hamilton

Date 26 August 2020

8

Te Tari Taiwhenua
Internal Affairs

THREE WATERS STIMULUS GRANT DELIVERY PLAN

Instructions for completion: A single Delivery Plan is to be completed for the full Expenditure Programme. Territorial Authorities may elect to provide appendices providing further detail of specific elements of the proposed expenditure programme.

The draft Delivery Plan must be submitted by the Territorial Authority as soon as possible and in any event by no later than 30 September 2020 to threewaters@dia.govt.nz, with a copy to 3waters@crowninfrastructure.govt.nz. The Delivery Plan will be assessed by the Department of Internal Affairs and Crown Infrastructure Partners Limited, who may elect to provide feedback and require further detail, additions or alterations. A revised version of the Delivery Plan, incorporating all agreed changes, must be submitted for approval thereafter, with the final Delivery Plan to be in an approved form by 31 October 2020.

Where the Department of Internal Affairs requires additional reporting or other assurance based on a specific Delivery Plan, this will be included in section 17 below following the Department of Internal Affairs/Crown Infrastructure Partners Limited review. Section 17 will form part of the Delivery Plan. All figures in this Delivery Plan should be GST exclusive.

Capitalised terms in this Delivery Plan have the meaning given to them in the Funding Agreement, where applicable.

Territorial Authority information

1. Programme Title:	Matamata-Piako District Council Three Waters Reform Programme (MPDC programme)
2. Territorial Authority:	Matamata-Piako District Council
3. Total Maximum Amount Payable (NZ$M):	$4.94M

4. Organisation Lead Contact:

Name:	Karl Pavlovich
Position:	Water and Wastewater Manager
Email:	kpavlovich@mpdc.govt.nz

Expenditure Programme overview

5. Please provide a brief description of the expenditure programme to be undertaken:

Councils approach to the Three Waters Reform Programme stimulus funding is to propose projects that meet the requirements of the funding while providing benefit to the community. The draft programme is mixture of capex and opex projects that will provide outcomes that align with local, regional and national outcomes.

The sought outcomes for the programme are;

- Improvement of asset data and understanding criticality and condition of the asset base. Development of strategy and management documents to meet regulatory requirements and improve levels of service e.g. Waterloss and inflow and infiltration
- Delivery of key infrastructure to improve level of service to communities and increase service resilience
- Identification of future water supplies to meet increasing demands and improve supply resilience
- Establishment of collaborative work streams with neighbouring Councils in prepration for reform
- Resolve deferred renewals and maintenance work
- Delivery of asset improvements to improve regulatory compliance and improve levels of service

The total value of the proposed programme is $4.94M.

A number of the projects within the programme are designed to be scalable meaning that the scope of these scalable projects will be modified as needed in order to balance timing and expenditure risk of the programme.

An example of a scalable element of a project would be the development of an asset criticality framework as part of the Asset information and technology project.

Following the development of a criticality framework, subject to available time and funding, Council would, as part of the stimulus grant delivery plan, assess all assets with our database against the framework and have these assets GPS located, marked and condition assessed.

In addition to scalable projects, Council has included two contingency projects in the programme. Drinking water improvements and Enhanced wastewater renewals.

Both of these projects are currently underway with contractors engaged and funded from the 2018-21 LTP. These projects have been included as Council is able to add or remove additional works to these contracts with minimal resourcing impact on Councils staff and contractors.

This flexibility would allow Council to effectively manage financial risk in the programme by bringing forward future planned capex and renewals, funded though stimulus grant funding.

In order to deliver this programme, which at $4.94M represents a 30.41% increase over Councils current 2020/21 LTP business as usual, Council has engaged an external programme manager, who has delivered similar services recently for MPDC and able to leverage knowledge and relationships to kick start delivery.

The programme manager reports directly to Councils Three Waters Reform Governance Group (3WRGG) and will also be responsible for meeting the reporting requirements within the funding

agreement.

Council believes this approach will add approximately 12% in costs to the programme when compared with BAU delivery, however, Council believes this management cost is acceptable and is necessary in order to deliver the programme on time, within budget and to accepted quality standards.

6. Location/address of the programme:
(if this is a series of investments, please identify each location where relevant)

1) District Wide

7. What is the **total** estimated cost of the programme (NZ$M)?

$4.94M

8. If the total estimated cost exceeds the Total Maximum Amount Payable, please specify the funding source(s) and amount(s):

Funding Source	Amount (NZ$M)
Total	**$0.00**

The total estimated cost do not exceed the funding allocation of $4.94M.

Te Tari Taiwhenua
Internal Affairs

9. Please provide a high-level breakdown of the expenditure programme including a cost schedule identifying estimated costs for each major component:

The following table is a high-level breakdown of Councils proposed Delivery Plan Projects and their estimated costs.

