

A Meeting of the Finance Regulatory and Business Support will be held as follows:

Date: Monday 9 September 2024

Time: 2:00pm

Venue: Council Chambers, 105 Tainui Street, Greymouth

Paul Pretorius
Acting Chief Executive

AGENDA

Members:

Chair: Councillor Rex MacDonald

Deputy Chair:

Members: Mayor Tania Gibson
Councillor Allan Gibson
Councillor John Canning
Councillor Kate Kennedy
Councillor Robert Mallinson
Councillor Jack O'Connor
Councillor Tim Mora
Kaiwhakahaere Francois Tumahai

(Quorum 5 members)

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The information in this document is provided to facilitate good competent decisions by Council and does in no way reflect the views of Council. Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

TERMS OF REFERENCE

Type of Committee	Council Committee
Subordinate to	Council
Subordinate Committees	Animal Control Risk and Assurance
Legislative Basis	Committee established by the Council as per Schedule 7, Section 30 (1) (A), LGA 2002. Committee delegated powers by the Council as per Schedule 7, Section 32, LGA 2002
Members	Mayor Eight Councillors (8) Independent Iwi representative (1)
Quorum	Five members (5)
Meeting frequency	Six weekly or as and when required.
Terms of Reference	<p>The purpose of the Committee is to:</p> <p>Finance</p> <ol style="list-style-type: none"> a) Advise and support the Mayor on the development of the Long Term Plan (LTP) and Annual Plan (AP). b) Monitor the overall financial management and performance of the Council including appropriate financial forecasting and cashflow monitoring. c) Make financial decisions required outside of the annual budgeting processes. <p>The committee will establish an annual work programme outlining key focus areas in line with its responsibilities, which include:</p> <ul style="list-style-type: none"> • Advising and supporting the Mayor on the development of the LTP and AP for consideration by the Council. • Financial policy related to LTP and AP. • Setting of rates. • Preparation of the consultation document and supporting information, and the consultation process, for the LTP and AP. • Establishing and managing a structured approach to the approval of non-budgeted expenditure (including grants, loans or

	<p>guarantees) that reinforces value for money and expectation of tight expenditure control.</p> <ul style="list-style-type: none"> • Performance measures and monitoring. • Write-offs. • Acquisition of property in accordance with the LTP. • Disposal in accordance with the LTP.
Powers	<ol style="list-style-type: none"> I. All powers necessary to perform the committee’s responsibilities, including: <ol style="list-style-type: none"> (a) Approval of submission to an external body. (b) Establishment of working parties or steering groups. II. The Committee has the powers to perform the responsibilities of another committee, where it is necessary to make a decision prior to the next meeting of that other committee. III. If a decision is a budgetary or financial decision that relates primarily to the Finance and Regulatory and Business Support Committee responsibilities, the Committee has the powers to make associated decisions on matters that would otherwise be decided by other committees. For the avoidance of doubt, this means that matters do not need to be taken to multiple committees for decisions. IV. The Committee does not have: <ol style="list-style-type: none"> (a) The power to establish subcommittees. (b) Powers that the Council cannot delegate or has retained to itself.

	<p>Regulatory</p> <ul style="list-style-type: none"> • To develop and approve Council’s regulatory policies, and review as appropriate as necessary. • To develop district bylaws and recommend them for Council approval, and review as appropriate and necessary. • To consider any reports relating to any regulatory function to the Council. • To ensure that Council meets all compliance requirements relating to its regulatory responsibilities. • To approve contracts relating to the responsibilities of the Committee. • Review of changes to central government policy or laws affecting Council’s regulatory and policy functions; review of regulatory functions or planning documents and policies of external agencies (including Regional Policy Statements and Plans), and lodgement of responses / submissions as necessary. • Regulatory policy and administration of regulatory functions. • Animal control and dog control. • Responsible camping. • Parking control. • Building Control
Limits to Delegation	<p>Matters that cannot be delegated by Council include:</p> <ul style="list-style-type: none"> • The power to make a rate. • The power to make a bylaw. • The power to borrow money, or purchase or dispose of assets, other than in accordance with the long term plan. • The power to adopt a long term plan, annual plan, annual report. • The power to appoint a Chief Executive. • The power to adopt policies required to be adopted and consulted on under this Act in association with the long term plan or

	<p>developed for the purpose of the local governance statement.</p> <ul style="list-style-type: none">• The power to adopt a remuneration and employment policy.
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SUB-COMMITTEE IN OPEN MEETING

GENERAL BUSINESS AND TABLED ITEMS

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Sub-Committee members are reminded that if he/she has a direct or indirect interest in any item on the agenda be it pecuniary or on grounds of bias and predetermination, then he/she must declare this interest and refrain from discussing or voting on this item.

Table of Contents

1	APOLOGIES AND DECLARATIONS OF INTEREST	8
1.1	APOLOGIES.....	8
1.2	UPDATES TO THE INTERESTS REGISTER	8
1.3	IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA.....	8
1.4	NOTIFICATION OF LATE ITEMS.....	8
2	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	9
2.1	CONFIRMATION OF THE FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 29 JULY 2024	9
2.2	RECEIPT OF MINUTES OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD UNDER DELEGATED AUTHORITY FOR INFORMATION OF COUNCIL HELD 26 AUGUST 2024.....	9
3	AGENDA ITEMS.....	19
3.1	SEWER PAN RATE: FOR SCHOOLS, HOTELS, MOTELS AND OTHER MULTI PAN ESTABLISHMENTS: RATE APPLICATION.	19
3.2	ECONOMIC DEVELOPMENT RATE: INCONSISTENCY IN APPLYING THE RATE:.....	24
3.3	REGULATORY, RECREATION, BUSINESS SUPPORT AND CUSTOMER SERVICES REPORT	28
4	IN COMMITTEE ITEMS.....	51
4.1	CONFIRMATION OF IN COMMITTEE MINUTES OF FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 29 JULY 2024	51
4.2	RECEIPT OF IN COMMITTEE MINUTES OF THE RISK AND ASSURANCE SUB- COMMITTEE MEETING HELD UNDER DELEGATED AUTHORITY FOR INFORMATION OF COUNCIL HELD 26 AUGUST 2024.....	51
4.3	CLAIM AGAINST COUNCIL: DAMAGE TO TANKER: SETTLEMENT.	51
5	SUB-COMMITTEE RESUMES IN OPEN MEETING.....	53

