

**MEETING OF THE
RISK & ASSURANCE COMMITTEE**

Thursday 20 March 2025

commencing at 9.30 am

at the Council Chambers,

1 Rosebank Office

BALCLUTHA

CLUTHA DISTRICT COUNCIL

Notice is hereby given that a Meeting of the Risk & Assurance Committee will be held in the Council Chambers, 1 Rosebank Terrace, Balclutha on Thursday 20 March 2025, commencing at 9.30 am.

Jules Witt

ACTING CHIEF EXECUTIVE OFFICER

David Ward (Chairperson)

Mayor Bryan Cadogan (Acting Chair)

Councillor Ken Payne (Deputy Mayor)

Councillor Alison Ludemann (Corporate & Policy Committee Chair)

Councillor Gaynor Finch (Regulatory & Community Committee Chair)

Councillor Bruce Graham (Infrastructure Strategy & Operations
Committee Chair)

Councillor John Herbert

Councillor Bruce Vollweiler

Councillor Michele Kennedy

RISK & ASSURANCE COMMITTEE

20 MARCH 2025

APOLOGIES

None at the time of printing this agenda.

DECLARATION OF INTEREST

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

URGENT BUSINESS

None at the time of printing this agenda.

PUBLIC FORUM

PRESENTATION

- **Infrastructure Strategy and Delivery Team, Projects Dashboard**

Item	Page #	Title
1.	9.	Risk & Assurance Committee Minutes <i>(For the Committee's Confirmation)</i> Minutes of the Risk & Assurance Committee held 05 February 2025.
2.	19.	Risk & Assurance Chair Report <i>(For the Committee's Information)</i> This report provides an update from the chair.
3.	20.	Risk & Assurance Workplan Report <i>(For the Committee's information)</i> This report presents the workplan to the end of the 2025 year.
4.	22.	Risk Status Progress Report <i>(For the Committee's Information)</i> The purpose of this paper is to provide the Risk and Assurance Committee with risk status information for the organisation's various risk themes.
5.	25.	Conflicts of Interest Register for Elected Members and Executive Management <i>(For the Committee's Information)</i> The Conflicts of Interest Declaration Register (Members Interest register) for elected members (council and community boards), the

Item	Page #	Title
		Chief Executive, Deputy Chief Executive and Independent Chair of the Risk and Assurance Committee.
6.	33.	Capital Projects Report – Category A <i>(For the Committee’s Information)</i> Describes the updates on the Capital Projects purpose of the reports and what is to be addressed.
7.	56.	Protozoal and Bacterial Compliance Report <i>(For the Committee’s Information)</i> This report provides an update for each Water Treatment Plant.
8.	64.	3 Waters Operations 7 Month Report <i>(For the Committee’s Information)</i> <i>This report</i> combines high level financial results for the Urban Water, Rural Water, Wastewater, Stormwater, Water Management and Water Operations business units.
9.	67.	Treasury Management Report <i>(For the Committee’s Information)</i> This report includes the Treasury Services Advisory Report and the Investment Portfolio Compliance & Monitoring Report.
10.	70.	Financial Monitoring Report <i>(For the Committee’s Information)</i> This report combines the Financial Management Accounts and the Non-Financial Key Performance Indicators (KPIs).
11.	74.	Reasons To Move into Public Excluded Session <i>(For the Committee’s Decision)</i> The Risk & Assurance Committee may by resolution or upon motion being made, exclude the public from the whole or any part of the proceedings of any meeting.

Risk & Assurance Committee - Delegations

Constitution	<p>Members of the Committee will be made up of an Independent Chair, Mayor, Deputy Mayor, Chair of the Corporate & Policy, Infrastructure Strategy & Operations and Regulatory and Community Committees and three other Councillors appointed by Council.</p> <p>Members will be appointed for an initial period not exceeding three years after which they will be eligible for extension or re-appointment, after a formal review of their performance. The Chief Executive, Deputy Chief Executive and the Chief Financial Officer will not be members of the Committee but may attend meetings as observers as determined by the Chairperson. The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Council. At least one independent member of the Committee should have accounting or related financial management experience with an understanding of accounting and auditing standards in a public sector environment.</p>
Meeting Frequency	<p>6 weekly, or as required.</p> <p>To oversee aspects relating to audit and risk management.</p>
Objective	<p>The Risk & Assurance Committee is an independent committee of Council.</p> <p>The purpose of the committee is to oversee:</p> <ul style="list-style-type: none">• risk management• internal control• external accountability• audit• compliance with legislation, policies, and procedures. <p>The Committee has no executive powers and will conduct itself in accordance with the values and ethics of the Council. The Committee is directly responsible and accountable to the Council for the exercise of its responsibilities. In carrying out its responsibilities, the Committee must always recognise that primary responsibility for management of the Council rests with the Chief Executive. The responsibilities of the Committee may be revised or expanded in consultation with, or as requested by, the Clutha District Council from time to time.</p> <p>The Council, at its meeting on 27 October 2022, established the Risk and Assurance Committee for the 2022-25 triennium.</p> <p>The Council authorises the Committee, within the scope of its role and responsibilities, to:</p> <ul style="list-style-type: none">• obtain any information it needs from any employee and/or external party (subject to their legal obligation to protect information);• discuss any matters with the external auditor, or other external

parties (subject to confidentiality considerations);

- request the attendance of any employee, including the Chief Executive, Deputy Chief Executive and Chief Financial Officer and
- obtain external legal or other professional advice, as considered necessary to meet its responsibilities, at the Council's expense

Quorum

5 members

Additional Attendees

The Committee may invite various parties to attend its meetings. These parties may include other members of senior management or line managers as appropriate. When the Committee is considering a report, the manager responsible for the area under review will be given the opportunity to discuss the report with the Committee. Other elected members may attend but have no voting rights.

Areas of responsibility

1. Risk Management

- Ensure that Council has in place a current and comprehensive risk management framework and associated procedures and review for effective identification and management of Council's financial and business risks including fraud.
- Review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings.
- Review the effect of the Council's risk management framework on its control environment and insurance arrangements.
- Review annually whether a sound and effective approach has been followed in establishing the Council's business planning continuity arrangements, including whether disaster recovery plans have been tested periodically and
- Review the Council's internal controls in relation to preventing fraud and satisfy itself that the Council has appropriate processes and systems in place to capture and effectively investigate fraud-related information and to ensure appropriate action is taken against perpetrators of fraud.

2. Internal Control

Review whether management's approach to maintaining an effective internal control framework, including over external parties such as contractors and advisers, is sound and effective.

Review whether management has in place relevant policies and procedures, and that these are periodically reviewed and updated.

Determine whether the appropriate processes are in place to assess, at least once a year, whether policies and procedures are complied with.

Review whether appropriate policies and procedures are in place for the management and exercise of delegations.

Consider how management identifies any required changes to design or implementation of internal controls and

Review whether management has taken steps to embed a culture that is committed to ethical and lawful behaviour.

3. External Accountability

The Committee's responsibilities are to:

Review the financial statements and provide advice to the Council, including whether appropriate action has been taken in response to audit recommendations and adjustments.

Satisfy itself that the financial statements are supported by appropriate management sign-off on the statements and on the adequacy of the systems of internal controls.

Review the processes in place designed to ensure that financial information included in the Council's annual report is consistent with the signed financial statements.

Review the processes and risk assessment that are in place for the development and adoption of the Council's Long-Term Plan.

Satisfy itself that the Council has appropriate mechanisms in place to review and implement, where appropriate, relevant external audit reports and recommendations; and

Satisfy itself that the Council has a performance management framework that is linked to organisational objectives and outcomes.

4. Audit

The Committee's responsibilities are to:

Act as a forum for communication between the Chief Executive, senior management, and external auditors.

Provide input and feedback on the financial statements and the audit coverage proposed by the external auditor and provide feedback on the audit services provided.

Review all external plans and reports for planned or completed audits and monitor management's implementation of audit recommendations.

Oversee the co-ordination of audit programs conducted by the external auditors and other review functions

Review all audit reports and provide advice to the Council on significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of good practice.

5. Compliance with legislation, standards, and good practice guidelines

The Committee's responsibilities are to:

Determine whether management has appropriately considered legal and compliance risks as part of the Council's risk assessment and management arrangements and

Review the effectiveness of the system for monitoring the Council's compliance with relevant laws regulations, and associated government policies.

Financial Delegations

6. Financial delegations are identified in Appendix B – Financial Delegations.

Power to resolve

7. In exercising the delegated powers, the committee will operate within policies, plans, standards, or guidelines that have been established and approved by the Council, the overall priorities of Council, the needs of the local communities and the approved budgets for the activity.

Power to recommend to Council

8. Strategic Finance

- Financial Strategy.
- Revenue and Financing Policy matters (excluding rates reviews).
- Treasury Management and Borrowing and Investment Policies.
- Adoption of Annual Report.
- Investment strategy.
- Borrowing.
- Management policies (e.g. fraud, sensitive expenditure).

9. Risk

- Risk Management Policy (setting Council's appetite for risk).
- Risk Management outside of budgets (e.g. insurance).
- Risk Management outside of Risk Management Policy.
- Delegations Policy to Chief Executive and direct to officers where required.
- Insurance (including self-insurance) within policy and budgets.

Power to monitor

10. Strategic Finance

- Investment Policy compliance.
- Debt Policy compliance.
- Financial Strategy compliance
 - i. risk and opportunities monitoring
 - ii. capital programme monitoring.
- Financial Strategy monitoring.
- Investment monitoring (including return on investment for cash and property).
- Debt monitoring.

11. Risk

- Risk management framework.
- Receive major project reports.
- Debt risk management.
- Audit.
- Internal control framework
 - i. sensitive expenditure
 - ii. conflicts of interest.
- Legal compliance.
- Health and Safety culture and compliance.

Risk & Assurance Committee

Item for CONFIRMATION

Report	Confirmation of Minutes
Meeting Date	20 March 2025
Item Number	1
Prepared By	Sonia Farquharson – Finance and Policy Administrator
File Reference	932421

REPORT SUMMARY

Attached are the unconfirmed minutes of the Council's Risk & Assurance Committee meeting held 5 February 2025.

RECOMMENDATION

- 1. That the Risk & Assurance Committee confirms as a true and correct record the minutes of the Risk & Assurance Committee held 5 February 2025.**

Risk & Assurance Committee

Minutes of the meeting of the Risk & Assurance Committee held in the Council Chambers, 1 Rosebank Terrace, Balclutha, on Wednesday 5 February 2025, commencing at 10.30am

Present	David Ward (Chairperson), Councillors Gaynor Finch, Bruce Graham, John Herbert, Michele Kennedy, Alison Ludemann, Ken Payne.
In Attendance	Steve Hill (Chief Executive), Jules Witt (Deputy Chief Executive), Sharon Jenkinson (Chief Financial Officer) Christina Johnston (Manager Risk Management), Daniel Pickup (Team Leader Compliance), Greg Bowie (Financial Accounting Team Leader), Linda Till (Manager Three Waters), Trey Willis Croft (Financial Support Accountant), Beki McCabe (Communications Advisor), Reymar Tiburcio (Infrastructure Strategy and Delivery), Peter Stafford (Strategic Planning Manager), Councillors Simon McAtamney, Jock Martin, Diane Byars (Communications Manager) and Sonia Farquharson (Finance & Policy Administrator).
Apologies	His Worship the Mayor Bryan Cadogan, Councillor Bruce Vollweiller. <i>Moved by Chair Ward / Councillor Payne and Resolved:</i> <i>“That the apologies be sustained.”</i>

The Chair David Ward welcomed Councillors, staff, members of the public and those watching on livestream to the meeting then said a Karakia.

PUBLIC FORUM

There is no public forum

DECLARATIONS OF INTEREST

There were no declarations of interest

URGENT BUSINESS

There was no urgent business.

PUBLIC FORUM

There was no public forum.

1. CONFIRMATION OF MINUTES

The minutes of the meeting of the Risk & Assurance Committee held on 21 November 2024 were submitted for confirmation.

- Page 13, The 3 Waters Reticulation contract with Isaac Construction contract, is now signed and confirmed.
- Page 14, under do we have a date when to lift boil water notice for Waihola township, typo on the next line, did read Milton, should read Waihola.

Moved Councillor Herbert / Payne and Resolved:

“That the Risk & Assurance Committee confirms as a true and correct record the minutes of the Risk & Assurance Committee held 21 November 2024.”

2. RISK & ASSURANCE CHAIR REPORT

The focus of today’s meeting will be the incorporation of matters discussed at the Committee workshop of 28 January 2025 into our committee work programme for the 2025 calendar year.

David Ward – (Risk & Assurance Chair) was in attendance to speak to the report and gave everyone a brief overview and was available to answer any questions.

- Duplication of reports, the Risk and Assurance reports the workshop requested that this process to continue to proceed but in the interim the reports will go to the other committees, but to avoid staff having to spend time unnecessarily will be for chairs or the chairs representative to be the one to speak at the various committees by providing an update on the reports discussed at the Risk and Assurance.
- Given the significance of nominated projects, particularly in respect to financial impact (debt and rates), The PCG meeting will cease the 9.00am meeting going forward and the Risk and Assurance will see these reports added to the Risk & Assurance agenda. The Risk and Assurance Meeting will start an hour earlier with the next meeting being 20 March 2025 being held at 9.30am. But will continue to review this process.

Moved Chair Ward / Councillor Graham and Resolved:

“That the Risk & Assurance Committee receives the Risk & Assurance Chair Report’, dated 5 February 2025”.

3. RISK & ASSURANCE WORKPLAN REPORT

This report presents the proposed workplan for this calendar year (through to elections) following discussion at the Risk & Assurance Committee workshop on the 28th January 2025.

The workplan incorporates matters requested by the committee members and focuses on key areas that will ensure the committee adheres to its terms of reference.

Sharon Jenkinson (Chief Financial Officer) was in attendance to speak to the report and answer any questions.

- Sharon advised that an extra line to include the KPI, this report will be reported every quarter (every second meeting) will be added.

Moved Councillors Finch / Payne and Resolved:

“That the Risk & Assurance Committee receives the Risk & Assurance Workplan Report’, dated 5 February 2025.

That the Risk & Assurance Committee adopts the proposed Risk & Assurance Workplan Report’, dated 5 February 2025.”

4. RISK STATUS PROGRESS REPORT - Failure to give effect to Te Tiriti and Build Successful Iwi/Mana Whenua Partnerships

The purpose of this paper is to provide the Risk and Assurance Committee with risk status information for the organisation’s various risk themes.

This paper focus is on the Risk: Failure to give effect to Te Tiriti and build successful Iwi/Mana Whenua partnerships.

All Councils, as per statutory obligations, must engage with Māori and acknowledge Te Tiriti o Waitangi. Key legislative frameworks influencing council activities include the Local Government Act 2002 (LGA) and the Resource Management Act 1991 (RMA). Compliance with legislation is essential, as is a genuine commitment.