Project		Costs schedule Estimated costs
Asset information and technology	Develop an asset criticality framework	$ 300,000.00
	Prepare a suite of Asset management strategies; Water Demand Management Plan I&I strategy Water supply resilience strategy Future water supplies strategy	$ 300,000.00
	Implement "work orders" and "field mobility" in Assetfinda Implement best practice instance of ID (TCC) Install a CCTV management platform	$ 200,000.00
Operations	Complete topehaehae dam sampling and profiling report Undertake survey MPDC operations and opex spend and approach the market for a suite of support contracts Complete emergency response plans for all wastewater treatment plans Improve compliance hazsubs regulation	$ 200,000.00
	Desludge the Matamata WWTP Undertake valve marking and exercising Develop a wastewater network cleaning programme Develop a pump maintenance programme (water and wastewater) Flush the MV watermain Undertake filter refurbishments at all water treatment plants	$ 1,300,000.00
Cross boundary	Update LTO Develop a shared training framework Develop a share incident response plan (wastewater primarily) Develop shared SCADA and electrical standards Syndicate contracts (chemical supply, support service contracts, capital/renewal contracts) Investigate potental collaborative models	$ 200,000.00
Capex	Develop the Wiseley Park Emergency Supply	$ 150,000.00
	Develop concept SCADA design Implement new SCADA design	$ 885,000.00
	Procure and install generators for all critical sites	$ 30,000.00
	Install telemetered meters on industrial water users Install zone meters/pressure monitors/analysers in MV Install zone meters/pressure monitors/analysers in TA Install zone meters/pressure monitors/analysers in MM	$ 500,000.00
Minor capex	Install CCTV cameras at all sites Install security fencing at all sites Upgrade access ways to all sites Construct a test bore in MV north Install a mixer in the MV dam	$ 725,000.00
Contingency projects	Drinking water improvements (Continuation of CRP)	$ 50,000.00
	Add additional km of pipe to the renewal programme Renew connections and portions of private laterals (trial)	$ 100,000.00

For further information please see attachment 1

COMMERCIAL IN-CONFIDENCE

Page 4 of 12

Item 7.3

Attachment B

Te Tari Taiwhenua
Internal Affairs

10. What is the expected number of people employed, and net jobs created through the expenditure programme? How has this been estimated?

Average total 27.7, Peak total – 43.5, Additional MPDC FTEs above BAU - 4.5 – These estimates were calculated using the CIP/DIA tool circulated Friday 25th of September (see attachment 2). There was good agreement between the calculated estimates and FTE's generated by similar projects completed during the 2018-21 LTP. Additionally, these estimates have been benchmarked against national and international stimulus package job creation estimates to verify the figures are within a reasonable range.

Expenditure Programme commencement

11. Please describe the initial activity to be undertaken on expenditure programme commencement:

The initial activity to be undertaken on the expenditure programme commencement is detailed planning, resourcing, establishment of the project office and supplier engagement.

Council has established a Project Governmance Group to oversee the delivery of the Three Waters Reform Programme stimulus funding. To date the Governace Group has been meeting weekly and been involved in the signing of the MOU, Funding Agreement and Draft Delivery Plan. The Governance Group is reporting regularly through to Council and the Executive Team on the matters in relation to the Three Waters Reform Programme stimulus funding.

In preparation for the approval of the draft delivery plan a Project Team has been identified. Discussion has begun with suppliers who can assist with the projects identified in the draft delivery plan. We are in the process of developing a procurement plan, risk register and project briefs which will be finalised once the draft delivery plan is approved.

We are preparing to hit the ground running defining resources required, position descriptions for recruitment of additional internal resources and Instruction For Services for external Professional Services. In November our plan is to establish a Project Delivey Office, run a supplier workshop and be well advanced in the preparation of documentation and requirements for the commencement of projects outlined in the draft delivery plan.

In addition to these initial activities council has included in its delivery plan three projects that are currently in progress, two of which are contingency projects which Council could scale up or down to balance the stimulus funding should projects exceed planned budget or are delayed.

Attachment 3 gives brief summary of the underway projects and their current state.

Expenditure Programme completion

12. Please outline below the high-level plan that will ensure the expenditure programme is completed by 31 March 2022 (these should largely mirror the milestones below):

Council have engaged a specalist programme manager and will establish a dedicated project management office to deliver the stimulus programme.

In addition to a robust project management approach, Council will also apply a specialised procurement approach and the government procurement principles found in the Rapid Mobilisation Playbook to accelerate the delivery of our programme where appropriate.

Council have provided a high-level draft cashflow in attachment 4 as well as phased plan of programme deliverables in attachment 5. The plan is to front load the progamme of work as much as possible to minimise financial and delivery risk while also remaining fexible enough to response to the emerging needs of the programme.

This is an ambitious programme of works given there is $761 milion with all local authorities competeing for the same/similar resources at the same time.

Expenditure Programme funding status

13. Please indicate below the expenditure programme funding status:

Included in LTP	Y/N	Amounts NZ$	Year
Included in Annual Plan 2020/21	Y.N	Amounts NZ$	N/A
Not funded in any plan	Y/N	Amounts NZ$	Year
Was funded but COVID-19 deferred	Y/N	Amounts NZ$	Year
Is any Territorial Authority co-funding being contributed?	Y/N	Amounts NZ$	N/A

All project funding is being sourced from the stimulus grant. The stimulis grant funding is made up of $2.47M in local funding allocation and our agree portion of the regional funding $2.47M (Regional Funding Share Agreement see attachment 6), total $4.94M.

14. Please set out the key milestones of the expenditure programme to be undertaken, and for each milestone the planned completion date and budget:[1]

	Expenditure Programme Milestone (including a description of how the milestone is identified)	Completion Date	Maximum Funding instalment amount (NZ$)[2]	Budgeted costs to complete the expenditure programme (NZ$)	[DIA USE ONLY] Funding Conditions
1.	Commencement Date occurring under the Funding Agreement	31 October 2020 (or such date agreed otherwise in writing with DIA under the Funding Agreement)	NZ$2.47M [*Note: this is to be 50% of the Total Maximum Amount Payable*]	Nil	
2.	Commencement of expenditure programme	1/11/2020 or upon approval of Councils Delivery Plan	Nil	NZ$4.94 (Spent NZ$0)	
3.	Milestone 1	31 March 2021	Nil	NZ$3.41 (Spent NZ$1.53M)	
4.	Milestone 2	30 June 2021	NZ$1.24M	NZ$2.57 (Spent NZ$2.37M)	
5.	Milestone 3	30 September 2021	NZ$1.24M	NZ$1.73 (Spent NZ$3.21M)	
6.	Milestone 4	31 December 2021	Nil	NZ$0.84 (Spent NZ$4.10M)	

[1] All figures should be GST exclusive.