1 APOLOGIES AND DECLARATIONS OF INTEREST

1.1 APOLOGIES

Cr Peter Davy is on leave of absence from 06/08/24 to 13/09/24

1.2 UPDATES TO THE INTERESTS REGISTER

Sub-Committee members to please advise if there are any changes to be made to the current Interests Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

Notification from committee members of:

- 1.3.1 Any interests that may create a conflict with their role as a committee member relating to the items of business for this meeting (prior to taking part in the deliberation of a particular item); and
- 1.3.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968.

1.4 NOTIFICATION OF LATE ITEMS

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

- 1.4.1 The Committee by resolution so decides; and
- 1.4.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

2.1 CONFIRMATION OF THE FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 29 JULY 2024

SUGGESTED RECOMMENDATION

That the minutes of the Finance Regulatory and Business Support Committee held on 29 July 2024 be confirmed as true and correct.

2.2 RECEIPT OF MINUTES OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD UNDER DELEGATED AUTHORITY FOR INFORMATION OF COUNCIL HELD 26 AUGUST 2024

SUGGESTED RECOMMENDATION

That the minutes of the Risk and Assurance Sub-Committee Meeting held on 26 August 2024 be received and noted.

MINUTES OF THE FINANCE REGULATORY AND BUSINESS SUPPORT OF THE GREY DISTRICT COUNCIL**Held in Council Chambers, 105 Tainui Street, Greymouth****on Monday 29 July 2024 commencing at 2:00 pm****PRESENT:**

Cr Rex MacDonald (Chair)

Mayor Tania Gibson, Councillor Allan Gibson, Councillor John Canning, Councillor Peter Davy, Councillor Kate Kennedy, Councillor Robert Mallinson, Councillor Jack O'Connor (via Zoom), Councillor Tim Mora

IN ATTENDANCE:

Paul Pretorius (Acting Chief Executive), Neil Engelbrecht (Finance Manager), Trish Jellyman (Democracy Advisor), Shannon Beynon (Communication & Engagement Manager)

1 APOLOGIES AND DECLARATIONS OF INTEREST**1.1 APOLOGIES****COMMITTEE RESOLUTION FRABS 24/07/001****Moved: Mayor Tania Gibson****Seconded: Cr John Canning**

That the apology from Kw Francois Tumahai be accepted and a leave of absence granted.

Carried Unanimously**1.2 UPDATES TO THE INTERESTS REGISTER**

There were no updates to the Interest Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

There were no declarations of interest.

1.4 NOTIFICATION OF LATE ITEMS

There were no late items.

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**2.1 CONFIRMATION OF THE FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 17 JUNE 2024****COMMITTEE RESOLUTION FRABS 24/07/002****Moved: Cr Robert Mallinson****Seconded: Cr Tim Mora**

That the minutes of the Finance Regulatory and Business Support Committee held on 17 June 2024 be confirmed as true and correct.

Carried Unanimously

3 AGENDA ITEMS

3.1 REGULATORY, RECREATION, BUSINESS SUPPORT AND CUSTOMER SERVICES REPORT

Refer page 15 of the agenda.

The Acting CE advised that the format of the report aims to give Council as much information as possible, he welcomed feedback as to whether or not Councillors feel it gives enough information.

Cr Canning asked when the TiGA Minerals appeal might be heard. The Acting CE undertook to follow up on this.

Cr Mora asked when the Animal Control bylaw is likely to be reviewed. The Acting CE stated that this is in progress.

The Acting CE agreed to provide a full breakdown of costs for dog registration to a constituent of Cr Kennedy's who has requested this.

Cr Mora asked about the comment in the report regarding the maximum number of memberships at the WRC being reached and asked if this means there is a software issue. The Acting CE offered to follow up on this and to report back to all Councillors.

Cr Mora asked about a problem with the roof at the WRC. It was confirmed that this problem relates to a small area around the pool entrance.

Cr Mora asked why the security audit for IT is going to take a year. The Acting CE offered to provide a full report on this matter once the ICT Manager returns from leave. It was agreed that the ICT Manager would present to the next meeting.

The Chairman spoke of some Snap Send Solve requests that have been handed over to the Utilities Team. It was agreed that these would be followed up with the CRSM.

Cr Mallinson pointed out that he had before asked that the IT vulnerabilities section of this report be moved to the In Committee section of the meeting. The Acting CE agreed with this request and advised that the ICT Manager would be made aware of this request.

Cr Kennedy commented that it is good to see that the owners of the Honey Café at Kumara are now the operators of the new café at the WRC. Her Worship confirmed that the new café opens today.

Cr Mora asked what the \$1.6M overdue debt relates to. The Acting CE confirmed this amount includes all monies owed to Council, not only rates.