Christina Johnston (Manager Risk Management) was in attendance to speak to the report and answer any questions

The following points were highlighted:

- Staff have six weekly hui with Aukaha, and have meet twice with TAMI and Hokonui this financial year. Councillors have asked for more involvement; this could be a consideration once we progress further. Minutes are available.
- Staff are really happy with how the relationships are coming along.
- Discussed a deep dive report – There was a request that that councillors should know the boundaries of Aukaha and TAMI. Going forward we need to make sure any new

councillors elected have this understanding. Advised this can be added into their induction for the next elections.

Moved Councillors Kennedy / Graham and Resolved:

“That the Risk & Assurance Committee receives the Risk Status Progress report, ‘Failure to give effect to Te Tiriti and Build Successful Iwi/Mana Whenua Partnerships’ dated 5 February 2025”.

Christina Johnston (Manager Risk Management) left the meeting at 10.51am

5. PROTOZOAL AND BACTERIAL COMPLIANCE REPORT

This report provides an update for each Water Treatment Plant (WTP) and their compliance with the Drinking Water Quality Assurance Rules (DWQAR) for Bacterial and Protozoal treatment.

Daniel Pickup (Team Leader Compliance & Reporting) and Linda Till (Head of Three Waters) were in attendance to speak to the report and answer questions. The following points were highlighted:

- The reporting period for November and December 2024 saw consistently high levels in Urban Water Bacterial and Protozoal compliance.
- The reporting period for November and December 2024 saw similar levels in compliance for Rural Water Bacterial and Protozoal compliance compared with the September and October 2024 reporting period. Rural WTPs supply several distribution networks subject to a Boil Water Notice (BWN), i.e., Moa Flat, North Bruce, Waitahuna, and Tuapeka West.
- Waitahuna and Tuapeka West supplies will not achieve full compliance without significant upgrades and will be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply.

Moved Councillors Finch / Herbert and Resolved:

“That the Risk & Assurance Committee receives the ‘Protozoal and Bacterial Compliance Report’, dated 5 February 2025”.

6. 3 WATERS OPERATIONS 6 MONTH REPORT

This report displays the financial results for the 3 Waters activity for the first six months of the 2024/25 financial year.

This report combines high level financial results for the Urban Water, Rural Water, Wastewater, Stormwater, Water Management and Water Operations business units.

Linda Till - Head of Three Waters was in attendance to speak to the report and answer any questions.

Moved Chair Ward / Councillor Graham and Resolved:***“That the Risk & Assurance Committee receives the 3 Waters Operations 6 Month Report’, dated 5 February 2025”.*****7. TREASURY MANAGEMENT REPORT**

This report covers Council’s Investment and Borrowing portfolios, the monitoring of these and compliance with Council Policy. The report also includes information regarding Council’s loans with LGFA, their maturity dates and interest rates.

Greg Bowie (Financial Accounting Team Leader) was in attendance to speak to the report and answer any questions.

The following points were highlighted:

- Question from last time re portfolio closing balances – The Treasury dashboard shows the closing balance at exit price (the price that a seller would receive in exchange for the sale of an asset or would pay to transfer a liability at measurement date). The summary of transactions since inception shows the closing balance at fair value (actual value of an asset agreed upon by both the seller and the buyer) in accordance with how we are required to show this in the annual report. Going forward with our condensed reporting agreed at the workshop we will just show the exit price value as in the treasury dashboard.
- Greg discussed the Bancorp & MJW Reports for November and December 2024.
- It was discussed when the January data will be released – The January 2025 data (comes in approximately on the 6th of the month, but due to the deadline when the agenda was put together this data was not available.
- US election results saw the US dollar strengthen. Interest rates are moving upwards in the US, where the incoming administration’s policies in areas such as immigration and tax were judged to be more inflationary.

Moved Councillors Kennedy / Finch and Resolved:***“That the Risk & Assurance Committee receives the ‘Treasury Management Report’, dated 5 February 2025”.*****8. FINANCIAL MONITORING REPORT**

This report outlines the Financial Management Accounts for the period 1 July 2024 to 31 December 2024.

Trey Willis-Croft (Financial Support Accountant) was in attendance to speak to the report and answer any questions.

The following points were highlighted:

- There was discussion around why rates are lower than budgeted – this is mainly around the receivable and prepayments in the balance sheet and what made this up, (accounts we have billed money we have not yet received yet or accounts we have paid haven't allocated specifically to the cost centres yet)
- Question raised why the rates were lower than budgeted for the year to date and that's around a decision when we set the long-term plan budgets to set a rate in the water scheme then catch it up over time with the, so they didn't get massive increases and the lower increases.
- At the next meeting we will be focusing on projecting financials to the end of the year and including a cashflow agenda. In the Risk & Assurance. We will have more exception reporting and clarity around categories as you have to report this in Annual Report e.g. splitting out water, water expenses as a separate line.
- Discussion around Interest income and cash vs non-cash and how we report than and depreciation is funded. Question asked were staff concerned, currently they weren't as they haven't done the half year yet, and we will comment about this at the next meeting.
- It was requested that staff provide a breakdown of the receivables and prepayments for the next meeting - NZTA and reimbursement but what paid e.g. insurance and wages.

Moved Councillors Payne / Herbert and Resolved

"That the Risk & Assurance Committee receives the 'Financial Monitoring Report', dated 5 February 2025".

9. NON-FINANCIAL MONITORING REPORT

This report outlines the non-financial key performance indicators within activities by month.

- Please note the numbers are not audited but the trends do provide information on how the different activities are doing from a performance perspective.
- Some of the KPI data is only relevant once a year.
- Anomalies for November are as follows - Median resolution time for wastewater faults was 453 hours (19 days)
- Anomalies for December are as follows - Median resolution time for wastewater faults was 433.57 hours (18 days)
- Explanation for these anomalies was provided at the meeting

Trey Willis-Croft (Financial Support Accountant) was in attendance to speak to the report and answer any questions.

The following points were highlighted:

- There has been some work done for our internal 3 Waters Service request. There has been issues with not closing off these requests and not recording when the site was reached. As a result of Linda's team going back and adding in accurate timestamp the November wastewater resolution median went from 453 to 47.72. The December wastewater resolution median went from 433.6 to 009.53 and the YTD wastewater resolution median went from 92.9 to 76.08. In the coming months Linda's team will relook at the months prior to November to see if any other service requests need to be charged.

Moved Councillors Finch / Ludemann and Resolved:

"That the Risk & Assurance Committee receives the 'Non-Financial Monitoring Report', dated 5 February 2025".

10. AUDIT RECOMMENDATION MONITORING REPORT

This report has been updated to reflect the recommendations arising from the Deloitte Final Report to Risk and Assurance Committee on the 30 June 2024 Annual Report Audit.

Sharon Jenkinson (Chief Financial Officer) was in attendance to speak to the report and answer any questions. The following points were highlighted:

- There have been no changes since the last meeting held 21 November 2024.
- Improvements to Category A reporting this will be coming to the next meeting
- Talked about the KPI how they are and going forward.

Moved Councillors Payne / Herbert and Resolved:

"That the Risk & Assurance Committee receives the 'Audit Recommendation Monitoring Report', dated 5 February 2025".

11. TERMS OF REFERENCE REPORT

This report provides an updated Terms of Reference for the Risk & Assurance Committee's consideration.

During the workshop we agreed on the following changes

- A change of meeting frequency from 6 times per year to 6 weekly
- Combining areas of responsibility for internal and external audit
- Combining external and internal external audit
- The power to receive capital projects reports that have until recently been received by the PCG (Project Control Group)

David Ward – (Risk & Assurance Chair) was in attendance to speak to the report and gave everyone a brief overview and was available to answer any questions.

Moved by Councillors Graham / Payne and Resolved:

“That the Risk & Assurance Committee receives the Risk & Assurance Terms of Reference Report dated 5 February 2025.

That the Risk & Assurance Committee recommends “that Council adopts the amended Terms of reference for the remainder of the current electoral term” dated 5 February 2025.”

12. REASONS TO MOVE INTO PUBLIC EXCLUDED

Moved Councillors Kennedy / Finch and Resolved:

“That the Risk & Assurance Committee receives the ‘Reasons to Move to Public Excluded Session’ report.

That if required, the Risk & Assurance Committee excludes the public from the following part of the proceedings of this meeting pursuant to the provisions of the Local Government Official Information and Meetings Act 1987 namely:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Cyber Security Update Report	To allow staff and councillors to have a discussion with the elected members.	A2 (j) Prevent the disclosure or use of official information for improper gain or improper advantage.

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown after each item.

The meeting took a 2-minute break at 11.29am.

The meeting moved into Public Excluded session at 11.33 am.

The meeting moved back into public session at 11.49 pm.

The meeting closed with a Karakia at 11.51am.

Read and Confirmed

David Ward
CHAIRPERSON

Unconfirmed

Risk & Assurance Committee

Item for INFORMATION

Report	Risk & Assurance Chair Report
Meeting Date	20 March 2025
Item Number	2
Prepared By	David Ward – Risk & Assurance Chair
File Reference	932422

REPORT SUMMARY

The focus of our previous meeting was on report content to assist members knowledge of activities and their decision making during our scheduled meetings. I wish to thank staff for their diligent response to the outcomes from that meeting.

Today we will take time to reflect on the new report presentation and content, and fine tune as appropriate. I am particularly interested to hear members' comments on those reports that were formerly discussed at PCG meetings. Are these reports providing additional information that is helpful to members to enhance understanding of project progress, cost and operating scenarios.

I will be following with interest the community discussions on Local Water Done and the manner in which we will be progressing this significant matter over the months ahead.

RECOMMENDATION

- 1. That the Risk & Assurance Committee receives the Risk & Assurance Chair Report.**

Risk & Assurance Committee

Item for INFORMATION

Report	Risk & Assurance Workplan Report
Meeting Date	20 March 2025
Item Number	3
Prepared By	Sharon Jenkinson – Chief Financial Officer
File Reference	932424

REPORT SUMMARY

This report presents the proposed workplan for this calendar year (through to elections) following discussion at the Risk & Assurance Committee workshop on the 28th January 2025.

The workplan incorporates matters requested by the committee members and focuses on key areas that will ensure the committee adheres to its terms of reference.

The timing of the Risk Status and Health and Safety Reporting has been altered since the previous meeting to accommodate workload and staff absence.

The Mandatory Document Report has also been brought forward from 24th July to the 1st May meeting.

RECOMMENDATIONS

- 1. That the Risk & Assurance Committee receives the Risk and Assurance Workplan Report.**

Clutha District Council Risk and Assurance Committee Workplan 2025									
				5-Feb-25	20-Mar-25	1-May-25	12-Jun-25	24-Jul-25	4-Sep-25
						★			★
Health & Safety Report									
Risk Status Report				✓	✓		★	★	
Capital Project reporting - Cat A & PCG					✓	★	★	★	★
Treasury Management Report (Debt - borrowing and repayment)				✓	✓	★	★	★	★
Treasury Management Report (Investments)				✓		★		★	
Performance Monitoring Report Financials				✓	✓	★	★	★	★
Protozoal and Bacterial Monitoring Report				✓	✓	★	★	★	★
Three Waters Financials Monitoring Report				✓	✓	★	★	★	★
Audit Recommendation Monitoring				✓		★		★	
Annual Report Adoption to Council & Audit Management Report									
Insurance Renewal Approval							★		
Cyber security update				✓				★	
Conflicts of interest register update					✓		★		
Mandatory Documents Register update						★			
✓	Actions completed								
★	Upcoming actions								
★	Indicates this item has been moved since the last workplan report								

Risk & Assurance Committee

Item for INFORMATION

Report	Risk Status Progress Report
Meeting Date	20 March 2025
Item Number	4
Prepared By	Jules Witt - Deputy Chief Executive Linda Till - HoD Three Waters
File Reference	878505

REPORT SUMMARY

The purpose of this paper is to provide the Risk and Assurance Committee with risk status information for the organisation's various risk themes.

This paper's focus is on Top Risk #3: "Water services assets and/or operations failure"

RECOMMENDATIONS

1. **That the Risk & Assurance Committee receives the Risk Status Progress Report – "Water services assets and/or operations failure"**

REPORT

1. Background

This risk was identified previously when water operations were under a contracted-out model. Significant improvements have been made in a number of areas with the move to in-house treatment operations and a dedicated compliance team, but this is still considered a critical risk.

2. Updates

The attached risk description and controls have updated to reflect the change in operating model and current status of controls. This is still considered a critical risk as processes and systems are embedded within the operations team. Capital upgrades are also underway and these need to be completed and operational in order to reduce some of the risks such as ongoing boil water notices. More detail is provided in the Existing Controls section overleaf.

Possible investment/improvement required to reduce risk:

3. References – Tabled/Agenda Attachments

Top Risk 3 – "Water services assets and/or operations failure".

Top Risk 3

Risk of

Water services assets and/or operations failure



Description	If Council fails to manage water safety and supply effectively and/or comply with regulation		
Possible impacts	Health risk, Environmental impacts, Legal repercussions, Reputation risks		
Category	Water Safety and continuity risks	Risk owner	Jules Witt and Linda Till
Possible causes (no order of priority)	<ol style="list-style-type: none"> 1. Aging Infrastructure 2. Lack of Maintenance 3. Human error 4. Inadequate financial allocation for maintenance/upgrades 5. Insufficient capacity due to demands and growing population 6. Lead time and project delivery constraints for maintenance/upgrades 7. Capacity to deliver changing standards 		

Inherent Risk Rating	Likely x Major = Critical		
Existing Controls			
<ol style="list-style-type: none"> 1. Three Waters activity moved inhouse July 2023, which included strengthening management structure and increasing resources to ensure that treatment plant operations are more robust. 2. A Compliance team has responsibility and oversight to ensure that drinking water standards and consent conditions relating to operation activities are being met. 3. Communication strategies for public information are in place and messages have been upgraded following feedback from the community. 4. Three x weekly Incident Management Team meetings to support timely decision making in 3 Waters. These will be ongoing until the risk is reduced. 5. Relationship with Taumata Arowai and ORC has been strengthened, with regular meetings taking place with the Compliance and Operations Teams. 6. Regular/daily plant tasks are in place, with results being recorded in Water Outlook and readily available for review by management and compliance staff. 7. A Hygiene Code of Practice has been developed and implemented. Adherence to the code is recorded by the contractor for each job completed and supported by a Hygiene Certificate which accompanies the monthly claim. 8. A Backflow work programme has been established to ensure compliance with DWQAR, including upgrading council sites to meet the rules. 9. Drinking Water Safety Plans are being progressively updated to provide further information to meet the standards required. 10. Responsibility for the reticulation network has been contracted, utilising local contractors and ensuring greater responsiveness to issues raised by the community. 11. Daily meetings with the Reticulation Contractor take place to review and prioritise the workload and discuss arising problems. 12. Regular contract meetings are undertaken. Contract reporting improvements have been agreed to supplement existing reports being provided. 13. Three Waters program of works added to 2024-34 LTP with change of legislation to Local Water Done Well programme. 14. Independent testing of the supply is undertaken, with results being distributed to us and directly to the regulators to meet timeliness requirements. 15. Competency Framework developed and all water treatment staff are qualified, or undertaking training to Level 4. 16. Regular site audits undertaken by senior leadership team – from CE level. 			