[2] You may choose to determine each maximum Funding instalment amount for a milestone on the basis of seeking funds either for application towards costs incurred for that milestone, or for application towards costs to be incurred for the following milestone.

7.	Completion of expenditure programme	31 March 2022	Nil	NZ$0 (Spent NZ$4.94M)	
8.	**TOTAL**		NZ$**4.94M**	NZ$**4.94M**	

15. Briefly outline the final expected outcomes/objectives of the expenditure programme:

The Grant Funding Programme is designed to support economic recovery post COVID-19 and deliver projects for the three waters sector that align with and progress three waters reform objectives.

By focusing grant funding on projects designed to maintain Council assets, increasing and/or accelerating investment in core water infrastructure delivery and accelerate asset renewals; Councils proposed Delivery Plan meets the stimulatory objectives of the grant funding programme through the creation of 27.7 FTE's in the construction and consultancy sector.

It is also expected that completion of the projects will result in improved water and wastewater asset information, infrastructure, services and system performance which aligns with the governments three waters reform objectives.

Te Tari Taiwhenua
Internal Affairs

16. Briefly outline an assessment of how the expenditure programme supports the reform objectives set out in the Memorandum of Understanding relating to Three Waters Services Reform between you and the Sovereign in Right of New Zealand acting by and through the Minister of Local Government:

Each proposed project has had a high-level assessment against the seven reform objectives agreed by Cabinet. The Asset Information and Technology and Cross Boundary Projects meet all seven reform objectives. The remainder of the projects meet meet between three and six objectives.

Project	Outcome sought?	Reform Objectives 1	2	3	4	5	6	7
Asset information and technology	Improve the core asset data information in our register. Improve the confidence in our data to assist with future works programme and the prioritisation of the works.	✓	✓	✓	✓	✓	✓	✓
	Develop programmes that improve LoS through increasing water efficency and reduce I&I. Develop a targeted investment programme that builds service resilience.	✓	✓	✓	✓	✓	✓	✓
	Implement a maintenance and work scheduling system to support operatons and track maintenace on assets Improve data management and reporting by developing ID	✓	✓	✓	✓	✓	✓	✓
Operations	Reduce service interuptions and increase compliance by identifying and appropriately managing operational risks.	✓	✓		✓	✓		✓
	Improve operation and resilience by address historical mainteance backlog.	✓	✓	✓	✓	✓		✓
Cross boundary	Explore cross boundary operational initiatives to increasing operational readiness for Taumata Arowai	✓	✓	✓	✓	✓	✓	✓

matamata piako district council

Capex	Improve supply resilience in MV	✓	✓	☐	✓	☐	☐	✓
	Design and construct a new SCADA network and implement a new HMI platform to improve data capture and resilience, reduce technical non-compliances and allow the plants to be operated remotely	✓	✓	✓	✓		✓	✓
	Purchase new generators for critical sites to reduce risk to service from power outages.	☐	✓	☐	✓	☐	☐	✓
	Replacement of key revenue water meters (eg Morrinsville Dairy Factory), installation of district wide meters, installation of zone meters, online monitoring to improve revenue capture and collect network performance data	✓	✓	✓	✓	✓		✓
Minor capex	CCTV cameras for WTPs, plant access ways improvements, fencing of WTPs and WWTPs, construct a test bore, mobility hardware, dam mixer, incident response trailer	✓	✓	☐	✓	✓	✓	✓
Contingency projects	Complete targeted drinking water improvements to improve compliance with DWS and RC's	✓	✓	☐	✓	✓	☐	✓
	Reduce renewals backlog and improve I&I reduction by trialing lateral lining	✓	✓	✓	✓	✓	☐	✓

COMMERCIAL IN-CONFIDENCE

Te Tari Taiwhenua
Internal Affairs

DIA USE ONLY

17. Additional requirements in respect of the Funding Agreement (such as specific reporting requirements):

No amendments were made to the supplied funding agreement.

The parties acknowledge and agree that this is the agreed Delivery Plan.

SIGNATURES

SIGNED by the **SOVEREIGN IN RIGHT OF NEW ZEALAND** acting by and through the Chief Executive of the Department of Internal Affairs or his or her authorised delegate:

Name:

Position:

Date:

SIGNED for and on behalf of MATAMATA-PIAKO DISTRICT Council by the person(s) named below, being a person(s) duly authorised to enter into obligations on behalf of that territorial authority:

Name: DONALD JOHN MCLEOD
Position: Chief Executive
Date: 30th September 2020

Name: Fiona Vessey
Position: Group Manager Service Delivery
Date: 30th Sept 2020

Te Tari Taiwhenua
Internal Affairs

THREE WATERS STIMULUS GRANT DELIVERY PLAN – ADDENDUM

To satisfy condition precedent 3 (clause 3 of Part 1 of the Funding Agreement), a final Delivery Plan must be executed by each participating territorial authority in a form approved by the Department of Internal Affairs.

A draft Delivery Plan for Matamata-Piako District Council (**Territorial Authority**) has been completed and submitted to the Department of Internal Affairs and Crown Infrastructure Partners Limited for consideration (**Delivery Plan**). This Addendum is attached to, and forms part of, that Delivery Plan.

Following initial assessment, changes to the Delivery Plan have been proposed and agreed by the Territorial Authority and the Department of Internal Affairs. This Addendum contains those changes.