The FM confirmed that the \$1.6M relates to rates, and fees and charges. He agreed that going forward, rates debt would be kept separate from other debt. It was also agreed that a list of debtors would be provided to Councillors for the next meeting.

COMMITTEE RESOLUTION FRABS 24/07/003

Moved: Cr Allan Gibson

Seconded: Cr John Canning

That the Finance Regulatory and Business Support Committee:

- a) Receives the report and notes the contents.

Carried Unanimously

3.2 FINANCE REPORT FOR THE PERIOD ENDING 30 JUNE 2024

Refer page 40 of the agenda.

Her Worship pointed to the provisional shortfall and confirmed that measures are being put in place that will provide Council with the ability to manage its finances better into the future.

The FM spoke to this report. He stated that Council budgeted a shortfall of \$3.439M but was in fact further overspent by another \$800,000. The final position will only be known once the final year end wash up is done.

He stated that cashflows are running a bit lower than expected. He is working on what controls can be put in place going forward. He is also working on overruns. He advised that he will be working closely with managers to ensure that budgets are kept on track.

Cr Mallinson asked when is the first draft of the Annual Report expected.

The FM confirmed that this is an interim result and the final number is likely to be included in the first draft of the Annual Report which is expected around the middle of September.

Cr Mallinson indicated that he would have expected this earlier.

The Acting CE reminded Councillors that Council is functioning without a manager and a consultant is being used in the finance area. He offered to talk this process through with Cr Mallinson should he have any concerns.

In response to a question from Cr Mora, the FM confirmed that the majority of subsidies and grants relate to NZTA claims.

Her Worship stated there will be no cost overruns with budgets without Council approval from hereon in, there will be some tightening and changes which is what Council has been asking for.

It was confirmed that Mr Murray Staite is assisting in the financial area.

COMMITTEE RESOLUTION FRABS 24/07/004

Moved: Cr Rex MacDonald

Seconded: Cr Allan Gibson

That the Finance Regulatory and Business Support Committee:

- a) Receives the report and notes the contents.

Carried Unanimously

3.3 ACTIVITY BASED MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING 30 JUNE 2024

Refer page 45 of the agenda.

The FM spoke to this report and advised that going forward he will be providing a lot more detail to Council especially with regard to any budget overspending which will now require Council approval.

Cr Mallinson stated that he had asked previously if staff could look at totalling some of the big revenue expenditure items in each activity statement. He stated that he would still like to see this.

The Chairman stated that he would also like to see this information.

The Acting CE stated that he would like to sit with Cr Mallinson to discuss what format he would like to see in this report.

The Acting CE confirmed his commitment to reduce the amount spent on consultants but at the moment he has no other option. He confirmed that the GMO position will not be filled until the new CE is on board and that he is acting in this role too. He stated that due to the staffing situation he has no option but to use finance consultants as Council has to provide an Annual Report.

The Chairman stated that this is a very prudent approach as Council cannot be exposed during this time.

Cr Gibson asked for further clarification on insurance variance. The FM advised that this is a classification between the various statements. He agreed to circulate further insurance information to Council.

COMMITTEE RESOLUTION FRABS 24/07/005**Moved: Cr Tim Mora****Seconded: Cr Kate Kennedy**

That the Finance Regulatory and Business Support Committee:

- (a) Receive the report and note the contents.

Carried Unanimously**4 IN COMMITTEE ITEMS**

That the public is excluded from this part of the meeting in relation to:

Agenda item 4.1

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

COMMITTEE RESOLUTION FRABS 24/07/006**Moved: Cr Rex MacDonald****Seconded: Mayor Tania Gibson**

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
4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 17 JUNE 2024	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

Carried Unanimously**5 SUB-COMMITTEE RESUMES IN OPEN MEETING****CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.**

The meeting concluded at 2.28pm.

Confirmed

R MacDonald

Chairperson

____/____/____

Date

UNCONFIRMED

MINUTES OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING OF THE GREY DISTRICT COUNCIL**Held in Council Chambers, 105 Tainui Street, Greymouth****on Monday 26 August 2024 commencing at 3.30pm**

PRESENT: Mr Rob Caldwell (Chair)
Mayor Tania Gibson (Deputy Chair), Councillor Robert Mallinson, Councillor Rex MacDonald, Councillor Jack O'Connor.

IN ATTENDANCE: Neil Engelbrecht (Finance Manager), Russel Maliwat (ICT Manager), Murray Staite (Finance), Megan Bourke (Communications Officer), Catriona Bayliss (Minutes Secretary)

1 APOLOGIES AND DECLARATIONS OF INTEREST**1.1 APOLOGIES**

There were no apologies.

1.2 UPDATES TO THE INTERESTS REGISTER

There were no updates to the Interest Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

There were no declarations of interest.

1.4 NOTIFICATION OF LATE ITEMS

There were no late items.

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**2.1 CONFIRMATION OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 4 JUNE 2024**

COMMITTEE RESOLUTION RA 24/08/022

Moved: Cr Rex MacDonald

Seconded: Mayor Tania Gibson

That the minutes of the Risk and Assurance Sub-Committee Meeting held on 4 June 2024 be confirmed as true and correct.

Carried Unanimously

3 AGENDA ITEMS

3.1 TREASURY UPDATE 30 JUNE 2024

Refer page 16 of the agenda.

Mr Caldwell noted that in reading the report there are a couple of non-compliances but these have worked to the advantage of Council.

There were no questions from members in relation to the report.

COMMITTEE RESOLUTION RA 24/08/023

Moved: Mr Rob Caldwell

Seconded: Cr Rex MacDonald

That the Risk and Assurance Sub-Committee Meeting:

1. **Receives the report and notes the contents.**

Carried Unanimously

3.2 HEALTH AND SAFETY REPORT

Refer page 25 of the agenda.