Residual Risk Rating	Possible x Major = Critical		
What we would need to do to move out of Critical			
Moving out of a critical risk level requires consistent improvement in performance that would be measured by lifting of Boil Water Notices and improved wastewater compliance.			

Key risk indicator	Measured as	Status
Activity Management Plans in place for all assets	% assets included in infrastructure strategy	100%
Improvement plans identified and implemented (AMP)	% improvement plans implemented within timeframes	10%

Risk & Assurance Committee

Item for INFORMATION

Report	Conflicts of Interest Register for Elected Members and Executive Management
Meeting Date	5 February 2025
Item Number	5
Prepared By	Sonia Farquharson – Finance & Policy Administrator
File Reference	921239

REPORT SUMMARY

This report reflects the current Conflicts of Interest Declaration Register (Members Interest register) for elected members (council and community boards), the Independent Chair of Risk & Assurance, the Chief Executive and Deputy Chief Executive. New declarations are required to be completed on a six-monthly basis.

RECOMMENDATIONS

- 1. That the Risk & Assurance Committee receives the Conflicts of Interest Register for Elected Members and Executive Management report.**

Name	Interests	Council Appointments	Signed January 2025	ID
Councillor				
Bryan Alexander Cadogan	Happy You Theatre Company - Trustee Gore/Clutha Womens Refuge - Board Member Aberdeen Oakleigh Trust	Creative Communities Sport NZ Rural Travel Fund Community Service Awards Committee Otago Civil Defence & Emergency Management Group Clutha Recreation Centre	931933	16/01/2025
Dane Joel Catherwood	Catlins Property & Maintenance - SH,D	Kaka Point Community Centre Owaka Memorial Community Centre Hina Hina Reserve Management Subcommittee Willsher Bay Reserve Management Subcommittee Richardson Rural Water Scheme Committee Catlins Partnership Group Kaka Point Community Group Owaka Going Forward	933011	20/02/2025
Kevin William Barron	Clutha Hire and Hardware LTD - SH,D Clutha residents and ratepayers association Balclutha Bowling Club JMCK - SH,D Cantebury Timber and Hardware - SH KW CM Baron & SM Trustees Trust - Trustee MCM Property - SH Sheds NZ - D Silver Fern Products - SH,D Silver Fern Sheds - SH,D	Clutha District Sports Complex Joint Control Committee Riverside Reserve Management Subcommittee	resigned 18/12/24	
Wayne John Felts	Fraser ITM (John M Fraser & Company Limited) - Manager	Sport NZ Rural Travel Fund Assessment Committee Clutha District Sports Complex Joint Control Committee Clutha District Licensing Committee Sport Clutha Steering Group Clutha Parks Trust	15/01/2025	928855

Gaynor Doreen Finch	Prison Community liason - Local & Neighbour Tokomairiro Awareness Group - Chair Back Road, Surrey Heights, Chatham Street - Property Owner - Atholcroft Farm Tokomairiro Awareness Group Community Liason Group & Risk & Finance Otago Museum	Audit Mt Stuart Reserve Management Subcommittee Taieri Mouth Reserve Management Subcommittee Taylor Park Reserve Management Subcommittee Clutha Foundation Trust Youth Council Milton Area Promotions Taieri Mouth Amenities Society Waihola Looking Forward Lake Waihola Waipori Wetlands Society Otago Correctional facility Community Liason Group Otago Museum Trust Board Milton Community Pool Project Milton Hall Committee Council Committees	5/02/2025	931925
Allan Dean McCrostie	Allandale Park Farm LTD - SH, D & R Cowie Family Trust - D	Toko Mouth Hall Taieri Mouth Amenities Society Waihola Looking Forward	20/02/2025	933014
Bruce Roger Graham		Lovells Flat Community Centre Moneymore Community Centre Wangaloa Rural Water Scheme Committee Consent Liason Working Party Community Service Awards Committee Kaitangata Promotions Otago Regional Land Transport Committee	16/01/2025	931932
John Stephen Herbert	Marama Trust	Sport NZ Rural Travel Fund Assessment Committee Glenkenich Rural Water Scheme Committee Consent Liason Working Party West Otago Community Board Dunrobin Recreation Reserve Heriot Domain	23/12/2025	926753
Brent John Mackie	Kuriwao Downs - SH,D Clinton Volunteer Fire Brigade - Chief Fire Officer	Waipahi Community Centre Waiwera Community Centre Waipahi Rural Water Scheme Committee Clinton Community Committee	20/02/2025	933016

Alison Joan Ludemann	Cross Rec Centre - Management Committee Clutha Foundation - Executive Officer Balclutha Technological Classes Association Inc - Secretary	Telford Rural Polytechnic Bursary Panel Paretai Hall Community Service Awards Committee Clutha Community Riding Clutha Development Inc Clutha Parks Trust Clutha Community Hub	5/02/2025	931789
Kenneth Paul Payne	Agri-Engineering Rosebank Industrial Park (owned by son) SIT - Telford - Staff Member Aged Concern - Executive Te Pou O Mata- Au - Trustee Kaitangata School - Wife principal	Creative Communities South Bruce Rural Water Scheme Committee Clutha Community Hub Clutha Parks Trust Otago Shearing and Woolhandling Committee- President	15/01/2025	931931
Simon Joseph McAtamney	Tattenham Farms - SH,D Clutha Valley Rec Ground Society, Rate Payer S & C McAtamney Trust, Rate Payer McAtamney Farms - SH,D Clutha Valley RFC - Treasurer	Telford Rural Polytechnic Bursary Panel Clutha Valley Community Centre Hillend Community Centre Tuapeka Mouth Reserve Management Subcommittee Balmoral 1 Rural Water Scheme Committee Balmoral 2 Rural Water Scheme Committee Clydevale/Pomahaka Rural Water Scheme Committee Richardson Rural Water Scheme Committee Lower Clutha Flood Protection & Drainage Scheme	5/02/2025	931924
Jason (Jock) Keith Martin	Jock Martin Management - SH,D Shear Q - SH,D Lawrence Playground Committee	Telford Rural Polytechnic Bursary Panel Tuapeka County Busary Panel Waitahuna War Memorial Hall Tuapeka Rural Water Scheme Lawrence-Tuapeka Community Board Community Service Awards Committee Lake Mahinerangi Weed Management Committee Mahinerangi Wind Farm Consultative Group Simpson Park Sport Complex Inc	5/02/2025	931927

Bruce Peter Vollweiler	Tokomairiro Waiora Incorporated - Chairman of Board Project Bruce Charitable Trust - Trustee, Committee Member Tokomairiro Community Recreation Centre trust - Trustee, Committee Member (Treasurer) BP & KBS Vollweiler Partnership - Property owned in Clutha District at Kintore Road, Black Swamp Road	Waihola Hall North Bruce Rural Water Scheme Committee Consent Liason Working Party Clutha District Licensing Committee Taieri Mouth Amenities Society Waihola Looking Forward Otago Correctional Facility Community Liason Group	6/02/2025	931788
Michele Lee Kennedy	Mercer Trust - Trustee Clutha Health Trust - Trustee Busheyvale Farm - Lessee	Creative Communities Glenkenich Rural Water Scheme Committee Moa Flat Rural Water Scheme Committee Waipahi Rural Water Scheme Committee West Otago Community Board Tapanui West Otago Promotions Clutha Health Inc West Otago Health Trust Black Gully Recreation Reserve Whisky Gully Recreation Reserve	23/12/2024	926770

Name	Interests	Spouse/Partner's Declared Interests	Council Appointments	Declaration signed	ID
Community Board					
Barbara Anne Hanna WOCB	West Otago Community Centre Soc - Committee M, Two Promotions West Otago Theatrical Society - Committee Member		Tapanui West Otago Promotions	20/01/2025	929409
Nathaniel Mark Diamond WOCB	No relevant interests		Black Gully Recreation Reserve	5/03/2025	934979
Bruce Samuel Robertson WOCB	Road Transport Logistics Ltd - Transport Operator Robertson Investments - SH,D West Otago Sale Yards - D Heriot Fire Brigade		Black Gully Recreation Reserve	23/12/2024	926757
Cecil James Crawford WOCB	Gore & Districts Health Inc - Member		Glenkenich Rural Water Scheme Committee Waikoikoi recreation Domain	5/01/2025	931930
Linda Rozel Roulston WOCB	Parkhill Recreation Reserve Board - Secretary Switzers Hill - Shareholder, Director Downstream - Shareholder, Director Roulston Family P/ship, Partner Kowhai Trust , Trustee		Moa Flat Rural Water Scheme Committee Tapanui West Otago Promotions Parkhill Recreation Reserve Board	22/01/2025	930078
Sonia Ann Richardson WOCB	West Otago Health Ltd - Employee Bonnieview Farm - SH,D Avalon Farm Investments - SH,D Avalon Farm Holdings - SH,D		Tapanui West Otago Promotions Heriot Domain	5/03/2025	934980
Geoffrey Thomas Davidson LTCB	Fitzgerald Holdings - Trustee Lawrence Chinese Camp Charitable Trust - Trustee St John Lawrence Area Committee - Committee Member		Tuapeka Rural Water Scheme Committee	5/02/2025	931929
Lynette Joan Chinnery LTCB	Mark Robbie Handyman - Approved Council Contractor Lawrence Athenaeum-Committee Member Lawrence Domain Volunteers - Partner is a volunteer			3/01/2025	927463
Matthew Scott Little LTCB	Tuapeka Aquatic Centre Committee		Rep for LTCB	5/03/2025	934981

Suzanne Stephenson LTCB	Magnifi Limited - D Tuapeka Community Health Company Ltd - D Tuapeka Health Inc - Trustee Tuapeka-Lawrence Retirement Village - Operator Lawrence Indoor Bowling Club - Treasurer Lawrence Sub Association - Indoor Bowls - Treas Lawrence Athenaeum - Committee Member		Simpson Park Sport Complex Inc	2/01/2025	927462
Timothy Russel Dickey LTCB	Lawrence Volunteer Fire Brigade - Fire Chief Fire and Emergency New Zealand - Paid Fireman Lawrence Community Helipad Project working group Sean Dickey Young Leaders Trust - Trustee		Waitahuna War Memorial Hall Waitahuna Domain	22/01/2025	930076
Roger James Cotton WOCB	Bellamy Station - SH,D Esquire Investments - SD,D Waipori investments - SH,D Waipori Goldfields Charitable Trust - Trustee Lawrence Chinese Camp Charitable Trust - Trustee Lawrence Heritage and Cultural Charitable Trust - Chairperson New Zealand Century Farms - Committee Member Lawrence Athenaeum and Mining Institute - Chairperson Tuapeka Rural Water Scheme - Chairperson RJ&SW Cotton Partnership		Lake Mahinerangi Weed Management Committee	5/02/2025	931928

Name	Member's Declared interests	Spouse/Partner's Declared Interests	Declaration sig ID	
Executive Management				
Steven Kerry Hill C.E.	No relevant interests		6/01/2025	927458
Julian James Witt GM Service Delivery	Romahapa Hall Society		15/01/2025	928795
David Ward Risk & Assurance Chair	Australian based Local Government Services Group (LGSG) as a senior advisor on NZ matters		28/01/2025	930510

Risk & Assurance Committee

Item for INFORMATION

Report	Capital Project Report – Category A
Meeting Date	20 March 2025
Item Number	6
Prepared By	Donna McArthur – Head of Infrastructure Strategy & Delivery Sharon Jenkinson – Chief Financial Officer
File Reference	932475

REPORT SUMMARY

This report provides an update of Category A projects including those previously reported to the Project Control Group.

RECOMMENDATIONS

- 1 That the Risk & Assurance Committee receives the Capital Project report.**

REPORT

At the Council meeting on 12 September 2024, Council approved the following projects to be categorised as Category A projects for reporting and monitoring for the 2024/25 financial year.

- Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply
- Milton Main Street Group of projects
- Mt Cooee Landfill Group of Projects
- Milton Community Pool/Library Hub Project
- ERP Upgrade (IT)
- Wastewater Compliance Group of Projects
- Water Compliance Group of Projects
- Rural/Urban Water Scheme Funding Policy

Projects A-D - PCG Group of Projects:

These are covered in separate reports in attachments A-E following the same format as previous reports to the Project control Group.

Project E – ERP Upgrade - Datascape:

What is Datascape? Datascape will replace Ozone our current everyday operating system. ERP means Enterprise Resource Planning system.

We will be going “live” with Datascape on 1 July 25, to align with a new financial year.

Datascape will have Financials, Property, Water Billing, Regulatory (Dogs, Food, Health, Alcohol, LIMS and Planning) and Rates.

Datascape has been used by Clutha District Council for the past 2 years to record and process our Customer Service requests.

The project to replace Ozone with Datascape was to be implemented partially (finance and rates) last July with other modules following. This process was too rushed, we weren't ready so we pushed it out a year. This means it is an almost full implementation with a go live date of 1 July 2025.

Where are we at:

- Finance - GL mapping has happened (still in draft), the GL is very different to what we are used to. Datascape uses work orders and PFC's (Product, Fees and Charges).
- Creditors and Debtors - testing and training is ongoing
- Rates – A cut of data has been brought over from Ozone to test in Datascape, a new cut of data is scheduled for April. Testing and training is ongoing
- Dogs and Infringements – The data copy from Ozone to Datascape happened 24th to 28th Feb, and the Animal control team had onsite training the following week.
- Financial Assets – The design/build is being worked on currently.
- My Datascape – this is the new portal for all online financial services and we are currently updating forms and having a tidy up to make sure that the new portal is clean and up to date.
- Water Billing – is still in the Design/build phase.
- Property & Leases – also still in the design and build stage.
- Regulatory – LIMS, Bylaws, Food, Alcohol, Health and Planning compliance are in early stages of design with onsite training tentative for late March.
- There are also many integrations happening.
- A second cut of data is planned for the end of April, meaning that May will be testing and June signing off for a go live.

Projects F & G – Water & Wastewater Compliance Projects:

The following projects were included in this group of projects:

- Owaka WWTP Compliance Upgrade
- Tapanui WWTP Compliance Upgrade
- Lawrence WWTP Compliance Upgrade
- Kaka Point WWTP Compliance Upgrade
- Milton WWTP Compliance Upgrade
- Rural WTP Compliance Instrumentation - Moa Flat
- Rural WTP Compliance Instrumentation - North Bruce
- Rural WTP Compliance Instrumentation - Puerua
- Rural WTP Compliance Instrumentation - Kaitangata WTP
- Rural WTP Compliance Instrumentation - Stirling WTP

There have been new Standards released for consultation by Taumata Arowai which may significantly change future compliance requirements. We have also been doing additional work to refine land treatment costs and these will need to be compared to the cost of the new standards. The new standards are expected to still require significant upgrades for continued discharge to water to meet the required ammoniacal nitrogen standards.