The Territorial Authority and the Department of Internal Affairs agree that, notwithstanding the provisions of the Funding Agreement, for the purposes of satisfaction of condition precedent 3 of the Funding Agreement:

- the Delivery Plan executed by the relevant Territorial Authority on 30 September 2020, as amended by this Addendum; and
- this Addendum executed by both the Territorial Authority and the Department of Internal Affairs,

when read together satisfy such condition precedent in respect of Funding for the first Expenditure Programme Milestone (first line item) (as described in paragraph 1 below) only, and the Funding in relation to such Milestone (being the Initial Instalment, as defined in paragraph 1.a below) shall be payable by the Department of Internal Affairs in accordance with this Addendum following receipt of these duly executed documents.

Notwithstanding the above or any provision of the Funding Agreement, payment of further instalments of funding in respect of the Expenditure Programme remain subject to satisfaction of the conditions precedent in this Addendum.

The Addendum will take precedence over the Delivery Plan, to the extent of any inconsistency between the two. To avoid doubt, any update to:

- the milestone table at section 14 of the Delivery Plan ("key milestones of the expenditure programme"); and/or
- any other part of the Delivery Plan,

that this Addendum is attached to, as outlined in Part 1 below, will take precedence over any previous milestone table or relevant part of the Delivery Plan (as applicable) agreed by the parties.

Capitalised terms in this Addendum have the meaning given to them in the Funding Agreement, where applicable.

Amendments to Delivery Plan: The Delivery Plan is amended as follows:

Part 1: Milestone table:

Indicative milestone table and release of initial instalment of funding:

1. The milestone table in section 14 of the Delivery Plan that this Addendum is attached to ("key milestones of the expenditure programme") (**Indicative Table**):
   a. records the terms of payment for the first Expenditure Programme Milestone (first line item) and the amount of the Maximum Funding Instalment for such milestone (being 50% of the Total Maximum Amount payable to the Territorial Authority and representing advance funding for projects identified in the Delivery Plan) (**Initial Instalment**); and
   b. records subsequent indicative milestones to progress the Expenditure Programme.

Updated milestone table and release of second instalment of funding:

2. The parties agree that the Territorial Authority will work with Crown Infrastructure Partners Limited to prepare an updated milestone table recording all milestones for the rest of the Expenditure Programme (including the Support for the RFI Response funding details if relevant, as described in Part 2 below) (**Updated Table**). To avoid doubt, updates are to be limited to updates to the table of Expenditure Programme Milestones only. The Updated Table is to be completed by the Territorial Authority and submitted to Crown Infrastructure Partners Limited and the Department of Internal Affairs for approval by the Department of Internal Affairs (**DIA Milestone Approval**), by the date of the first quarterly report.
3. The inputs in the Updated Table (or any subsequent updates to the Updated Table) are to reflect appropriate measurable outputs or activities to support the delivery of the Expenditure Programme, including identification of one or more appropriate milestones for each project identified in the Delivery Plan (**Update Criteria**).
4. The Updated Table (or any subsequent updates to the Updated Table) will be deemed appended to this Delivery Plan once DIA Milestone Approval has been sent and received by the Territorial Authority and Crown Infrastructure Partners Limited, and the Indicative Table (or the then current version of the milestone table) will be deemed amended and updated from such date.
5. Release of the next instalment of Funding following the Initial Instalment, is conditional on:
   a. DIA Milestone Approval having been sent and received by the Territorial Authority and Crown Infrastructure Partners Limited; and
   b. in relation to each instalment of Funding following the Initial Instalment, material achievement of the applicable Expenditure Programme Milestone(s) having been demonstrated to the satisfaction of the Department of Internal Affairs (on Crown Infrastructure Partners Limited's recommendation).

Further updates to milestone table and release of further instalments of funding:

6. The parties recognise that the milestones within the Expenditure Programme are subject to change and planning restrictions over time. Therefore, should the Territorial Authority consider that changes be proposed to the milestones to support the Expenditure Programme at any time following DIA Milestone Approval having been sent and received by the Territorial Authority and Crown Infrastructure Partners Limited in respect of the Updated Table, the Territorial Authority should propose such changes to Crown Infrastructure Partners Limited and the Department of Internal Affairs for approval by the Department of Internal Affairs in an updated version of the Updated Table on submission of the next quarterly report, regardless of whether that report is accompanied by a Payment Request. Each proposed update to milestones within the milestone table is subject to DIA Milestone Approval and the Update Criteria specified above.
7. Where further updates to milestones in the Updated Table (or such version of the milestone table that is current at the time in accordance with the provision below) have been proposed, the release of further instalments of Funding will be conditional on:
    a. DIA Milestone Approval having been sent and received by the Territorial Authority and Crown Infrastructure Partners Limited; and
    b. material achievement of the applicable Expenditure Programme Milestone(s) having been demonstrated to the satisfaction of the Department of Internal Affairs (on Crown Infrastructure Partners Limited's recommendation).

Part 2: Support for RFI response:

8. The Department of Internal Affairs has released a Request for Information document to all Territorial Authorities (**RFI**) to assist with water reform planning. A response is required within a set timeframe.
9. The Territorial Authority may opt to redirect up to $60,000 (plus GST, if any) of the Funding toward acquiring resource to support its response to the RFI (**Support for the RFI Process**). To avoid doubt, this amount must be drawn from the Total Maximum Amount payable to the Territorial Authority and does not represent additional funding payable from the Department of Internal Affairs to the Territorial Authority.
10. Should the Territorial Authority choose to do this, a line item must be added to the Updated Table recording the amount apportioned to Support for the RFI Process.

Part 3: DIA Guidance:

11. The Department of Internal Affairs may issue guidance from time to time in relation to the water reform programme with a view to assisting Territorial Authorities in their preparation for, and engagement with, the water reform programme.