No staff were available to attend however Mr Caldwell noted that, as always, the report was comprehensive.

Cr Mallinson said it was pleasing to see a 12% increase in compliance. The Finance Manager advised that the H&S Advisor had provided him with a brief update prior to the meeting and they are currently ahead of their compliance target and reaching a point where continued improvement will be difficult.

Cr O'Connor noted an increase in slips, trips and falls but more concerning was Stress and Wellbeing with it noted that further action was required and he suggested this should automatically happen for matters of this nature. The Committee agreed this should be followed up and staff be asked to provide details of the action taken for the next meeting (Action Point).

Mr Caldwell noted that further discussion may need to take place In Committee to protect privacy of staff.

COMMITTEE RESOLUTION RA 24/08/024

Moved: Cr Robert Mallinson

Seconded: Cr Jack O'Connor

1. **That the Risk and Assurance Sub-Committee Meeting receives the report.**

Carried Unanimously

The Chair acknowledged this section of today's meeting had been fairly short but the agenda had intentionally been kept brief in recognition of staff's current workload.

4 IN COMMITTEE ITEMS

That the public is excluded from this part of the meeting in relation to:

Agenda items 4.1 & 4.2

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

COMMITTEE RESOLUTION RA 24/08/025

Moved: Cr Robert Mallinson

Seconded: Cr Rex MacDonald

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
<p>4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 4 JUNE 2024</p>	<p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>4.2 - ICT AND CYBERSECURITY IMPLEMENTATION PLAN ON AUDITS PERFORMED</p>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

4.3 Murray Staite, Financial Advisor, be permitted to stay for the public excluded section of the meeting.

Carried Unanimously

5 SUB-COMMITTEE RESUMES IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.

The meeting concluded at 4.20 pm.

Confirmed

R Caldwell

Chairperson

____/____/____

Date

UNCONFIRMED

3 AGENDA ITEMS

3.1 SEWER PAN RATE: FOR SCHOOLS, HOTELS, MOTELS AND OTHER MULTI PAN ESTABLISHMENTS: RATE APPLICATION.

File Number:

Report Author: Acting Chief Executive

Report Authoriser: Acting Chief Executive

Appendices: Nil

1. REPORT PURPOSE

- 1.1. To inform Council of issues with the application of pan charges at schools, accommodation and other multi pan establishments.
- 1.2. To recommend a way forward.

2. EXECUTIVE SUMMARY

- 2.1. Council's Rating Policy provides for a pan charge less 25% per pan for multi pan establishments.
- 2.2. Council's Annual Plan provides for the first pan to be rated at full charge and the balance at 25 % of the full charge per pan.
- 2.3. Council's Rating Decision of 27 June 2024 mirrors the Annual Plan provision.
- 2.4. There, therefore is an inconsistency.
- 2.5. The 2024/5 cost per pan is \$853.70 which is \$103.00 higher than the 2023/4 pan charge.
- 2.6. Despite the above approaches having been in place for a few years, it has not been applied. Only a single charge has been applied to schools, hotels, motels etc. This decision was apparently made on officer level (unable to find Council decision) **probably** as part of Council's no rate increase approach for Covid and perpetuated since.
- 2.7. Staff for the current year did apply the per pan charge per the Annual Plan to Schools (other multi pan institutions were not charged because they were not mentioned in the Council policy) in the district, which has resulted in significant increases in the sewer rate payable by them. Whilst the action of staff has been in line with Council policy, they did not know that the policy had not been applied before and the significant rate increases for schools came as a surprise to them and the schools.
- 2.8. Even though the new approach is fair, it has to be noted that there has not been any consultation with the schools which makes it unexpected.
- 2.9. This item provides a recommended solution for 2024/5 and proposes an approach for 2025/6.

3. OFFICER RECOMMENDATION

That the Finance Regulatory and Business Support Committee

1. Notes the contents of the report.

2. Agrees to maintain a single pan charge for schools for 2024/5 but to give notice to all multi pan establishments that the single pan rate as has been applied over the past few years has been in error and that Council intends correcting the error from 1 July 2025.
3. Council notes that the rates invoices for 2024/5 cannot be changed and approves a rebate to each school for 2024/5 beyond the single pan charge, noting that the financial impact of this adjustment will not impact the Annual Plan significantly.
4. The matter be a specific focus area for the next Annual Plan.

4. BACKGROUND

- 4.1. Council's Annual Plan provides for a pan charge of 1 full charge and a 25% charge per pan on the remainder of pans. Council's Rating Policy as adopted in September 2023 provides for a 25% charge per pan (no single full charge). This represents a discrepancy. Over the last few years, neither of the above approaches had been applied and only a single charge has been applied to multi pan establishments. This **appears** to have been the result of a decision relating to rate arrangements under Covid which inadvertently were perpetuated since. It is important to note that the reduction applied to all multi pan establishments which includes schools, and hotels/motels.
- 4.2. Council's 2024/5 Annual Plan had been duly notified but the non-compliance since 2021 with the Annual Plan or Rating Policy provisions re sewerage rates for multi pan establishments has only become known at the last minute and the Annual Plan provision for **schools** only has been applied. Understandably, the outcome came as a shock.
- 4.3. The following provides an idea of the impact. It uses a School with 57 pans as example.