As part of the Annual Plan project review these projects have been deferred and any unspent budgets have been carried forward to the 2025/26 year.

Project H – Rural/Urban Water Scheme Funding Policy

Although not a specific capital project in the LTP, we believe this topic should remain as a Category A consideration due to the public importance and interest in this topic. Strategic considerations/discussions need to occur on what our policy will be moving forward.

Although there have been some initial discussions, this project has not progressed but some initial considerations are proposed to be presented to the North Bruce RWS meeting in April.

ATTACHMENTS

- A - Balmoral/Tuapeka Rural Water Scheme and Lawrence new supply – Contract 850/865
- B - Milton Main Street Utility Services – Contract 845
- C - Mt Cooee Projects
- D - Bruce Community Facility Project
- E - BCF - Contract 880 Issue and Risk Register



Clutha District Council

FILE NOTE

Subject: Balmoral/Tuapeka Rural Water Scheme and Lawrence new supply – Contract 850/865 – Risk & Assurance Report

Date: 20 March 2025

From: Dambar Yadav – Senior Project Manager

File Reference: 933364

The Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply Project has many components and two construction contracts: Contract 850 (construction of 48km of pipeline) and Contract 865 (construction of 4 Booster Pump Stations, 3 on the Greenfield scheme and 1 on the Milton Waihola Scheme, and construction of a Water Treatment Plant (WTP) and bore works as a provisional item).

This project has been split into 2 contracts:

- Contract 850 – Installation of Pipeline; using Southern Trenching Ltd
- Contract 865 – Construction of Pump Stations, Treatment Plant, and Bores; using Cowley Electrical Dairy and Pumps

JOB-STATUS SUMMARY

Progress

1) Contract 850 – Pipe Installation

Pipe installation has been completed now except for the tie-in connection to the Lawrence Township distribution network. This work was programmed to be completed by the end of February; However, due to the operations team new requirements / policy, the cut-in/tie-in works can only be carried out by the maintenance contractor. That requires a new CAR and TMP. Accordingly, this work is planned to be completed by end of March 2025 subject to the CAR approval.

2) Contract 865 – Pump Station Installation

- Lower and Upper – Fencing is complete around the sites.
- Tanks filled with water are ready for testing.
- Electrically complete and ready for commissioning once the hydrostatic test is completed.

Borefield

- The new bore field will include an extension to the Pomahaka-Clydevale treatment building, where the new switchboard will be installed by the end of January. Due to a change in the size of the bore pump, this work has been rescheduled to be done in March-April.
- Bore heads have been ordered and are expected to be received in February. Due to a change in the size of the bore head pump, this work is rescheduled to be done in March-April. Originally, the bore head pump was sized as per a 120-year growth period; we revisited this decision to size the pump to a realistic growth period, i.e., for 15-20 years.

Water Treatment Plant (WTP)

- Building under construction
- Treated water tank foundation has been poured
- UV reactors in the Contractors yard



Work underway on the WTP site

Planned Activities for Next Period (March and April).

- Work to continue on treatment plant site (Getting building works completed)
- Commission Lower & Upper PS
- Order well pumps
- Begin work on an electrical room at Borefield.

Project Risks

Financial risk:

- The requirement of additional testing and engagement of groundwater scientists is an additional cost to the project but at this stage we expect this to be covered by existing project contingencies.

Programme risk:

- Contractor capacity to deliver project on time due to a number of delays as below.
- Due to additional work required on the Borefield for water quality test results.
- Due to the delay in the delivery of the reservoir (at the moment it is in transit), it is due to arrive in NZ by 24 March 2025.

Health & Safety

- No incidents to report
- All visitors are to be inducted onto the site before entering.
- Health and Safety Audits completed on a fortnightly basis by the Contractor
- Traffic management is in place at all sites.

Environmental Management

- No environmental issues found or reported
- No contaminated land found

Financial

Note: All figures below are GST-exclusive.

Job Code	Project Code	Description	Budget	Cost to Date	Available Budget	Forecast Spend	Variance
360201	361156	Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply	\$25,243,000*	\$20,437,629	\$4,805,371	\$4,805,371	\$0
Totals			\$25,243,000	\$20,437,629	\$4,805,371	\$4,805,371	\$0

Project Programme Milestones

We expect that the project delivery will be delayed due to the programme risks identified on the previous page. An updated project delivery plan is expected before the meeting on 20 March. This will also include the time for the overall scheme commissioning which we expect to be undertaken in stages as this is a large and complicated scheme with multiple pump stations.

Project completion TBC – previous timetable is below for reference.

Work	Date
➤ Building works	16/04/2025
➤ Reservoir	19/06/2025
➤ WTP Mechanical	11/06/2025
➤ WTP Electrical	12/06/2025
➤ Pre-commissioning	3/07/2025
➤ Final Commissioning	10/07/2025



Clutha District Council FILE NOTE

Subject: Milton Main Street Utility Services – Contract 845 – Risk & Assurance Report

Date: 20 March 2025

From: Kuben Govender

File Reference: ID 933362

JOB-STATUS SUMMARY

Progress

1) Union Street Civil Electrical Works

All physical work for the power undergrounding on Milton Mainstreet (Union Street) has been completed.



Figure 1 - Milton Mainstreet - Additional Ø225 Stormwater pipe.

In January, an urgent stormwater pipe replacement was scheduled as a priority task. The urgency was due to Downer's planned resurfacing of Milton's main street (Union Street), with the defective stormwater pipeline situated directly within the resurfacing zone. The replacement work was focused on Union Street from Cowper Street North towards Springfield Road.

Given the location constraints, all work had to be conducted within Downer's existing traffic management zone. Additionally, strict operational limitations were enforced as

Downer had already resurfaced the main traffic lane, requiring all excavation and installation to be confined to the shoulder area only to prevent disruption to newly laid asphalt.



Figure 2 – Milton Mainstreet Additional Ø225 Stormwater pipe - Compacting in layers

The crew commenced pipeline replacement at an existing manhole, connecting into a section of pipeline that had been installed by another contractor the previous year. All existing lateral stormwater connections were integrated using Y-junctions to ensure seamless functionality.

2) Union Steet – Urgent Two Pedestrian Crossing Removal

In addition to stormwater replacement, an urgent removal of two existing pedestrian crossings and concrete slot crossings before Downer commenced asphaltting operations. This work needed to be completed within three days to align with the asphalt schedule. All necessary traffic plans were urgently submitted to NZTA, receiving swift approval to allow immediate commencement of work.

A specialised concrete cutting contractor was brought in on short notice to precisely cut and reshape the kerb and channel. Following this, the concrete crew arrived on-site to tidy all kerb and channel edges, ensuring a smooth transition for the upcoming asphalt resurfacing. This fast-paced, high-priority work was completed within the designated timeframe, allowing Downer's resurfacing project to proceed without delays.



Figure 3 - Slot Crossing being cut at the old Pedestrian Crossing

The pedestrian crossing removal was executed on schedule, ensuring seamless coordination with Downer's resurfacing work.

3) Planned Activities for the Next Period (March 2025).

- Footpath resealing began 28 February once Downer / NZTA has completed resealing on both direction of Union Street. Expected practical completion ??
- Edward Street Ø125 water main to commence once the additional storm water works is completed.

4) Project Risks

- Archaeological discoveries - potential for additional project costs and project delays.
- Existing service conflicts - potential for additional costs for re-routing services and project delays.
- Contaminated material discovery - potential for additional costs and project delays.

5) Additional technical specification requirements from CDC Roding relative to tactile pavers incurring additional costs to the project. Initial agreed scope under the Contract 845 for footpath rehabilitation is to reinstate to original condition where no tactile pavers were in place.

6) Health and Safety

- A few bicycle accidents have been reported on the use of the unsealed footpaths caused by loose excess gravel. Contractor has been instructed to sweep off the excess gravel from the footpaths for now while the reinstatement work progresses.
- All visitors are to be inducted onto the site before entering.
- All work sites are fully fenced and well secured at night with 1.8m high fencing.
- Trench shields were used along Union Street at depths greater than 1.5m, although stiff soil conditions exist, enabling the trench walls to stand up without visible pore water released.

7) Financial

Contract pricing.

Job Code	Project Code	Description	Budget	Cost to Date	Available Budget	Forecast Spend	Variance
450044	450045*	Stormwater	\$3,852,000	\$3,731,219	\$120,781	\$50,720	0
400107	400084*	Foul Sewer	\$580,000	\$831,534	-\$319,135	\$0	-\$346,235

350124	351087*	Water	\$556,000	\$601,366	-\$37,120	\$47,746	-\$93,112
310003	310002**	Streetscape costs including undergrounding	\$5,000,000	\$2,107,566	\$2,930,034	\$670,799	\$2,221,635
Totals			\$9,988,000	\$7,339,285	\$2,694,560	\$769,265	\$0

*3 Waters urban budgets will be utilised for job code overspending

** Includes undergrounding budget

8) Project Updated Programme Milestones

Milestone	% Complete	Programmed Start Date	Programmed Completion	Actual Completion
High Street S/W	100	19/06/2023	17/08/2023	08/09/2023
Ossian Street to Edward Street F/S	100	03/07/2023	3/07/2023	05/03/2024
Union Street S/W (west side)	100	18/08/2023	24/11/2023	17/04/2024
Arthur Street S/W	100	27/11/2023	08/01/2024	27/10/2023
Union Street S/W (east side)	100	09/01/2024	24/04/2024	20/10/2023
Union Street Water and Power (west side)	100	24/04/2024	09/08/2024	01/10/2024
Union Street Water and Power (east side)	100	12/08/2024	30/11/2024	30/11/2024
Ajax Street water Rider Main	100	27/01/2025	24/02/2025	20/02/2025
Edward Street water Main	20	25/02/2025	24/03/2025	
Union Street Footpath renewals	0	28/02/2025	28/03/2025	



Clutha District Council

FILE NOTE

Subject: Mt Cooee Projects
Date: 20 March 2025
From: Cosmus Makuvisse – Senior Asset Manager
Kuben Govender – Project Manager
Kelly Gay – Head of Infrastructure Operations
File Reference: 933367

JOB-STATUS SUMMARY

1) Project scope

This suite of projects will see the extension of the landfill and upgrades at Mt Cooee. This suite includes the following projects:

- Application for a Resource Consent for a new landfill at Mt Cooee - Cosmus
- Design and Construction of a Transfer Station at Mt Cooee – Kuben
- Design and Construction of a New Landfill at Mt Cooee – Kuben
- Explore Interim Landfill Options - Kelly

2) Health & Safety

- No issues reported.
- All project visitors to Mt Cooee are inducted onto the site before entering and wear appropriate PPE.

3) Consent updates

a. Notification Outcome

Otago Regional Council (ORC) notified affected parties of the consent application and provided them with an opportunity to make submissions. Submissions were closed on 20 February 2025. Two submissions were received: One neutral and another opposing the application. An analysis of the submissions shows that the concerns raised by the submitters can be effectively addressed by updating the consent conditions.

b. Next steps

WSP have drafted updated proposed consent conditions. The draft will be reviewed by the Clutha District Council (CDC) and ORC Teams. Once approved, the updated conditions will be presented to the submitters. The submitters will be asked to withdraw their request to be heard at a hearing if they are happy with the new conditions. If the submitters insist on being heard, ORC will have to arrange a hearing as guided by the Resource Management Act. This will come at additional cost and delay the finalisation of the consenting process. Avoiding a hearing will significantly reduce the cost and time of this phase of consenting.

In parallel we have applied for consent to drill monitoring bores. This is a relatively routine application and will allow us to drill bores to monitor ground water around the new landfill. A cross-functional steering group has also been put in place to drive the consenting process going forward.

c. Risks

The submissions made by the affected parties indicated that they wish to be heard. There is a risk that the consent application can go to a hearing. This will lead to increased consenting costs and delays to the finalisation of the process. To mitigate this risk CDC is engaging the submitters to address their concerns through updated consent conditions and thus avoid the need for a hearing.

4) Refuse Transfer Station & Construction of Cell 1

We are currently working with the support of Leach & Co for early contractor engagement advice to expedite the process to allow a seamless transition to the new landfill cells and Refuse Transfer Station. The report from Leach & Co has provided some possible construction methodologies and estimates of timelines for the new cell (see Section 7 for the timelines and deliverables). The report focuses on the challenges and benefits of two construction methodologies, which are 'Top-down construction' and 'Bottom to top construction'. The 'Bottom to top construction' method is recommended due to its simplicity and practicality. The Gas Collection System is also mentioned in the report. However, a further Landfill Gas Survey is required to ascertain whether the Gas Collection System is required for the new cells.

Work is also underway to determine design requirements for the new Refuse Transfer Station at Mt Cooe. We are collaborating with the operations team to develop suitable designs for the new Refuse Transfer Station. The project team is currently reviewing the report and integrating feedback from the operations team to define the scope. We have a very positive update regarding the quantity and availability of clay needed for the base liner. The project team successfully sourced a higher permeability clay locally, reducing the required quantity by half. In addition to the previous updates, we have now enlisted our professional services panel to begin quotations for the creation of the tender document.

5) Interim Filling Options

No update. We will be able to provide an update at the next standing committee meeting on 1 May.

6) Financial

To date, 6 claims have been processed for work completed by the end of January 2025.

Note: All figures below are **GST-exclusive**.

Project Code	Job Code	Description	Budget	Cost to Date	Available Budget	Forecast Spend	Variance
500021	-	Mt Cooee - Cap Existing Cell	\$10,000	\$0	\$10,000	\$10,000	\$0
500022	500014	Upgrades at Mt Cooee (Consents and designs for Mt Cooee transfer station and recycling centre)	\$200,000	\$77,122	\$122,878	\$122,878	\$0
500023	500015	Construct Landfill cell 1	\$131,456	\$6,695	\$124,761	\$124,761	\$0
		Project Totals	\$341,456	\$83,817	\$257,639	\$257,639	\$0

7) Project Milestones for the Next Period - December 2024 to July 2026

The provisional estimate based on the programme provided by Leach & Co on 10/10/2024 for the construction of a new cell and refuse transfer station is demonstrated below:

Task Name	Duration	Start	Finish
Mt Cooee – Transfer Station Construction Early engagement			
Scoping	20 days	Mon3/02/25	Fri 28/02/25
Design and Tender Preparation	45 days	Mon 03/03/25	Fri 02/05/25
Advertise Construction Tender on GETS	20 days	Mon 05/05/25	Fri 30/05/25
Evaluate Candidates and Award	15 days	Mon 02/06/25	Fri 20/06/25
AWARD SUCCESSFUL TENDERER	5 days	Mon 23/06/25	Fri 27/06/25
Order Materials	60 days	Mon 30/06/25	Fri 19/09/25
Identify and Undertake Enabling Works (Pre-Construction Season)	66 days	Mon 22/09/25	Mon 22/12/25
Bulk Formation & Drainage Works (Construction Season)	66 days	Mon 12/01/26	Mon 16/03/26
Construct RTS Pad and Reconfigure Area	88 days	Tue 17/03/26	Thu 19/06/26* allowance for public holidays

*Due to a high probability that current Cell will be filled.