The parties sign this Addendum as acknowledgement and agreement of its terms and conditions:

SIGNATURES	**SIGNED** by the **SOVEREIGN IN RIGHT OF NEW ZEALAND** acting by and through the Chief Executive of the Department of Internal Affairs or his or her authorised delegate:	**SIGNED** for and on behalf of
	Name: Allan Prangnell Position: Executive Director, Three Waters, Department of Internal Affairs Date: 29 October 2020	by the person(s) named below, being a person(s) duly authorised to enter into obligations on behalf of that territorial authority: Name: DONALD JOHN MCLEOD Position: Chief Executive Date: 10 November 2020
		Name: Position: Date:

Item 7.4

Civil Defence Emergency Management - Covid-19 Welfare Response and Iwi Engagement

CM No.: 2366949

Rāpopotonga Matua | Executive Summary

The State of National Emergency for Covid-19 (C-19) existed for 49 days throughout the four weeks of level 4 lockdown and the following three weeks of level 3 lockdown. However, the Civil Defence Emergency Management (CDEM) response continued well beyond the reduction to level 2 restrictions, due to the complexity of welfare response, including the response required for foreign nationals still within the country and maintaining funding for foodbanks.
In total, the Waikato region had 188 confirmed cases of C-19. 187 cases fully recovered, and one person died as a result of the illness. The region also had a significant cluster in Matamata that impacted the response.

Regionally: Waikato Group CDEM liaised with Iwi and setup Māori representation (Poua Arahi) within the Group Emergency Coordination Centre (GECC) and attended Waikato Welfare Coordination Group meetings. Poua Arahi developed a Regional CDEM-Māori Framework to progress the relationship between CDEM and Iwi/māori in future response.

Locally: Thames Valley CDEM is continuing to work towards creating better Iwi engagement that gives Iwi direct access to information (CDEM Situation Reports) about what is happening in an Emergency, whether C-19 related or other emergency. During C-19 response many Iwi/māori activated their own response, with Iwi (or hāpori) ready to take care of their own and know how best to do this. The Eastern Waikato Local Welfare Committee (EWLWC) purpose is to coordinate and support the delivery of welfare services prior to, and during, an emergency in the Eastern Waikato area. Included in the EWLWC are Hauraki Māori Trust Board, Te Korowhai Hauora o Hauraki and National Hauora Coalition and standing invites are issued to council Iwi Liaison staff.

Work undertaken with Iwi and māori throughout the C-19 response has laid foundations for future working partnerships.

Tūtohunga | Recommendation

That:

1. The information be received.

Horopaki | Background

26 March 2020 a State of National Emergency was declared. To support CDEM activities in C-19 response at Alert Level 4 the Thames Valley (TV) Emergency Operations Centre (EOC) was established at the request of Waikato Group CDEM Controller. The TV EOC based at Thames represented Hauraki (HDC), Matamata-Piako (MPDC) and Thames-Coromandel District Council (TCDC) districts.
Welfare in the EOC was coordinated by MPDC, TCDC and HDC Welfare Managers (Emergency Management Officers) with Local Welfare Liaison staff from each council, based remotely from the EOC, this involved monitoring a CDEM welfare dashboard, making follow up calls and welfare assessment on calls received through the CDEM Waikato Welfare 0800 number.

Iwi Liaison staff from HDC and TCDC worked alongside the Welfare desk as conduits to Iwi/māori across the three territorial authority areas with the intent to ensure the needs of those most isolated and vulnerable were identified and were pivotal in making connection with Iwi not connected through other agencies, (assistance requested and given from Lisa Gardiner, Ngāti Haua as MPDC do not have an Iwi Liaison staff member). Within the MPDC district delivery was made to 193 food referrals (89 Matamata ward, 33 Morrinsville ward, 71 Te Aroha ward), these referrals serviced 851 people. Delivery of food parcels were delivered through coordination with MPDC. Ngāti Haua and Ngāti Hinerangi advised quantity of food/kai parcels required and this was bulk delivered to Raungaiti Marae with distribution then arranged by Iwi. Hauraki Māori Trust Board, Te Korowhai Hauora o Hauraki and National Hauora Coalition were also doing outreach into communities advising CDEM of food/kai parcel requirements.
The Thames Valley EOC dis-established Friday 15 May with the standing up of a Northern EOC which combined Hamilton City Council, Hauraki, Matamata-Piako, Thames-Coromandel and Waikato District Council districts. The Northern EOC was dis-established 29 May 2020.
During C-19 a lot of Iwi/māori activated their own response as many Iwi/marae have response plans ready for emergency events

Ngā Take/Kōrerorero | Issues/Discussion

Waikato Group CDEM have held three hui (8 September, 21 September, 9 October) with Iwi to further discuss EOCs and resurgence planning.
Follow up hui have been hosted by Thames Valley CDEM to address disconnect and to map operationally how local CDEM response can better connect with Iwi.
Thames Valley CDEM hui (16 September and 21 October) had representatives invited/attended from: Ngāti Hinerangi, Ngāti Haua, Ngaati Whanaunga, Ngāi Tai, Ngāti Hako, Ngāti Hei, Ngāti Maru, Ngāti Paoa, Ngāti Porou, Ngāti Pūkenga, Ngāti Rāhiri Tumutumu, Ngāti Tamaterā, Ngāti Tara Tokanui, Te Patukirikiri, Hauraki Māori Trust Board and Manaaki Manaia (Manaia Community)

Mōrearea | Risk

Iwi cross many territorial authority borders and it was noted for some this was onerous working alongside multiple EOCs. Waikato Group CDEM are reviewing how CDEM can better align with Iwi.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

- Civil Defence Emergency Management Act 2002
- Te Tiriti o Waitangi
- National CDEM Plan 2015
- Waikato CDEM Group Plan 2016-2021
- Welfare Services in an Emergency Director's Guidelines (DGL 11/15)

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

25 March 2020	11.59pm -	Alert Level 4
26 March 2020	12:21pm -	State of National Emergency declared (extended 2, 8, 15, 22, 29 April and 5 May)
27 April 2020	11.59pm -	Alert Level 3
13 May 2020	12.21pm -	State of National Emergency expired
13 May 2020	11.59pm -	Alert Level 2

8 June 2020 11.59om - Alert Level 1

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Healthy Communities
Community Outcome: Our community is safe, healthy and connected

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

Claims for reimbursement from the National Emergency Management Agency (NEMA) for cost including water tank refills, kai/food parcels and other essential items had Thames Valley EOC (TCDC) doing the administration. Any EOC operational cost, council fuel and staff cost involved in delivery of food parcels are not claimable from NEMA and reside with the respective councils.