Rating Policy:

57 pans x \$853.70	\$ 12,165.23
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Annual Plan

1 x \$853.70	\$ 853.70
56 x (\$853.70 x 25%)	<u>\$11,951.80</u>
	<u>\$12,805.50</u>
	\$ 12,805.50

Applied over past few years:

1 x \$853.70	\$ 853.70
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- 4.4. Council cannot recall the rate strike and any adjustment decided on will have to be done as a rebate. Providing a rebate for all schools in the District may cost as much as \$150,000 which will still retain a small budgeted surplus for the year.
- 4.5. It is important to note what other local authorities do:
 - Selwyn levies the full pan charge for the first 4 pans and then a 25% charge for the rest.
 - Tasman levies a full charge on the first pan, a 50% charge on pans 2-5 and a 25% charge on the remainder.
 - Tararua levies full charges but applies a pan determination system based on 20 users equalling one pan.

Buller applies the one pan charge only

4.6. As to the principle of a pan charge per pan for multi pan establishments, the following brief comments are offered in good faith:

- children and teachers at schools are already paying the sewerage rate on their residential properties and the argument can be made that they would have used the facilities at home had they not been at school.
- This argument does not apply to motels/hotels who caters for mainly visitors.

This aspect is only relevant for a decision by Council as to how it will deal with the matter into the future.

5. OPTIONS

5.1. Option 1:

To accept this as a mistake that has been perpetuated over a number of years and, on that basis, apply the single pan charge rate to multi pan users for 2024/5 also by means of a rebate to schools charged, but give notice that Council will address correcting the mistake for 2025/6 onwards.

BENEFITS	NEGATIVES
It reflects acknowledgement on the part of Council that the changes made, whilst legal, came as a surprise to all.	It is potentially unfair as multi pan users will pay the same rate as single households
It confirms Council’s insistence on good communication with its ratepayers.	It represents a financial loss which is exacerbated by the reality that it has been going on for some years now.

There are no practicable other options as the invoices have been sent out and cannot be changed. As stated, any concessions to schools (the Annual Plan has not been applied to motels, hotels etc) will have to be done as a rebate.

6. CONSIDERATIONS

6.1. Legal and Legislative Implications

6.1.1. The invoices have been issued and changes cannot be made other than by means of rebate.

6.2. Financial

6.2.1. There is a financial loss and it has to be accepted that the loss has occurred for some years now.

6.3. Existing Policy and Strategy Implications

6.3.1. Council needs to consider its Rating Policy to bring it in line with best practice.

6.4. Fit with Purpose of Local Government Statement

6.4.1. Not quite but as much as we can get it to comply..

6.5. Effects on Manawhenua

n/a

6.6. Significance and Engagement

6.6.1.

Issue	Level of Significance	Explanation of Assessment
Is there a high level of public interest, or is decision likely to be controversial?	Moderate	The financial impact is not insignificant. Schools have every right to feel aggrieved.
Is there a significant impact arising from duration of the effects from the decision?	Low	
Does the decision relate to a strategic asset? (refer Significance and Engagement Policy for list of strategic assets)	Low	
Does the decision create a substantial change in the level of service provided by Council?	Low	
Does the proposal, activity or decision substantially affect debt, rates or Council finances in any one year or more of the LTP?	Moderate	Income potentially significantly lower. Unfortunately it cannot be changed.
Does the decision involve the sale of a substantial proportion or controlling interest in a CCO or CCTO?	low	
Does the proposal or decision involve entry into a private sector partnership or contract to carry out the deliver on any Council group of activities?	Low	
Does the proposal or decision involve Council exiting from or entering into a group of activities?	Low	

6.7. Community Wellbeings and Outcomes

6.7.1. N/A

6.8. Other

6.8.1. n/a

7. CONCLUSIONS

7.1. An unfortunate situation but one that cannot be rectified other than by giving notice that it will change.

8. NEXT STEPS

8.1. Review of Rating Policy?

8.2. Advice to schools and other multi pan users

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

- (a) This report contains:
 - (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
 - (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

3.2 ECONOMIC DEVELOPMENT RATE: INCONSISTENCY IN APPLYING THE RATE:

File Number:**Report Author:** Acting Chief Executive**Report Authoriser:** Acting Chief Executive**Appendices:** Nil

1. REPORT PURPOSE

- 1.1. Council to note inconsistencies in the application of the Economic development rate payable and potential solutions for 2024/5

2. EXECUTIVE SUMMARY

- 2.1. Council has over the years implemented an Economic Development Rate payable by all businesses in the District as a means of recouping costs associated with Economic Development promotion.
- 2.2. In 2019/20, the Economic Development Rate was charged in full. In 2020/21 the rate was effectively halved. Whilst no Council decision for this has been found, it may have been the result of Council no longer having an Economic Development Officer and acknowledging the reduction to have been a fair reflection that its annual financial commitment to Economic Development promotion was lower. This lower Economic Development rate was more or less (the differential was slightly different) similar for 2021/2. In 2022/3 this rate has effectively halved again, probably in line with Council's COVID stance re rating. This lower rate was perpetuated in 2023/4 at the "COVID rate"
- 2.3. The legislative basis for the 2023/4 lower rate perpetuation is questionable as the Annual Plan decision required it to be the full rate (i.e. pre COVID.)
- 2.4. For 2024/5, the pre COVID rate has been reinstated per the Annual Plan decision, but has now resulted in enquiries from certain businesses.
- 2.5. There is little doubt that the basis for an Economic Development rate requires extensive reconsideration and reformulation but, as the Annual Plan has been done correctly and the rate strike concluded correctly, the 2024/5 rate as struck cannot be changed. Council has the option to approve rebates to make up the difference between the rate struck and the so-called lower rate, but it has to accept that this will impact its income position negatively.
- 2.6. Direction of Council is sought on how to deal with the situation.