Task Name	Duration	Start	Finish
Council Awarded RMA Consent for New Cell	0 days	Tue 1/07/25	Tue 1/07/25
Advertise Construction Tender	30 days	Tue 1/07/25	Mon 11/08/25
Evaluate Candidates and Award	15 days	Mon 11/08/25	Fri 29/08/25
AWARD SUCCESSFUL TENDERER	5 days	Fri 29/08/25	Thu 04/09/25
Order Materials	60 days	Fri 5/09/25	Thu 27/11/25
Identify and Undertake Enabling Works (Pre-Construction Season)	66 days	Tue 28/11/25	Mon 16/03/26* allowance for public holidays
Bulk Formation & Drainage Works (Construction Season)	66 days	Tue 17/03/26	Mon 15/06/26
Construct HDPE & GCL Liner and Drainage Aggregate	30 days?	Tue 16/06/26	Fri 24/07/26
Construct Fluff Liner on Landfill - Transfer to New Cell	11 days	Mon 27/07/26	Mon 10/08/26
New Landfill Operating		Mon 17/08/26	

**Assumption made that consent would be granted by the end of June 2025*



Clutha District Council

FILE NOTE

Subject: Bruce Community Facility Project
Date: 20 March 2025
From: Donna McArthur – Head of Infrastructure Strategy & Delivery
File Reference: 933369

PROJECT STATUS SUMMARY

1) Project Phase: Detail Design

2) Health & Safety

Nothing to report

3) Update

During the Council meeting of 5 December 2024, a resolution was passed to continue with the project, and that the now increased total project budget is \$19.4M.

Donna McArthur will be project managing this project.

Detail Design work has now commenced, and we are working very closely with Calder Stewart on this stage. Fortnightly minuted meetings are occurring to ensure early identification of any issues/risks.

A letter to the relevant tenant in one of the current buildings on site has been distributed advising that they will be required to vacate the premises by 30 April 2025.

An assessment of the buildings at 47 Ajax Street has been conducted by Kings House Removals and the Project Manager on site, where it has been determined that the house and garage can be removed off site, the external cladding will be required to be removed for transportation and that the attached washhouse cannot be removed due to the concrete flooring. With this knowledge a marketing campaign will commence in early April 2025, showcasing the property and advising that a tender campaign will commence from mid-April 2025. All proceeds from the sale of the property will be credited back to the project. The house relocation costs will be the purchasers responsibility.

To assist with the marketing Kings House Removals have offered to showcase the marketing photos on their website also.

We are in discussions with Tokomairiro Training Centre on their vacating plan – at this stage agreement is for the end of term two (end of July 2025). A report will be presented at the Standing Committee meeting on 20 March 2025 for Council decisions.

Our Library team are actively looking for a temporary Library site, with the intention of vacating the current premises no later than 30 June 2025.

Demolition of sites work has been awarded to Andrew Haulage and is scheduled to commence in August 2025, subject to when all existing premises are vacated, and consents approved. It is estimated that this work would take one calendar month.

Consent work is in process. A possible issue could be if Notice of Requirement delays occur due to direct neighbours' reluctance to provide written approval of change of requirement status for the facility build. If this was to occur, along with delays of time in the project we could possibly be required to hold a formal hearing, which would affect the finances available, as an additional estimate of up to \$75k would be required for this process.

A Peer Review process of the entire facility has been requested from Recreation Aotearoa, to ensure that we are considering all safety requirements for a public facility of this size.

A Safety in Design meeting occurred last month with the CDC Pool Team Leader, Project Manager and Calder Stewart, and another session has been scheduled in March, this time with the Head of Libraries.

A Steering Group has been formed, which includes members of the Bruce Community Trust along with the CEO and other members of Council staff.

An issue has become apparent, after final discussions with Fire NZ, where they have now advised that the firewall requirements to meet code means that we either add a fire door into the entry of the library facility via the joint entrance, which has an estimated cost of \$80k, or, if we want to avoid this additional cost, then we would need to change the current design to accommodate two separate external entrances into the facilities, therefore eliminating the current joint entrance. This has been escalated to the Steering Group for a decision.

4) **Financial**

Note: All figures below are **GST-exclusive**.

Job Code	Project Code	Description	Total Budget	Cost to Date	Available Budget	Forecast Spend	Variance
570011	570007	Milton Pool	\$15,095,369	\$583,206	\$14,512,163	\$14,512,163	0.00
560010	560019	Milton Library	\$ 4,304,631	\$168,842	\$ 4,135,789	\$ 4,135,789	0.00
Totals			\$19,400,000	\$752,048	\$18,647,952	\$18,647,952	0.00

Total Project Budget/Expenditure/Forecast

Job Code	Project Code	Description	Annual Budget	Cost to Date	Available Budget	Forecast Spend	Variance
570011	570007	Milton Pool	\$958,866	\$15,163	\$943,703	\$797,452	\$146,251*
560010	560019	Milton Library	\$500,000	\$13,860	\$486,140	\$433,646	\$ 52,494*
Totals			\$1,458,866	\$29,023	\$1,429,843	\$1,231,098	\$198,745*

Annual Project Budget/Expenditure/Forecast

*Values will be carried forward into the 2025/26 financial year

5) Project High Level Timeline of Delivery - December 2024 to March 2027

Task Name	Duration	Start	Finish	Resource Names
Bruce Community Project	589 days	Thu 5/12/24	Tue 9/03/27	
Detail Design though to consent issue	95 days	Mon 20/01/25	Fri 30/05/25	Calder Stewart
Notice to Tenant 47 Ajax Street to Vacate Premises	68 days	Mon 27/01/25	Wed 30/04/25	Delwyn Burrow
Notice to Tokomairiro Training Centre to Vacate Premises	134 days	Mon 27/01/25	<u>Thu 31/07/25</u>	Finance Dept
Recreation Aotearoa Peer Review	30 days	Mon 3/03/25	Fri 11/04/25	Recreation Aotear
Specialist Consultant Reports Required - Tranport Assessment	30 days	Thu 6/03/25	Wed 16/04/25	BECA
Specialist Consultant Reports - Noise	30 days	Mon 17/03/25	Fri 25/04/25	via WSP
Speciliast Consultant Report - Natural Hazards - flood impact assessment	30 days	Mon 17/03/25	Fri 25/04/25	via WSP
Consent - Demolition Foundation and Excavation	30 days	Mon 17/03/25	Fri 25/04/25	WSP* costs included with
Milton Library team move to Temporary Library Facility	65 days	Tue 1/04/25	<u>Mon 30/06/25</u>	Debbie Duncan
Sale of 47 Ajax Street House and Garage for Removal	40 days	Mon 7/04/25	Fri 30/05/25	TBC
Consent - Notice of Requirement	90 days	Thu 1/05/25	Wed 3/09/25	WSP
Removal of House & Shed at 47 Ajax Street	45 days	Sun 1/06/25	Thu 31/07/25	Purchaser
Performance Monitoring Requirements Prior to Demolition works commencing	11 days	Fri 1/08/25	Fri 15/08/25	Andrew Haulage
Demolition of Existing Buildings	22 days	Mon 18/08/25	Tue 16/09/25	Andrew Haulage
Physical Construction	370 days	Wed 17/09/25	Tue 16/02/27	Calder Stewart
Pre-Commissioning/Testing Facility	15 days	Wed 17/02/27	Tue 9/03/27	Calder Stewart
Public Formal Opening	1 day	Wed 10/03/27	Wed 10/03/27	TBC
Consent RM24.529 to disturb and remove hazardous substances granted this replaced Consent RM22.198.01 which expired October 2024	1307 days	Sat 5/10/24	Sun 7/10/29	

6) Risks and Issues

Appendix attached.

Issue Register Contract 880	Last Updated: 5.3.25 Print Date:
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Issue Number	Source of risk/issue	Description	Raised By	Date Raised	Required Date for Closure	Risk Owner	Effect	Action Required / Management/mitigation measures	Comments	Estimated cost impact	Status
1	Design	Calder Stewart have advised that due to Firewall Requirements that we will need to either - install firedoors into entry into Library facility from current proposed concept designs at a cost of approx \$80k; or, change the concept design to the two facilities having two seperate entries into the building	Calder Stewart	17.2.25	11.3.25	CDC	.Cost	Issue has escalated to Steering Group Committee on 18.2.25, where additional information	Awaiting steering group decision	\$ 80,000	Open

Source of Risk :- Design, Finance, Installation, Programme, Quality, Scope, Contract, Stakeholder

Risk Register

Project Name Bruce Community Facility (BCF)
 Contract No 880

Last Updated: 5th March 2025
 Print Date: 7th March 2025

1. Risk Identification					2. RISK ASSESSMENT				3. RISK MITIGATION							
Risk #	Date Raised	Project Phase	Risk Description / Risk Event Statement	Raised By	Comments	Effect	Likelihood 1(low) - 5(high)	Impact 1(low) - 5(high)	Ability to mitigate 1(high) - 5(low)	Total risk rating	Risk Status	Last Updated	Action Required / Management/mitigation measures	Required Date for Closure	Responsible Person	Estimated cost impact
1	12.6.24	Concept Design	Financial	PM	A Milton Swimming Pool & Community Library Report – MFiles# 900219 was tabled on 12 June 2024 during the LTP Council Decisions Meeting, advising that the latest total project budget to complete the pool is now estimatd to cost \$19.4 million.	Budget	5	5	1	11	Closed	5.12.24	Council agreed to the SCP on 12 September 2024, and consultations were undertaken from 23 September 2024 to 23 October 2024. Subsequently a verbal hearing was undertaken on 7 November 2024, and Council final decision was asopted on 5 December 2024 Council meeting to proceed with project with the additional budget now increased to \$19.4M	5.12.24	PM	Now within updated budget
2	12.6.24	Concept Design	Financial	PM	A Milton Swimming Pool & Community Library Report – MFiles# 900219 was tabled on 12 June 2024 during the LTP Council Decisions Meeting, There was a question relating to the application of new foundation requirements that may add another \$1M to the project	Budget	1	3	1	5	Closed	5.12.24	We can confirm that the draft Technical Specification (TS 1170.5) for building foundation work has been determined to be a voluntary inclusion by Standards NZ. CDC Building Control team have provided the following explanation: • All Building applications must comply with the current NZ Building Code (NZBC) requirements. NZS 1170.5:2004 remains the current referenced standard for compliance with the New Zealand Building Code therefore meeting NZBC. • The draft TS 1170.5 is currently being reviewed by Standards NZ. The draft Technical Specification is a technical document. It has been developed to help engineers and designers voluntarily incorporate, into their designs, the results of new science in the National Seismic Hazard Model (NSHM). If the specification is followed, new buildings will be able to better withstand the range of earthquake shaking expected in different areas of New Zealand. • The new technical specification does not change the requirements of the earthquake-prone building (EPB) system. All seismic assessments, including 52 voluntary seismic	5.12.24	PM	Zero
3	6.12.24	Detail Design	Financial	PM	Until full Detail Design is completed, which includes the schedule of pricing there is a risk that costs may exceed budget	budget	3	5	5	13	Open	5.3.25	PM working very closely with Detail Design Contractor to work through any potential cost escalations as they arise, to date, there are none known. However, as soon as PM is aware of any financial impacts, a report to the Steering Group will be tabled identifying all concerns and proposed solutions moving forward for decision making by Steering Group	1.6.25	PM	Unknown currently

4	27.1.25	Detail Design	47 Ajax Street - Notice to tenant to vacate premises	PM	Discussions with Community Facilities Supervisor advising that tenant is required to vacate premises of 47 Ajax Street - it was agreed to set the vacation notice date to 30 April 2025	Time	1	5	1	7	Open	5.3.25	Eviction notice provided to tenant allowing 90 days notice	30.04.25	Delwyn Burrows	Zero
5	17.2.25	Detail Design	Tokomairiro Training Centre	PM	In January 2025 PM met with the Toko Training Centre Management and member of school Board of Trustees where it was agreed that as project proceeding they will be required to vacate premises no later than 31 July 2025. Consequentially a meeting occurred with these members and CDC CEO where they advised they were struggling to find appropriate accomodation, discussions were hda on possible mitigations, to be followed up at a later date	Time; Budget	4	5	1	10	Open	5.3.25	Following a further meeting on 27.2.25, the CDC CEO agreed in principal that we would purchase 2 properties that the Training Centre believed would be suitable , and that we would then lease back to them at market rates, a decision paper is required to be presented at the 20.3.25 Council Meeting to Proceed	30.2.25	Jules Witt; Sharon Jenkinson	\$600k approx - not to project though
6	5.3.25	Detail Design	Concent Process and Requirements	PM	Concerns that concept process and requirements may delay construction	Time; Budget	4	4	4	12	Open	6.3.25	5.3.25 - Professional Service Provider, upon request provided timeline for estimation of consent submissions, which is 3 months later than originally agreed, therefore putting the project delivery and financial impact at risk, a meeting has been requested to discuss this in detail to see how we can reduce this time delay - meeting occuring 6.3.25. Following meeting WSP are now re-prioritise their work commitments to ensure that consent work is back on track where Notice of Requirement (NOR) will be lodged in May 2025, and that the Demolition Escavation of Foundations and Soils Consent will be lodged with ORC in March 2025 - still a risk that if we do not receive written approval from neighbours regarding the NOR that we may need to go to Limited Notification which will delay consent process	31.5.25	WSP	Unknown at this stage
7	5.3.25	Detail Design	Milton Library Moving to Temporary Premises	PM	Head of Library Division was advised by PM on 20.12.24, that they would be required to vacate current premises by end of April 2025, this has now been revised to vacate date of 30.6.25, concerns if no available premises to move to, will impact project delivery	Time; Budget	3	5	1	9	Open	5.3.25	Head of Library Division is leading this project, as per CEO direction, none of which has been scoped within the BCF project or has any expenditure approved within the BCF project. Last update was that there are a few options that the Head of Libraries is looking into	30.04.25 to ensure time to move	Debbie Duncan	Zero
8	6.3.25	Detail Design	Notice of Requirement - Limited Notification	WSP	WSP have advised that if we do not receive all direct neighbours written approval to proceed with the Notice of Requirement that we may be required to go to Limited Notification, which can then delay the consent process by approximately an additional 75 days, with additional costs of approx \$75k. NOR is planned to be lodged in May 2025	Time; Budget	3	3	2	8	Open	6.3.25	During the consent meeting with WSP they have advised that this is a risk that we need to be aware of, as they work through the process of comunciating with direct neighbours of the site, it is hoped that by providing as much information as early as possible with the neighbours that we can answer as many questions as possible and mitigate this risk	1.9.25	WSP; PM	\$ 75,000

Risk assessment matrix

		Severity →				
		Negligible	Minor	Moderate	Significant	Severe
Likelihood ↑	Very Likely	Low Med	Medium	Med Hi	High	High
	Likely	Low	Low Med	Medium	Med Hi	High
	Possible	Low	Low Med	Medium	Med Hi	Med Hi
	Unlikely	Low	Low Med	Low Med	Medium	Med Hi
	Very Unlikely	Low	Low	Low Med	Medium	Medium

Risk Matrix Example

Likelihood X Severity = Risk Level

Risk & Assurance Committee

Item for INFORMATION

Report	Protozoal and Bacterial Compliance Report
Meeting Date	20 March 2025
Item Number	7
Prepared By	Keiran Medel – Senior Compliance Engineer Daniel Pickup – Team Leader Compliance and Reporting
File Reference	932425

REPORT SUMMARY

This report provides an update for each Water Treatment Plant (WTP) and their compliance with the Drinking Water Quality Assurance Rules (DWQAR) for Bacterial and Protozoal treatment. The report aims to identify the cause of non-compliance, and the improvement works required to achieve compliance with the DWQARs. The supply is considered compliant if it meets the requirements of the relevant Bacterial and Protozoal rules for more than 95% of the reporting period at the treatment plant and in 85% of the samples collected from the distribution network.