Food Secure Communities – The Government is investing $30 million over the next two years through MSD to provide additional support for foodbanks, food rescue and other community organisations that are providing food to people.

Ngā Tāpiritanga | Attachments

A⇩. EOC - Welfare Data Stats

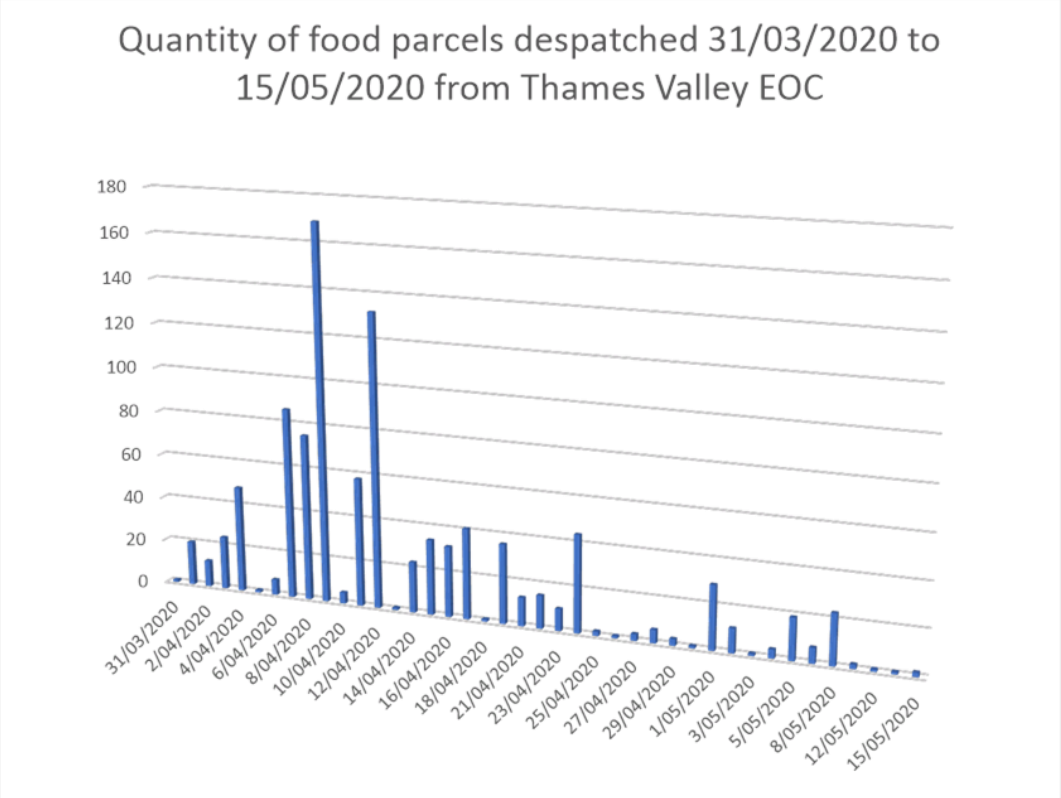
B⇩. Regional CDEM-Maori Framework

C⇩. Direction to Civil Defence Emergency Management-Groups for Covid19

Ngā waitohu | Signatories

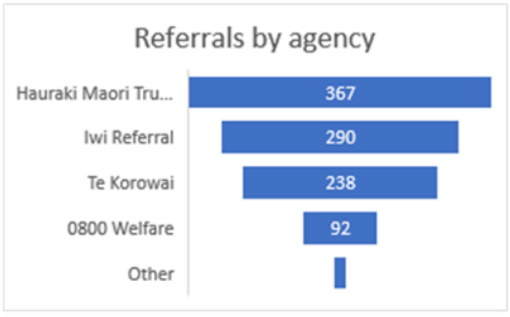
Author(s)	Vicky Cowley **Emergency Management Officer**	

Approved by	Dennis Bellamy **Group Manager Community Development**	



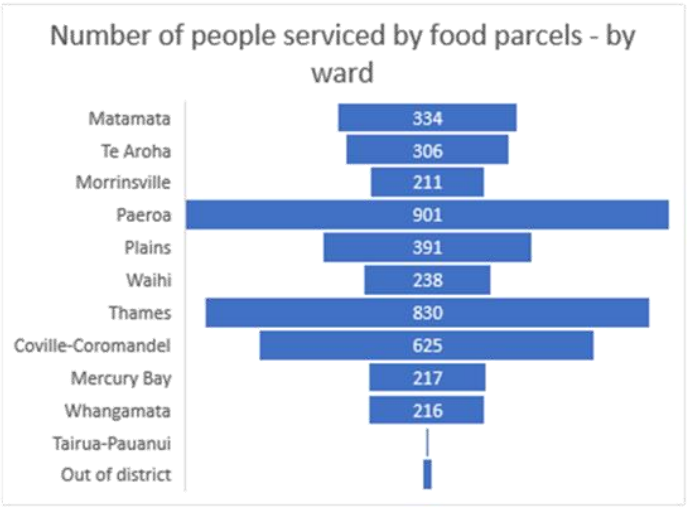
	Referrals	People serviced by food parcels	Cost of food parcels delivered	Additional cost i.e. nappies, pet food
TCDC	425	1,864	$77,933	$1,386
HDC	382	1,558	$66,428	$1,345
MPDC	193	851	$33,396	$661
out of district	4	19	$699	$11
	1,004	**4,292**	**$178,456**	**$3,403**