3. OFFICER RECOMMENDATION

That the Finance Regulatory and Business Support Committee recommends to Council:

1. That the report be noted
2. That the apparent mistake of not reinstating the "full" Economic Development rate for 2023/4 be noted and the loss of income accepted as unfortunate
3. That Council commits to a comprehensive review of the Economic Development rate for purposes of the 2025/6 Annual Plan.
4. That Council confirms the 2024/5 Economic Development rate to have been correctly struck at the correct levels and that it is due and payable.

OR

That the Finance Regulatory and Business Support Committee recommends to Council:

1. That the report be noted
2. That the apparent mistake of not reinstating the “full” Economic Development rate for 2023/4 be noted and the loss of income accepted as unfortunate
3. That Council commits to a comprehensive review of the Economic Development rate for purposes of the 2025/6 Annual Plan.
4. That Council confirms the 2023/4 Economic Development rate to have been struck in error at the COVID rate and approves rebates to make up the difference between the COVID rate and the rate struck for 2024/5 in recognition of the fact that the rate is unexpected.

4. BACKGROUND

- 4.1. Please note that this report focuses entirely on the difference between the Economic Development rate struck for the 2024/5 financial year and the “COVID rate” which is approximately 50% of the rate immediately pre COVID. On that basis, whilst some effort has gone into finding mandating Council decisions, the information provided is based on verbal advice ought from previous employees.
- 4.2. The matter is as outlined in EXECUTIVE SUMMARY above. The crux of the matter is that the Economic Development rate for 2023/4 should have been reinstated to pre-COVID levels which would have avoided the concern in relation to the 2024/5 rate as struck. The failure to do so mirrors the problem with pan charges addressed in a separate item on this agenda.
- 4.3. Should Council wish to accommodate the change to the higher (correctly struck) Economic Development rate for 2024/5, it can do so by means of rebates. The monetary value of such an adjustment is not expected to be higher than \$ 150,000 (this year’s budget on the full rate is \$299,875.42). Such an adjustment on top of the school pan charges “correction” will come close to putting Council’s Annual Plan for 2024/5 in overdraft.

The two options available, therefore are:

Option 1: To determine that the Economic Development rate as struck for 2024/5 is correct and should stand.

BENEFITS	NEGATIVES
It confirms that the rate struck last year has been struck at COVID levels which was not in line with Council’s rating decision	It does not acknowledge the fact that some 750 commercial entities are faced with an unexpected increase this year which, for the larger bodies represents an increase of circa \$ 6,000.
It avoids Council having to provide for rebates to the value of some \$150,000 to “accommodate” the increase from last year to this year.	It may result in criticism as it further exacerbates an average rate increase of 13.65% for the year.

Option 2. To accept the application of the full Economic Rate as being unexpected for some 750 commercial entities across the District and to approve rebates to offset the increase in recognition of the already sizable general rate increase of 13.65%

BENEFITS	NEGATIVES

<p>It acknowledges the fact that some 750 commercial entities are faced with an unexpected increase this year which, for the larger bodies represents an increase of circa \$ 6,000.</p>	<p>It will cost circa \$150,000 which, if pan charge adjustments (different item) are also made, will mean that the 2024/5 Annual Plan will end up in deficit.</p>
<p>It avoids criticism that it further exacerbates an average rate increase of 13.65% for the year.</p>	

5. SIGNIFICANCE AND ENGAGEMENT

5.1.

Issue	Level of Significance	Explanation of Assessment
<p>Is there a high level of public interest, or is decision likely to be controversial?</p>	<p>MODERATE</p>	<p>This involves an unexpected rate connection on top of an already higher than normal general rate increase for the year.</p>
<p>Is there a significant impact arising from duration of the effects from the decision?</p>	<p>Moderate</p>	<p>It has to be accepted that there will be criticism against Council</p>
<p>Does the decision relate to a strategic asset? (refer Significance and Engagement Policy for list of strategic assets)</p>	<p>Low</p>	
<p>Does the decision create a substantial change in the level of service provided by Council?</p>	<p>Low</p>	
<p>Does the proposal, activity or decision substantially affect debt, rates or Council finances in any one year or more of the LTP?</p>	<p>Low</p>	
<p>Does the decision involve the sale of a substantial proportion or controlling interest in a CCO or CCTO?</p>	<p>Low</p>	
<p>Does the proposal or decision involve entry into a private sector partnership or contract to carry out the deliver on any Council group of activities?</p>	<p>Low</p>	
<p>Does the proposal or decision involve Council exiting from or entering into a group of activities?</p>	<p>Low</p>	

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

- (a) This report contains:
 - (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
 - (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

3.3 REGULATORY, RECREATION, BUSINESS SUPPORT AND CUSTOMER SERVICES REPORT

File Number:**Report Author:** Finance Manager**Report Authoriser:** Finance Manager**Appendices:** Nil

1. REPORT PURPOSE

- 1.1. This report is to provide an update to the Finance, Regulatory and Business Support Committee with respect to the delivery of functions and activities within the Support Group.

2. OFFICER RECOMMENDATION

That the Finance Regulatory and Business Support Committee:

- 2.1. Receives the Regulatory, Recreation and Customer Services report and notes the information contained herein.

3. REGULATORY DEPARTMENT

3.1. Planning

3.1.1. Processing

In the month of July Council:

- 19 applications processed.
- 15 applications lodged.

Figures for the year 2024 (to date) are as follows:

- 77 applications lodged.
- These figures are slightly ahead of the previous year (70).