RECOMMENDATIONS

- 1. That the Risk & Assurance Committee receives the Protozoal and Bacterial Compliance Report.**

BACKGROUND

The reporting period for January and February 2025 saw consistently high levels in Urban Water Bacterial and Protozoal compliance. However, bacterial compliance was lower than the levels achieved during the November and December 2024 reporting period.

The reporting period for January and February-2025 saw similar levels in compliance for Rural Water Bacterial and Protozoal compliance compared with the November and December 2024 reporting period. Rural WTPs supply several distribution networks subject to a Boil Water Notice (BWN), i.e., Moa Flat, North Bruce, Waitahuna, and Tuapeka West.

Waitahuna and Tuapeka West supplies will not achieve full compliance without significant upgrades and will be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply.

URBAN WATER COMPLIANCE WITH DWQARs FOR BACTERIOLOGICAL AND PROTOZOAL COMPLIANCE

For the period 1 January to 28 February 2025 an assessment has been completed against the DWQARs. Clutha District Council has used the rules relating to bacterial and protozoal compliance that replaced those in the DWSNZ. The modules in the DWQARs used to assess bacterial and protozoal compliance depend on the population size supplied by the treatment plant. The results of this testing are as below.

1 - Bacteriological Compliance 1 January to 28 February 2025

Name	Treatment Plant	Population	Bacto Compliant? 1 Jan - 31 Jan 2025	Bacto Compliant? 1 Feb - 28 Feb 2025	Improvement Work/Comments
Balclutha	Balclutha	4002	Yes T3 99% Compliant. D3 100% Compliant.	Yes T3 98% Compliant. D3 100% Compliant.	Minor UV non-compliances.
Clinton Township	Clydevale-Pomahaka	300	Yes T3 100% Compliant. D3 100% Compliant.	Yes T3 100% Compliant. D3 100% Compliant.	N/A
Kaitangata Township	Kaitangata	780	Yes T3 100% Compliant. D3 100% Compliant.	Yes T3 100% Compliant. D3 100% Compliant.	N/A
Kaka Point Township	Puerua	235	Yes T3 96% Compliant. D3 100% Compliant.	No T3 56% Compliant. D3 10% Compliant. Refer to comments a), b), c), and d).	FAC and UV non-compliances at the treatment plant. BWN issued on 5 February.
Lawrence	Lawrence	430	Yes T3 97% Compliant. D3 100% Compliant.	No T3 91% Compliant. D3 100% Compliant. Refer to comment a).	UV non-compliances at the treatment plant.
Milton	Milton	1929	Yes T3 97% Compliant. D3 100% Compliant	Yes T3 98% Compliant. D3 100% Compliant	Minor FAC non-compliances.
OCF	Milton	600	Yes T3 97% Compliant. D3 100% Compliant	Yes T3 98% Compliant. D3 100% Compliant	Minor FAC non-compliances.
Owaka	Owaka	315	Yes T3 100% Compliant. D3 100% Compliant	Yes T3 100% Compliant. D3 100% Compliant.	N/A
Stirling Township	Stirling	309	No T3 90% Compliant. D3 100% Compliant. Refer to comment a).	No T3 94% Compliant. D3 100% Compliant. Refer to comment a).	UV non-compliances at the treatment plant.

Tapanui	Tapanui	760	No T3 94% Compliant. D3 95% Compliant. Refer to comment b).	No T3 84% Compliant. D3 95% Compliant. Refer to comment b).	FAC non-compliances at the treatment plant and in the distribution.
Waihola Township	Milton	430	Yes T3 97% Compliant. D3 92% Compliant.	Yes T3 98% Compliant. D3 100% Compliant	Minor FAC non-compliances.
Total		10090	89%	83%	

- a. UV Non-compliance: The UV dose was not maintained for the required period to achieve compliance.
- b. FAC Non-compliance: The chlorine dose rate and/or contact time was not maintained for the required period to achieve compliance.
- c. Turbidity Non-compliance: The turbidity in the treated water exceeded the maximum allowable NTU.
- d. Chlorine residual in the distribution zone must be above 0.2 mg/l in 85% of all samples collected. Results cannot be less than 0.1 mg/l.

2 - Protozoal Compliance 1 January to 28 February 2025

Name	Serviced Zones	Population	Protozoal Compliant? 1 Jan - 31 Jan 2025	Protozoal Compliant? 1 Feb - 28 Feb 2025	Improvement Work/Comments
Balclutha	Balclutha	4002	Yes T3 99% Compliant.	Yes T3 99% Compliant.	Minor UV non-compliances.
Lawrence	Lawrence	430	Yes T3 99% Compliant.	Yes T3 99% Compliant.	Minor UV non-compliances.
Milton	Milton + OCF + Waihola	2529	Yes T3 98% Compliant	Yes T3 99% Compliant.	Minor membrane non-compliances.
Owaka	Owaka	315	Yes T3 99% Compliant	Yes T3 100% Compliant.	Minor UV non-compliances.
Tapanui	Tapanui	760	No T3 48% Compliant. Refer to comments a), and b).	No T3 50% Compliant. Refer to comments a), and b).	Work to improve the filter has been ongoing since February. BWN in place since 24 January.
Total		8466	91%	91%	

- a. 4-log Protozoal Compliance must be met by all treatment plants that abstract water from surface water sources i.e. rivers.
- b. Tapanui uses Coagulation, Flocculation, Sedimentation, and Filtration to achieve 4-log protozoal compliance. The turbidity in the treated water exceeded the maximum allowable NTU of <0.1 NTU.

RURAL WATER COMPLIANCE WITH DWQARs STANDARDS FOR BACTERIOLOGICAL AND PROTOZOAL COMPLIANCE

For the period 1 January to 28 February 2025 an assessment has been completed against the DWQARs. Clutha has used the rules relating to bacterial and protozoal compliance that replaced those in the DWSNZ. The modules in the DWQARs used to assess bacterial and protozoal compliance depend on the population size supplied by the treatment plant. The results of this testing are as below.

1 - Bacteriological Compliance 1 January to 28 February 2025

Name	Treatment Plant	Population	Bacto Compliant? 1 Jan - 31 Jan 2025	Bacto Compliant? 1 Feb - 28 Feb 2025	Improvement Work/Comments
Balmoral 1	Waitahuna	247	No T3 15% Compliant. D3 29% Compliant. Refer to comments b), c), e), f), and h).	No T3 18% Compliant. D3 67% Compliant. Refer to comments b), c), e), f), and h).	The Waitahuna WTP is to be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply. Significant upgrades are required to achieve compliance.
Balmoral 2	Waitahuna	399	No T3 15% Compliant. D3 37% Compliant. Refer to comments b), c), e), f), and h).	No T3 18% Compliant. D3 47% Compliant. Refer to comments b), c), e), f), h) and i).	As above
Clydevale-Pomahaka	Clydevale-Pomahaka	550	Yes T3 100% Compliant. D3 100% Compliant.	Yes T3 100% Compliant. D3 100% Compliant.	N/A
Glenkenich	Glenkenich	705	Yes T3 99% Compliant. D3 100% Compliant.	Yes T3 99% Compliant. D3 92% Compliant.	Minor FAC non-compliances.
Moa Flat	Moa Flat	534	No T3 83% Compliant. D3 100% Compliant. Refer to comments a), b), f), and g).	No T3 88% Compliant. D3 100% Compliant. Refer to comments a), f), and g).	A carbon filtration trial to improve incoming raw water quality for UV treatment started in December 2024.
North Bruce	North Bruce	658	No T3 66% Compliant. D3 62% Compliant. Refer to comments a), b), f), and g).	No T3 79% Compliant. D3 50% Compliant. Refer to comments a), b), e), f), and g).	A plan is in place to remove the centre column within the clarifier to change how water passes through the clarifier.
Richardson North	Whitelea Road	312	Yes T3 99% Compliant. D3 100% Compliant.	No T3 75% Compliant. D3 100% Compliant. Refer to comment b).	FAC non-compliances caused at the treatment plant.

Richardson South	Puerua	469	Yes T3 96% Compliant. D3 100% Compliant.	No T3 56% Compliant. D3 63% Compliant. Refer to comment a).	UV non-compliances at the treatment plant. BWN issued on 5 February.
South Bruce	Stirling	434	No T3 90% Compliant. D3 100% Compliant. Refer to comment a).	No T3 94% Compliant. D3 100% Compliant. Refer to comment a).	UV non-compliances at the treatment plant.
Tuapeka East	Waitahuna	276	No T3 15% Compliant. D3 18% Compliant. Refer to comments b), c), e), f), and h).	No T3 18% Compliant. D3 50% Compliant. Refer to comments b), c), e), f), and h).	As above for Balmoral 1 and 2.
Tuapeka West	Evans Flat	283	No T2 40% Compliant. D2 57% Compliant. Refer to comments b), d), e), f), and h).	No T2 57% Compliant. D2 88% Compliant. Refer to comments b), d), f), h), and i).	The Tuapeka West WTP is to be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply. Significant upgrades are required to maintain compliance.
Wangaloa	Kaitangata	50	Yes T3 100% Compliant. D3 100% Compliant.	Yes T3 100% Compliant. D3 100% Compliant.	N/A
	Total	4917	42%	27%	

- a. UV Non-compliance: The UV dose was not sufficient to achieve compliance.
- b. FACE Non-compliance: The chlorine dose rate and contact time was not maintained for the required period to achieve compliance.
- c. Turbidity Non-compliance: The turbidity in the treated water exceeded the maximum allowable NTU.
- d. pH Non-compliance: The pH level in the final water was outside the required range to achieve compliance.
- e. Chlorine residual in the distribution zone must be above 0.2 mg/l in 85% of all samples collected. Results cannot be less than 0.1 mg/l.
- f. A BWN is considered if there is significant non-compliance at the treatment plant or if *E. coli* is detected in the distribution zone.
- g. Moa Flat and North Bruce have been on a long-term BWN due to the inadequate bacterial barriers at the treatment plant.
- h. Balmoral 1, Balmoral 2, Tuapeka East and Tuapeka West are on a long-term BWN due to the inadequate barriers at the treatment plant. These plants will be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply.
- i. *E. coli* detected at the treatment plant or in the reticulation.

2 - Protozoal Compliance 1 January to 28 February 2025

Name	Serviced Zones	Population	Protozoal Compliant? 1 Jan - 31 Jan 2025	Protozoal Compliant? 1 Feb - 28 Feb 2025	Improvement Work/Comments
Clydevale-Pomahaka	Clydevale-Pomahaka + Clinton	850	Yes T3 100% Compliant.	Yes T3 100% Compliant.	N/A
Evans Flat	Tuapeka West	283	No T2 0% Compliant. Refer to comments b), c), and e).	No T2 0% Compliant. Refer to comments b), c), and e).	There is no protozoal barrier at this site. The Tuapeka West WTP will be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply in 2025.
Glenkenich	Glenkenich	705	Yes T3 99% Compliant.	Yes T3 100% Compliant.	N/A
Kaitangata	Kaitangata + Wangaloa	830	Yes T3 100% Compliant.	Yes T3 99% Compliant.	Minor UV non-compliances.
Moa Flat	Moa Flat	534	No T3 71% Compliant. Refer to comments a), c), d), and f).	No T3 72% Compliant. Refer to comments a), c), d), and f).	Ongoing UV non-compliances. A carbon filtration trial to improve incoming raw water quality for UV treatment started in December 2024.
North Bruce	North Bruce	658	No T3 50% Compliant. Refer to comments a), c), d), and f).	No T3 64% Compliant. Refer to comments a), c), d), and f).	Ongoing UV non-compliances. A plan is in place to remove the centre column within the clarifier to change how water passes through the clarifier.
Puerua	Richardson South + Kaka Point	704	No T3 94% Compliant.	No T3 64% Compliant. Refer to comments a), and f).	UV non-compliances at the treatment plant. BWN issued on 5 February.
Stirling	Stirling + South Bruce + Benhar	743	Yes T3 100% Compliant.	Yes T3 96% Compliant.	Minor UV non-compliances.
Waitahuna	Balmoral 1 + Balmoral 2 + Tuapeka East	922	No T3 0% Compliant. Refer to comments a), b), c), and e).	No T3 0% Compliant. Refer to comments a), b), c), and e).	There is no effective protozoal barrier at this site. The Waitahuna WTP is to be replaced by the Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply in 2025.
Whitelea Road	Richardson North	312	Yes T3 100% Compliant.	Yes T3 100% Compliant.	N/A
	Total	6541	53%	53%	

- a. 4-log Protozoal Compliance must be met by all treatment plants that supply a population greater than 500 and all that abstract water from surface water sources i.e. rivers.
- b. Waitahuna and Evans Flat WTPs do not have sufficient processes in place to achieve protozoal compliance.
- c. A BWN is considered if there is significant non-compliance at the treatment plant or if *E. coli* is detected in the distribution zone.
- d. Moa Flat and North Bruce WTPs have been on a long-term BWN due to the inadequate protozoal barriers at the treatment plant.
- e. Waitahuna and Tuapeka West WTPs are on a long-term BWN due to the inadequate protozoal barriers at the treatment plant. The Balmoral/Tuapeka Rural Water Scheme & Lawrence New Supply will replace these plants.
- f. Puerua, Clydevale-Pomahaka, North Bruce and Moa Flat WTPs rely on UV disinfection to achieve protozoal compliance.

3 - Aluminium Compliance 1 January to 28 February 2025

Aluminium testing is a requirement of the DWQARs which came into effect in November 2022.