Agency	Referrals	People serviced by food parcels
Hauraki Maori Trust Board	367	1507
Iwi Liaison	290	1379
Te Korowai	238	827
0800 Welfare	92	500
Other	17	79
	1004	**4292**



Rural / Urban by TA	Referrals	People serviced by food parcels	Cost of food parcels delivered	Additional cost i.e. nappies, pet food
Rural	**402**	**1389**	**$61,955**	**$1,477**
TCDC	165	537	$24,827	$515
HDC	149	528	$22,662	$651
MPDC	84	305	$13,768	$300
out of district	4	19	$699	$11
Urban	**602**	**2903**	**$116,501**	**$1,926**
TCDC	260	1327	$53,106	$871
HDC	233	1030	$43,766	$694
MPDC	109	546	$19,629	$361
	1004	**4292**	**$178,456**	**$3,403**

Ward	People serviced by food parcel
Matamata	334
Te Aroha	306
Morrinsville	211
Paeroa	901
Plains	391
Waihi	238
Thames	830
Coville-Coromandel	625
Mercury Bay	217
Whangamata	216
Tairua-Pauanui	4
Out of district	19
	4292



Territorial authority	Under 18's serviced by food parcels
TCDC	194
HDC	164
MPDC	99
Out of district	2
	459

Territorial authority	Companion animals supported	
	Dog	Cat etc
TCDC	32	51
HDC	29	40
MPDC	9	25
	70	**116**

Agency – repeat delivery	Referrals	People serviced by food parcels
HMTB	**367**	**1507**
1st request - ok for delivery	320	1311
2nd request - ok for delivery	38	157
3rd request - ok for delivery	9	39
Iwi Referral	**290**	**1379**
1st request - ok for delivery	268	1290
2nd request - ok for delivery	21	85
3rd request - ok for delivery	1	4
Te Korowai	**238**	**827**
1st request - ok for delivery	218	764
2nd request - ok for delivery	18	61
3rd request - ok for delivery	2	2
0800 Welfare	**92**	**500**
1st request - ok for delivery	85	481
2nd request - ok for delivery	5	12
3rd request - ok for delivery	2	7
Other	**17**	**79**
1st request - ok for delivery	16	73
3rd request - ok for delivery	1	6
	1004	**4292**

REGIONAL CDEM-MĀORI FRAMEWORK

TE TUATAHI: ARTICLE ONE
Kawanatanga | Governership
Obligation to protect Māori interests
- Representation & Kaitiakitanga
- Structural Mechanisms
- Decision making involvement

TE TUARUA: ARTICLE TWO
Tino Rangatiratanga | Self-Determination
Māori exercising authority over their affairs
- Engaged, involved
- Capacity & Capability building
- Design & Implementation

TE TUATORU: ARTICLE THREE
Oritetanga | Equity
Protection and Rights
- Equitable outcomes
- Tikanga & Kawa
- Mana enhancement & Due regard

Pouaarahi at the local level are mandated by Iwi and provide tikanga and kawa direction to the Controller. They hold local and regional networks, relationships, knowledge, tikanga, kawa. At the regional level, the Pouaarahi also provides tikanga, kawa and cultural steering to the Group Controller. At the regional level and in alignment with the broad scope of the Group Controller, the Pou Arahi is not Iwi specific, but applies across all iwi, hapū, marae and Māori organisations within the region.

Iwi Liaison are employed within local government and agencies who within their role, are charged with ensuring local Iwi, marae, hapū Māta Waka and Māori organisation relationships are nurtured and maintained.

	MAHI TAHI Working together as one	MANAAKITANGA Exercising Care	KOTAHITANGA Unified for the safety and wellbeing of our communities	AROHA Exercising compassion, always
WELFARE	Connected in with Māori Welfare responders across the spectrum	Consider and respond to the complexity and evolving needs of Māori	Knowledge of Māori community landscapes is sought to ensure coordinated, timely, delivery to the needs of Māori	Cultural sensitivity towards Māori welfare circumstances is acknowledged and addressed accordingly
OPERATIONS HEALTH & SAFETY	Volunteers, where incident will impact Māori, are knowledgeable, networked, and responsive.	Tikanga and Kawa role within Health and Safety	Cultural practices observed at every appropriate opportunity	Māori stakeholders integrated within the CDEM space
PLANNING	Ensure all planning activities are informed from an informed Māori lens	Outputs & forecasting, resource requirements and risk assessments equitably prioritise Māori	Inclusion throughout all phases of planning	Monitoring of vulnerable and priority groups is ongoing
INTELLIGENCE	Appropriate cultural intelligence fed into public monitoring/picturing where creation of emergency escalation may occur	Information is collected and shared by informed processes that is guided by this framework Safety of information shared from Māori	Māori participate and inform review and audit processes	Networks & contacts relative to Māori Stakeholders are updated Māori sources of information are identified and updated
LOGISTICS	Māori representation within personnel relevant to the local, regional population	Māori venues as Coordination and operations centers relevant to incident	Maintain connectivity to Māori Coordination and Pouaarahi	Cultural consideration and understanding be exercised within financial reimbursement process
PUBLIC INFORMATION MANAGEMENT	Inform and include relevant Māori partners and stakeholder communications equivalents	Messaging is framed for Māoriaudiences, by Māori, via Māori mediums, reaching Māori and in Māori	Tikanga & Kawa advice and guidance sought	Te Reo Māori is maximised and prioritised

National Emergency Management Agency
Te Rākau Whakamarumaru

The following item is no longer current:

> **Direction of the Director and National Controller Civil Defence Emergency Management – Direction to CDEM Groups and Group Controllers for the duration of the COVID-19 response and recovery**

The Directions issued by the Director Civil Defence Emergency Management and National Controller under the State of National Emergency ceased to have effect at the time the State of National Emergency lapsed.