3.2. Te Tai o Poutini Plan

Involvement in this process continues with both meeting attendance at the Technical Advisory Team and the Joint Committee levels.

Four hearing streams were held in July, Council did not give evidence at any.

The Joint Committee made the decision to defer the Ecosystems & Indigenous Biodiversity hearing until mid November 2024. The motion to do so was tabled by the Grey District Council with the reasoning being the signalled changes to the requirements around identification and mapping of Significant Natural Areas (SNA) by the government.

3.3. Freedom Camping and Parking Compliance

3.3.1. Freedom Camping

Occupation of the campsites continues to be quiet. Compliance with regulations is generally good as a result.

Total infringement notices issued for the month were: 26

3.3.2. Parking

Parking compliance was good for another month.

Total infringement notices issued for the month were: **25**

3.4. Food, Health and Liquor Licencing

3.4.1. Liquor Licencing

In the month of July Council:

Applications: **5**

Applications year to date: **87**

3.4.2. Food & Health Regulation

In the month of July Council:

Applications: **5**

Applications year to date: **53**

3.5. Noise Complaints

Complaints for July: **11**

Complaints for year to date: **125**

3.6. Animal Control

Complaints for July: **21**

Complaints for year to date: **120**

3.7. Other Regulation

Due to staffing no general compliance function is being undertaken.

3.8.

4. COMMUNITY, RECREATION AND CUSTOMER SERVICES

Community & Recreation Services Manager

The community and recreation team had a month full of activities. On 29 July the long-awaited Café opened at the Westland Recreation Centre and the Mayor and CRSM visited at 10am to welcome the team. This is a great addition to the facility. The Kaye Power Sparkle Netball Tournament took place and has been a highlight for our Tamariki. The WRC is the proud sponsor of this tournament for the past 7 years.

The Grey District Library delivered another very successful holiday programme with many activities. Attendance numbers reflected the popularity of these programmes. The commencement of the new library build has the team excited although they have quite a while to wait. The position for Systems Librarian which isn't filled creates a back log in work which has been shared with 3 staff on top of their normal duties. This is not sustainable long term.

The Customer Service team was very busy with dog registrations and a heartfelt thank you to everyone, across the team, who assisted with cover to enable us to continue with service delivery.

This is reflected in the HappyOrNot feedback this month:

- Customer Service 80 responses
- Westland Recreation Services 695 responses
- Grey District Library 267 responses

Performance Measures

Area	How we'll measure	22/23 target	22/23 measure	23/24 Tracking July	Comment
Customer Service GDC	% of users satisfied with service	0	0	93%	
Library	% of users satisfied with service	82%	63%	90%	
Westland Recreation Centre	% of users satisfied with pools	75%	71%	78%	Pools & stadium combined
	% of users satisfied with stadium	75%	65%	86%	Average of fitness & pools combined
	% of users satisfied with fitness/classes	65%	53%	76%	

Customer service



Library



Westland Recreation Centre

How happy are you with our service today?