Clutha District Council received a letter from the Water Services Authority – Taumata Arowai on 7 February 2025 regarding our compliance with the Aluminium Direction that was issued in March 2023. This letter stated that after a review, Taumata Arowai deemed that Clutha District Council has complied with the clauses of the Direction and can return to monitoring the relevant supplies in according with the applicable Drinking Water Quality Assurance Rules.

Information will still be provided to consumers on the Clutha District Council website regarding sampling results and the potential health effects of aluminium.

Aluminium levels that exceed the Maximum Allowable Value (MAV) of 1 mg/l continue to be detected at the North Bruce WTP and in the distribution network. The latest non-compliant result was collected from Perry Road on 7 February 2025.

An aluminium level that exceeded the MAV of 1 mg/l was detected in the South Bruce distribution network. The latest non-compliant result was collected from Riverside Road on 23 January 2025.

An aluminium level that exceeded 50% of the MAV of 1 mg/l was detected in the Moa Flat distribution network. An exceedance of the MAV has not been detected since 3 December 2024. A carbon-based media is being trialled at the treatment plant. During the trial the flocculation and clarifier tanks will be bypassed.

Aluminium levels that exceed 50% of the MAV of 1 mg/l continue to be detected at the Waitahuna WTP and in the three distribution networks. Due to the lack of dose control at this site, the advisory notice will remain in place. An exceedance of the MAV has not been detected since 12 December 2024.

An aluminium level that exceeded 50% of the MAV of 1 mg/l was detected in the Kaka Point distribution network. An exceedance of the MAV has not been detected since 30 December 2024.

Risk & Assurance Committee

Item for INFORMATION

Report	Three Waters Operations 7 Month Report
Meeting Date	20 March 2025
Item Number	8
Prepared By	Linda Till – Head of Three Waters Greg Bowie – Financial Accounting Team Leader
File Reference	920116

REPORT SUMMARY

This report displays the financial results for the Three Waters activity for the first seven months of the 2024/25 financial year.

This report combines high level financial results for the Urban Water, Rural Water, Wastewater, Stormwater, Water Management and Water Operations business units.

RECOMMENDATION

- 1. That the Risk & Assurance Committee receives the Three Waters Operations 7 Month Report.**

REPORT

A summary of results for the 7 months is provided below.

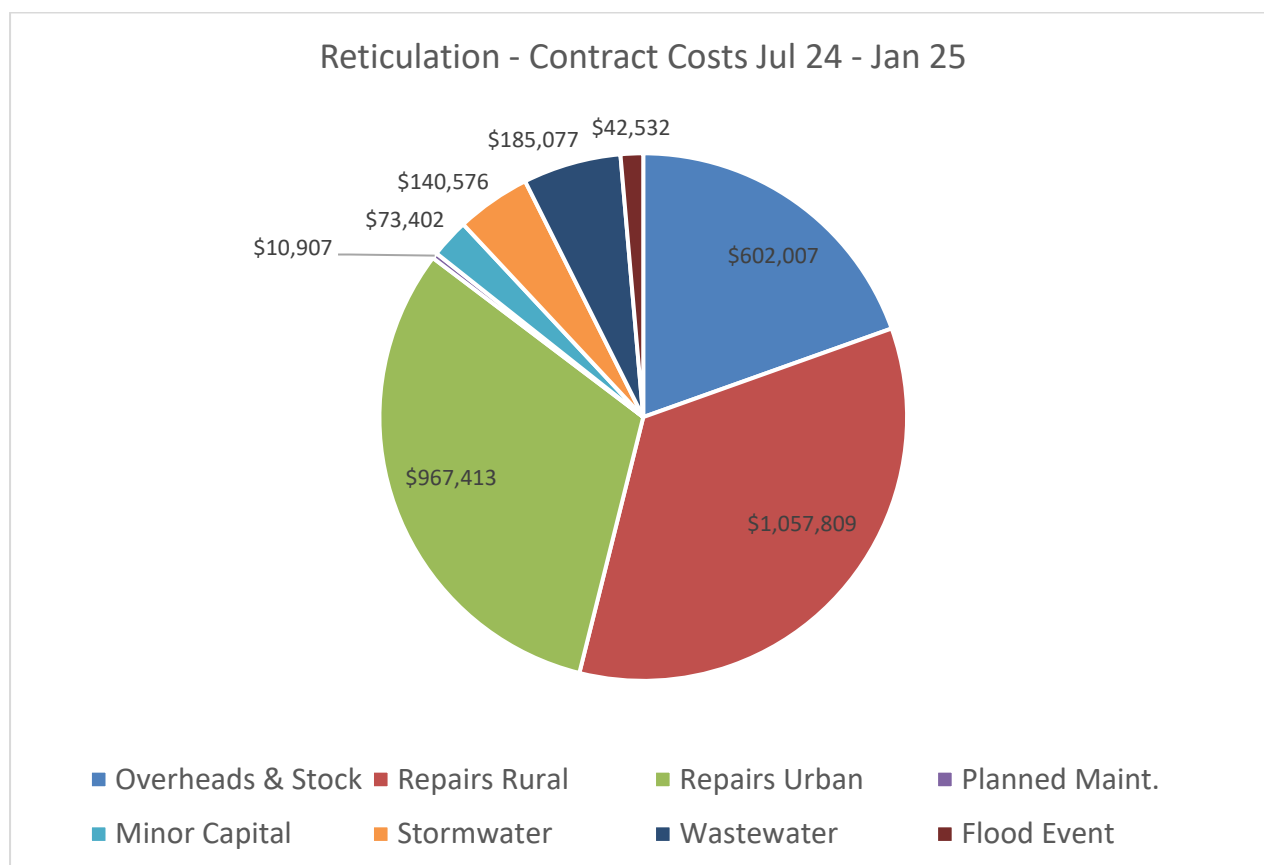
	Actual	7 Month Budget	Variance		Full Yr Budget	Variance
Income	-9,206,865	-10,607,332	-1,400,467		-18,183,997	-8,977,132
Expenditure	13,265,337	12,667,923	-597,413		21,716,440	8,451,103
Capital Funding	0	-19,899,140	-19,899,140		-34,112,811	-34,112,811
Capital Expenditure	10,727,189	17,838,548	7,111,359		30,580,368	19,853,179
Net	14,785,661	-0	-14,785,661		-0	-14,785,661

July 2024 to January 2025 for Three Waters

- Total Three Waters opex expenditure for the 7 months of 2024/25 is \$13.3m, compared to YTD budget of \$12.7m, meaning an overspend of \$0.6m, or 4.7%.
- Consultancy charges total \$585k to date. The bulk is made up of payments to Beca Infrastructure Limited (\$380k), Iain Rabbitts (\$85k) and JK Process (\$66k). Much of this relates to support and assistance with Three Waters work, which will reduce going forward.
- Year to date overhead costs for the reticulation contractor Isaac Construction Limited (\$463k), Contract Excavation Limited (\$12k) and Andrew Haulage 2011 Limited (\$26k) are now being coded to 7930 (under capital expenditure) and will be journalled proportionately against non-routine maintenance at year-end.
- Salaries & KiwiSaver are \$120k over YTD budget.
- Education costs of \$22k include \$10k for Drinking Water Treatment training and \$9k for NZ Diploma in Engineering course costs. Budget in this area has been identified as insufficient to meet the requirements to train water and wastewater operators. Training was identified as a shortcoming in the Milton WTP Compliance Order issued by the regulator, in November 23 with improvement required by January 2025.
- Staff training of \$35k includes Water NZ digital badge courses, chemical handler's certificates, First Aid training and operator training.
- Non-routine sampling is under YTD budget by \$97k. This is a product of our advisory notices. Non-routine expenditure over budget by \$565k and includes costs for the reticulation contractors. The cost overrun is offset by the \$650k YTD underspend on Planned Maintenance.
- Chemical costs are under budget by \$189k, this is after completing monthly stocktakes and allocation to plants has been completed. A contra has been made against 7930 Contract Payments under Capital Expenditure.
- Operating deficit to 31 January is \$4.1m (Income less Expenditure).
- Budget variance for revenue relates to timing difference on rates income – billing up to November 24 included and will regularise after February 25 billing.
- Please note – Capital work is not yet funded, no loans have been raised or reserves transferred, this will be done at year end as part of our annual report process.
- Capital expenditure budget (\$30.6m) has not yet been updated for Annual Plan carry forwards and other project budget adjustments, however we are working on this with the aim to have it updated for the next meeting's agenda item.

The year ahead

- Consultancy costs have been identified as a significant budget gap, though will reduce over the coming months with two staff seconded from Beca long-term ending their secondments prior to Christmas. There will be an ongoing need for advice from our Beca specialist on wastewater plants, though on a more targeted basis. Advice from Iain Rabbitts who is providing technical advice on our non-compliant water treatment plants, is required on an ongoing basis as we work through improvements at our Moa Flat & North Bruce plants to enable us to lift boil water notices and advisories on those schemes. An independent contractor (JK Process) is reviewing and rewriting our Drinking Water Safety Plans, to ensure we meet the regulator's requirements. This work is being completed progressively and commenced last FY.
- Isaac Group Limited is our lead contractor for the reticulation contract with Andrew Haulage & Contract Excavation subcontracted to them with back-to-back arrangements in place. Year to date costs have totalled \$3,079,722



Risk & Assurance Committee

Item for INFORMATION

Report	Treasury Management Report- (Debt Borrowing & Repayment)
Meeting Date	20 March 2025
Item Number	9
Prepared By	Greg Bowie – Financial Accounting Team Leader
File Reference	932481

REPORT SUMMARY

This report covers Council's external LGFA Borrowing portfolio, how the debt is broken down across activity areas and the projected debt to the end of the financial year.

The report also includes information regarding Council's loans with LGFA and interest rate trend comparisons over prior periods.

Please note that this is the first treasury management report using the new and updated format as discussed at the Risk & Assurance workshop on 28 January.

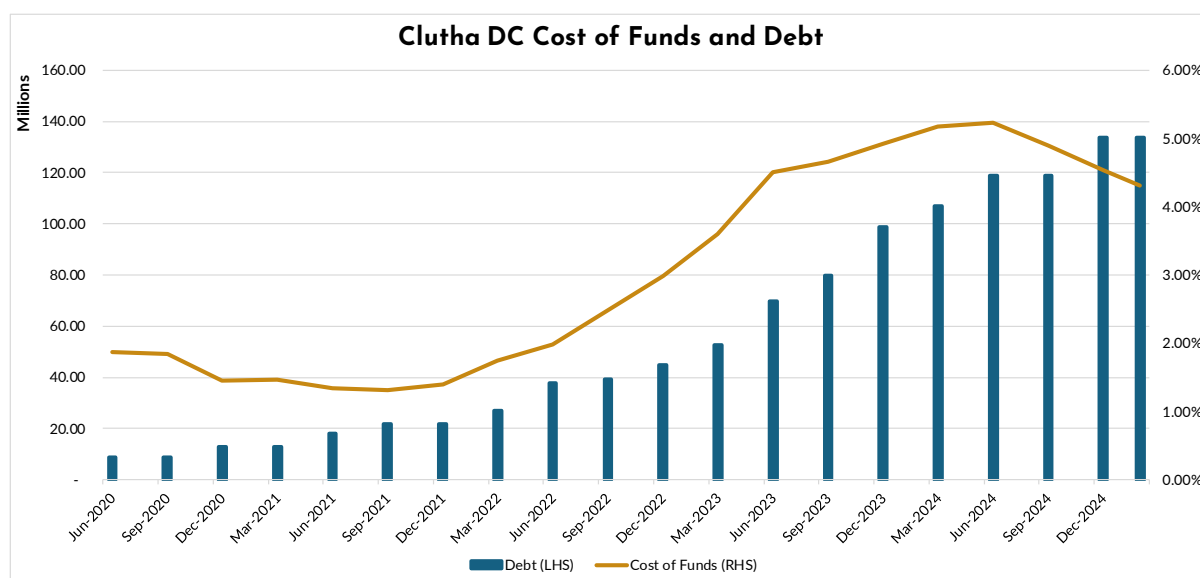
RECOMMENDATION

- 1. That the Risk & Assurance Committee receives the Treasury Management Report.**

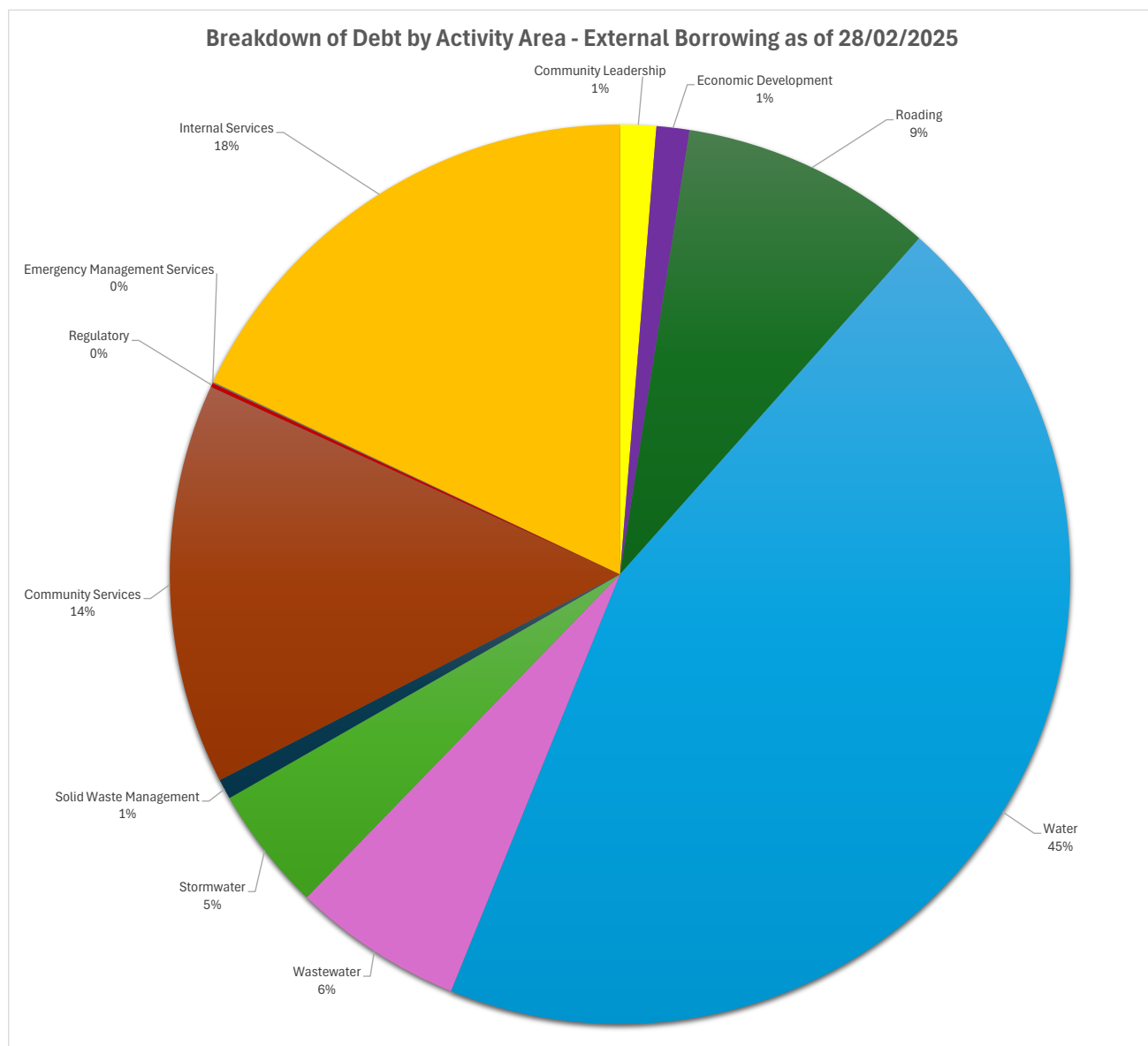
REPORT

1. Dashboard

Borrowings Dashboard			
Period to 28/02/2025			
Debt Balance			\$'000
LGFA Borrowing Current Balance		133,800	↓
LGFA Year-End Budgeted Balance as per LTP		165,334	
Projected borrowings to 30 June 2025		156,300	
Movements			\$'000
Opening Balance (01/07/2024)		118,800	
New Debt		15,000	
Rollover Debt		25,000	
Repaid Debt		- 25,000	
Reversal of Accrued Interest - 2023/24		-	
Closing Balance (28/02/2025)		<u>\$ 133,800</u>	
Westpac Borrowing - Multi Option Credit Line		-	
YTD interest paid on LGFA debt - to 28/02/2025		3,173	
Link Management Fees (paid from bank a/c)		31	