The Director Civil Defence Emergency Management and National Recovery Manager has issued a new Requirement under sections 9(2)(ba), and 94N of the Civil Defence Emergency Management Act 2002, and clause 29 and Part 9 of the National Civil Defence Emergency Management Plan:

> *Requirements of the Director Civil Defence Emergency Management (CDEM) and National Recovery Manager for CDEM Groups, Group Controllers and Group Recovery Managers for the duration of the COVID-19 national transition period*

National Emergency Management Agency
Te Rākau Whakamarumaru

Direction of the Director and National Controller Civil Defence Emergency Management – Direction to CDEM Groups and Group Controllers for the duration of the COVID-19 response and recovery

Civil Defence Emergency Management Act 2002 and National Civil Defence Emergency Management Plan Order 2015

On the 25 March 2020, the Minister of Civil Defence declared a state of national emergency under Section 66 of the Civil Defence Emergency Management Act.

This allows the use of powers by the Director and National Controller in accordance with sections 9 and Part 5 of the Civil Defence Emergency Management Act 2002 (CDEM Act), and the National Civil Defence Emergency Management Plan Order 2015, for the purposes of managing the COVID-19 emergency and preventing its exacerbation.

Activation of CDEM Arrangements

Under sections 9 and 85(2) of the Civil Defence Emergency Management Act 2002 and clause 29 of the National Civil Defence Emergency Management Plan Order 2015 (National CDEM Plan), I, Sarah Stuart-Black, Director and National Controller Civil Defence Emergency Management, direct:

A. All CDEM Groups to activate their CDEM arrangements in support of the response to COVID-19, in particular:
    1. Establish multi-agency Emergency Coordination Centres (ECCs) staffed on a 7 day a week basis planned for the next three months, subject to review
    2. Utilise non-essential council staff to develop a full Coordinated Incident Management System (CIMS) based staffing roster
    3. Establish liaison directly with all District Health Boards (DHBs) either in the DHB or DHB staff in the ECC
    4. Establish a coordination structure with the DHB Coordinator, Medical Officer of Health and the Group Controller
    5. Provide reporting as required to the CDEM and Welfare work streams within the National Crisis Management Centre (NCMC).

B. All Group Controllers to support DHBs and Primary Health Units (PHUs) in managing the pandemic in the community. Specifically, in accordance with the roles and responsibilities detailed in the New Zealand Influenza Pandemic Plan, every Group Controller to:
    1. Work with the local health coordinator and local medical officer of health to coordinate and direct community and civil defence responses, resources and functions under CDEM plans, including by:
        a. Providing or arranging the provision of suitably trained and competent personnel (including volunteers) and an organisational structure for CDEM Group in its area
        b. Providing, arranging the provision of, or making available materials, services, information and any other resources necessary to support the health-led response to pandemic
        c. Responding to and managing the non-health CDEM adverse effects of pandemic in your area, and

Level 4, Bowen House, Parliament Buildings | PO Box 5010 | Wellington 6145 | New Zealand
Tel: +64 4 830 5100 | emergency.management@nema.govt.nz | www.civildefence.govt.nz

d. Reporting to the CDEM and Welfare work streams within the NCMC on the coordination of CDEM welfare, infrastructure and lifeline utility aspects of the pandemic.

I am of the opinion that these actions are necessary to limit the extent of the emergency.

Welfare

Under sections 9 and 85(2) of the Civil Defence Emergency Management Act 2002, clauses 72(3) of the National CDEM Plan, and in accordance with the provisions of the New Zealand Influenza Pandemic Plan, I, Sarah Stuart-Black, Director and National Controller Civil Defence Emergency Management, also direct all CDEM Groups to:

A. Plan and coordinate the provision of household goods and services and other essential items to people who have been displaced or who are sheltering in place.

   Household goods and services include food, water, clothing, bedding, and other items or services necessary for warmth, cleaning, preparing food, or general health and hygiene (*Guide to the National CDEM Plan*, section 14.11, definition of basic goods and services).

In particular, and in order to ensure people are able to access the support provided by CDEM Groups, I direct all CDEM Groups to:

B. Establish a phone number that people can call if they urgently need assistance with access to essential household goods and services due to their self-isolation for COVID-19.

   The phone line needs to be suitably resourced with people who are trained to do welfare needs assessments, and supported by a timely process to meet affected people's needs.

   The expected hours of operation are 0700-1900 hours.

   I require every CDEM Group to have this facility operational by 0700 hours Tuesday 31 March 2020.

I am of the opinion that these actions are necessary to limit the extent of the emergency.

Obligation to follow direction

I also remind all CDEM Local Controllers that under section 27(2) of the CDEM Act 2002, they are required to follow the direction provided by Group Controllers. This includes following any direction provided on the coordination structure at a regional and local level where required.

Any person who intentionally fails to comply with any direction given under the National CDEM Plan commits an offence under section 95 of the CDEM Act 2002.

This Direction takes effect from 29 March 2020 and remains in force until further notice.

Dated 29 March 2020.

Sarah Stuart-Black

Director Civil Defence Emergency Management
National Controller Civil Defence Emergency Management

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

The following motion is submitted for consideration:

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

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

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

C1 In Committee Auditor/Committee Member Discussion

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(c)(ii) - 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 damage the public interest. .	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.