Date	Debt (LHS)	Cost of Funds (RHS)
Jun-2020	9,000,000.00	1.87%
Sep-2020	9,000,000.00	1.85%
Dec-2020	13,000,000.00	1.46%
Mar-2021	13,000,000.00	1.47%
Jun-2021	18,000,000.00	1.34%
Sep-2021	22,000,000.00	1.31%
Dec-2021	22,000,000.00	1.40%
Mar-2022	27,000,000.00	1.75%
Jun-2022	37,800,000.00	1.98%
Sep-2022	39,300,000.00	2.48%
Dec-2022	44,800,000.00	2.99%
Mar-2023	52,800,000.00	3.60%
Jun-2023	69,800,000.00	4.51%
Sep-2023	79,800,000.00	4.66%
Dec-2023	98,800,000.00	4.93%
Mar-2024	106,800,000.00	5.17%
Jun-2024	118,900,000.00	5.23%
Sep-2024	118,900,000.00	4.90%
Dec-2024	133,900,000.00	4.54%
Feb-2025	133,900,000.00	4.31%



Activity Area	\$	%	Predicted Borrowing to 30/06/2025	Projected Debt at 30/06/2025
Community Leadership	1,727,327	1.29%	50,000	1,777,327
Economic Development	1,579,477	1.18%	-	1,579,477
Rooding	12,172,673	9.10%	1,935,491	14,108,165
Water	59,621,640	44.56%	14,882,384	74,504,024
Wastewater	8,183,052	6.12%	541,826	8,724,878
Stormwater	5,976,276	4.47%	1,195,700	7,171,976
Solid Waste Management	968,543	0.72%	297,000	1,265,543
Community Services	19,277,069	14.41%	2,641,865	21,918,934
Regulatory	191,806	0.14%	-	191,806
Emergency Management Services	64,600	0.05%	-	64,600
Internal Services	24,037,537	17.97%	955,734	24,993,271
	133,800,000	100.00%	22,500,000	156,300,000

Risk & Assurance Committee

Item for INFORMATION

Report	Financial Monitoring Report
Meeting Date	20 March 2025
Item Number	10
Prepared By	Trey Willis-Croft – Financial Support Accountant
File Reference	932482

REPORT SUMMARY

Financial Monitoring:

This report presents Predicted cashflow for the period 1 February to 30 June 2025 as well as the updated and reforecasted Statement of Comprehensive Revenue and Expenditure

RECOMMENDATIONS

1. That the Risk & Assurance Committee receives the Financial Monitoring report.

These statements have been produced through a process of meeting with budget holders and predicting future spend and income. This prediction was based on a mixture of expected future results, current trajectories and what is needed to stay within budgets.

The cashflow has been done on a month-by-month basis and has the primary purpose of forecasting how much and when council will need to borrow for the remainder of the 2024/25 financial year.

The reforecasted Statement of Comprehensive Revenue and Expenditure has the primary purpose of giving an overview as to what results budget holders at council believe they will achieve against their budgets.

Predictions have generally been done on a worse case scenario basis. With expenditure estimated on the higher end and income estimated on the lower end.

There has been some brief commentary provided for material deviations from budgets. However, we are working on refining the commentary process around exception reporting and would welcome your feedback.

Noncash items including internal vehicles and overheads have been excluded from the SOCRE, while depreciation has been included based on the current 7 month average.

STATEMENT OF CASHFLOWS						
For the Period ended 1 February 2024 to 30 June 2025						
		2025	2025	2025	2025	2025
		\$000	\$000	\$000	\$000	\$000
		Feb	Mar	Apr	May	Jun
		Prediction	Prediction	Prediction	Prediction	Prediction
CASHFLOW FROM OPERATING ACTIVITIES						
Receipts from customers, rates, grants and other services	A	9,666	958	960	9,710	992
Interest received		10	10	122	10	10
Payments to suppliers and employees	B	4,055	4,393	4,061	4,025	4,752
Interest expense		100	0	859	81	0
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES		5,521	(3,425)	(3,838)	5,614	(3,749)
CASHFLOW FROM INVESTING ACTIVITIES						
Disposal of development property		0	0	0	80	80
Disposal of property, plant and equipment		0	0	0	0	0
Purchase of property, plant and equipment	C	2,875	4,879	5,370	5,761	4,833
Acquisition of other financial assets		0	0	0	0	0
Sale of other financial assets		0	0	0	0	0
Acquisition of development property		0	0	0	0	0
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES		(2,875)	(4,879)	(5,370)	(5,681)	(4,753)
CASHFLOW FROM FINANCING ACTIVITIES						
Proceeds from borrowings	D		5,000	9,500		8,000
Repayments of borrowings						
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES		0	5,000	9,500	0	8,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,647	(3,304)	292	(67)	(503)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE MONTH		2,666	5,313	2,009	2,301	2,235
CASH AND CASH EQUIVALENTS AT THE END OF THE MONTH		5,313	2,009	2,301	2,235	1,732

NOTES	
A	Mostly Rates and NZTA subsidy Income
B	Mostly Roading and 3 Waters operational costs
C	Mostly 3 Waters Capital Projects.
D	Borrowings have been predicted on a cashflow basis. With borrowings being taken out to make sure there is always a balance in the bank account. Further detail of the split for each activity can be found in the Treasury Management Report.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE									
For the Period ended 1 February 2024 to 30 June 2025									
	2025	2025	2025	2025	2025	2025	2025	Full Year	2025
	\$000	\$000	\$000	\$000	\$000	\$000	\$000		\$000
	YTD	Feb	Mar	Apr	May	Jun	Full Year		Full Year
	Actual	Prediction	Prediction	Prediction	Prediction	Prediction	Predicted Actual	Budget	Predicted Variance
REVENUE									
Rates	17,669	8,701	0	0	8,701	0	35,070	35,836	(766)
Grants, Subsidies and Donations	7,499	1,562	1,562	1,536	1,536	1,536	15,230	15,688	(457)
Fees & User Charges	A 1,008	67	75	137	75	75	1,437	2,656	(1,219)
Permits & Licences	701	89	89	89	89	89	1,147	987	160
Other Fees	B 1,291	198	318	133	133	263	2,334	3,414	(1,080)
Rental Revenue	789	113	92	191	101	91	1,377	1,311	66
Interest Revenue	C 2,638	(191)	133	133	134	134	2,982	1,601	1,380
Other Revenue	491	129	30	26	129	26	830	530	299
Other Gains	0	0	0	0	0	0	0	0	0
Sales of corporate and development property	D 1,151	0	0	80	80	80	1,391	0	1,391
Total Revenue	33,237	10,667	2,298	2,325	10,977	2,294	61,798	62,023	(226)
EXPENDITURE									
Grants, Contributions & Sponsorship	E 787	27	329	69	19	71	1,304	2,681	(1,377)
Other Operating Expenditure	F 7,678	866	895	935	906	1,541	12,821	11,223	1,599
Roading Repairs & Maintenance	G 5,344	1,216	1,216	1,105	1,105	1,105	11,090	10,527	563
Water Other Operating	H 7,641	741	742	734	777	778	11,414	12,063	(650)
Employee Benefits	8,347	1,200	1,206	1,213	1,213	1,252	14,432	14,540	(109)
Depreciation & Amortisation	I 16,246	2,321	2,321	2,321	2,321	2,321	27,851	16,993	10,857
Finance Costs	J 4,348	100	0	859	81	0	5,389	6,240	(851)
Operating lease payments	32	4	4	4	4	4	53	54	(1)
Cost of sales of corporate and development property	0	0	0	0	0	0	0	0	0
Total Expenditure	50,424	6,476	6,714	7,241	6,427	7,073	84,354	74,322	10,032
SURPLUS /(DEFICIT)	(17,187)	4,191	(4,416)	(4,916)	4,550	(4,778)	(22,556)	(12,299)	(10,258)
Other Comprehensive Revenue and Expenditure									
Items that may be reclassified to surplus or deficit:									
Fair value on unlisted shares	0	0	0	0	0	0	0	0	0
Items that will not be reclassified to surplus or deficit:									
Gain on property, plant and equipment revaluation	0	0	0	0	0	0	0	0	0
Total Other Comprehensive Revenue and Expenditure	0	0	0	0	0	0	0	0	0
Total Comprehensive Revenue and Expenditure for the year	(17,187)	4,191	(4,416)	(4,916)	4,550	(4,778)	(22,556)	(12,299)	(10,258)

NOTES	
A	Budgeted Financial Contributions for Milton to Waihola Pipeline have not been received in the current year.
B	Sales at Mt Cooee are \$400k behind budget
C	Nikko returns are better than budgeted.
D	2 properties sold in Kai in December, 4 cabins sold 1 in August and 3 in September.
E	Payments to Kaka Point Surf Lifesaving Club of \$310k and West Otag Vintage Club of \$200k have not been paid in full..
F	Consulting \$230k over mostly in the infrastructure strategy and delivery area and finance areas. Valuation expenses of \$190k over as they were unbudgeted. IT costs over by \$288k mostly due to increased licensing needs.
G	Planned Maintenance predicted to be \$1m under, chemicals \$173k under, consulting \$600k over.
H	Change of roading plan during the year (most footpath renewals brought forward from year 2 and 3 to year 1).
I	Mostly Roding Network depreciation costs increasing following the 23/24 valuation.
J	Interest rates have dropped below the budgeted 5.25% as the year has progressed.

Risk & Assurance Committee

Item for DECISION

Report	Reasons to Move to Public Excluded Session
Meeting Date	20 March 2025
Item Number	11
Prepared By	Sonia Farquharson – Finance and Policy Administrator
File Reference	932429

REPORT SUMMARY

The Risk & Assurance Committee may by resolution or upon motion being made, exclude the public from the whole or any part of the proceedings of any meeting.

Grounds to exclude the public under the Local Government Official Information and Meetings Act 1987 are contained in Appendix 1 of the Clutha District Council's Standing Orders as attached.

RECOMMENDATION

1. That the Risk & Assurance Committee receives the 'Reasons to Move to Public Excluded Session' report.
2. That the Risk & Assurance Committee approves moving Public Excluded Risk & Assurance Committee Minutes held on 05 February 2025 into public, and
3. That the minutes of the public excluded section of the meeting of the Risk & Assurance Committee held on 05 February 2025 be approved as a true and correct record.
4. That if required, the Risk & Assurance Committee excludes the public from the following part of the proceedings of this meeting pursuant to the provisions of the Local Government Official Information and Meetings Act 1987 namely:

REPORT

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Public Excluded Risk & Assurance Committee Minutes – 5 February 2025. Matters dealt with in these minutes: <ul style="list-style-type: none"> • Cyber Security 	The information contained in the report contains information about Clutha District Council’s cyber security measures.	The specific provisions of the Act that relate to these minutes can be found in the open minutes of the Risk & Assurance meeting held on 5 February 2025.

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown after each item.

Appendix 1: Grounds to exclude the public

A local authority may, by resolution, exclude the public from the whole or any part of the proceedings of any meeting only on one or more of the following grounds:

- A1** That good reason exists for excluding the public from the whole or any part of the proceedings of any meeting as the public disclosure of information would be likely:
- (a) To prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial; or
 - (b) To endanger the safety of any person.
- A2** That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:
- (a) Protect the privacy of natural persons, including that of deceased natural persons; or
 - (b) Protect information where the making available of the information would:
 - i. Disclose a trade secret; or
 - ii. Be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
 - (ba) In the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the Resource Management Act 1991, to avoid serious offence to tikanga Māori, or to avoid the disclosure of the location of waahi tapu; or

- (c) 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:
 - i. Be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or
 - ii. Be likely otherwise to damage the public interest.
- (d) Avoid prejudice to measures protecting the health or safety of members of the public; or
- (e) Avoid prejudice to measures that prevent or mitigate material loss to members of the public; or
- (f) Maintain the effective conduct of public affairs through –the protection of such members, officers, employees, and persons from improper pressure or harassment; or
- (g) Maintain legal professional privilege; or
- (h) Enable any Council holding the information to carry out, without prejudice or disadvantage, commercial activities; or
- (i) Enable any Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
- (j) Prevent the disclosure or use of official information for improper gain or improper advantage.

See s.7 LGOIMA 1987.

Where A2 of this Appendix applies the public may be excluded unless, in the circumstances of a particular case, the exclusion of the public is outweighed by other considerations which render it desirable and in the public interest, that the public is not excluded.

- A3** That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information, the public disclosure of which would:
 - (a) Be contrary to the provisions of a specified enactment; or
 - (b) Constitute contempt of Court or of the House of Representatives.
- A4** That the purpose of the whole or the relevant part of the proceedings of the meeting is to consider a recommendation made to that Council by an Ombudsman under section 30(1) or section 38(3) of this Act (in the case of a Council named or specified in Schedule 1 to this Act).
- A5** That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Council to deliberate in private on its decision or recommendation in:
 - (a) Any proceedings before a Council where:
 - i. A right of appeal lies to any Court or tribunal against the final decision of the Council in those proceedings.
 - ii. The Council is required, by any enactment, to make a recommendation in respect of the matter that is the subject of those proceedings; and

- iii. Proceedings of a local authority exist in relation to any application or objection under the Marine Farming Act 1971.

See s. 48 LGOIMA.