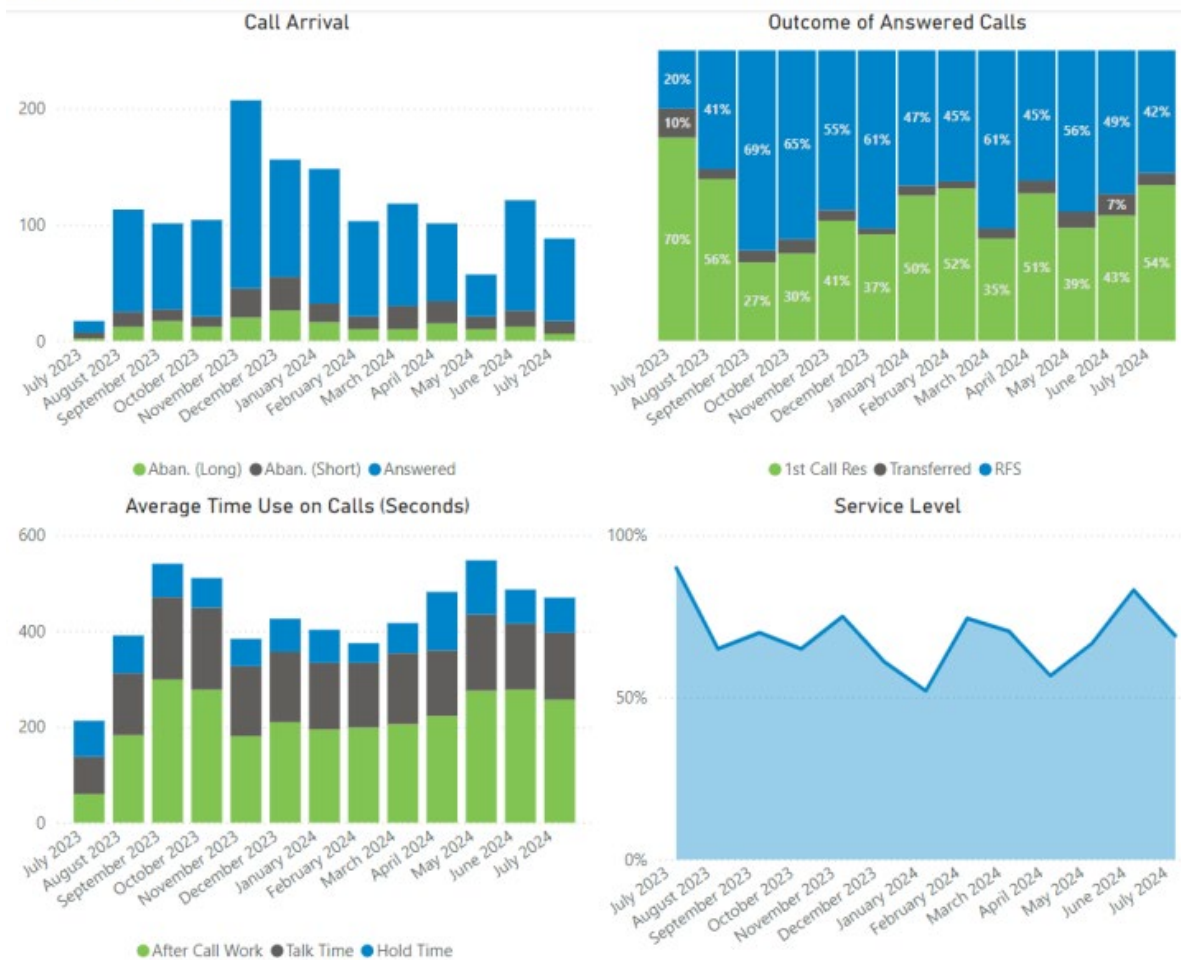
PNCC – After hour call service

SUMMARY JULY 2024

Key statistics this month

Number of calls	88
Number of Requests Logged	30
Abandoned rate (%)	7%
Service Level	69%
Average Speed to Answer	00:00:41
Average Handle Time (TT + ACW)	00:06:49

How are you tracking?



Projects

CRMs – Customer Service team has a new team member, however still one CSO down. The Finance team has requested the team to take over all the administration of Rates Rebate. Once fully staffed the team will consider this as it was the reason why the team was created. Rates Rebates is the same supportive function as for LIMS, Leases, Pensioner Housing in addition to the BAU administration and customer service deliveries.

HappyOrNot – Number of responses are higher this month due to holiday programs, dog registrations and Fun Fest etc.

Museum Services – ACE provided a workshop paper.

PARS – Draft document in progress

Policies & Procedures review – Review completed, and information will be provided to PCBP upon her return from leave.

LTP – AMPs for Community and Recreation have been completed and only awaits the budgets. This can be reviewed as GDC did the enhanced annual plan option.

WRC Café & Reception – Both projects completed and will be removed from the list.

WRC Roof remedials – No tenders were received, retender will be released in August.

EMSOL Energy Audit – CRSM met with GMO, task team meeting has been scheduled for 9 August.

Age Friendly Strategy – Not progressing.

GDC Staff membership – the uptake from council staff has been low. A promotion is planned for September.

Smartsheet Project Management – CRSM is using this platform to track project updates.

Community Economic Development Strategy review – CRSM has submitted a report to ELT which is on hold for the moment.

Library Supervisor – Report for July 2024

1. HISTORY HOUSE MUSEUM

1.1 Summary

- John Taylor has gone to Europe for six weeks. Efforts to finalise a formal arrangement to vet/dispose the HHM collection are on-going.

2. GREY DISTRICT LIBRARY

2.1 Summary

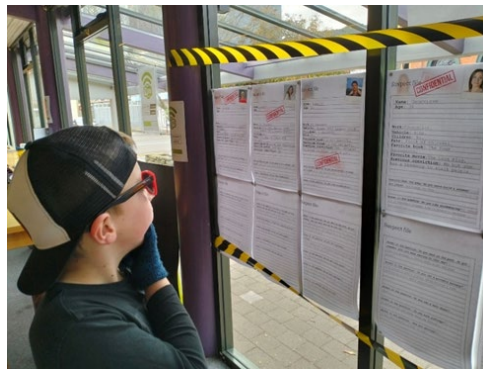
- There was an average of 255 patrons per day during July for a total of 6,878.
- Grey, Westland, and Buller Libraries have agreed to reciprocal borrowing between all three with Buller joining a pre-existing arrangement between Grey and Westland.
- The July holiday programme came and went, to great success.
- The absence of a systems and cataloguing Librarian since February continues to hinder BAU and other tasks especially at the top level; this is compounded when key staff are absent.

2.2 Programmes and outreach



- **Family Start:** The library collaborated with Family Start by providing Lego for their Family Fun Day Extravaganza at the Regent Theatre. (Photo courtesy of Family Start).

- **School Holiday Programme:** Johanna and the team put on a great programme for July school holidays, with events ranging from a murder mystery to various winter crafts and a colouring-in competition for all ages. All up, 250 parents and children attended our events.

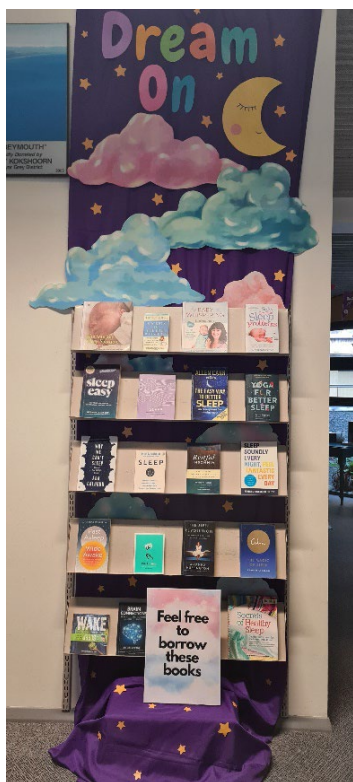


- **Pounamu Pathway:** The Library staff were kindly treated to a complimentary after-hours tour of the Pounamu Pathway facility. We look forward to further opportunities to collaborate and cross-promote services.



2.3 Displays

- **Main display:** Sleeping books

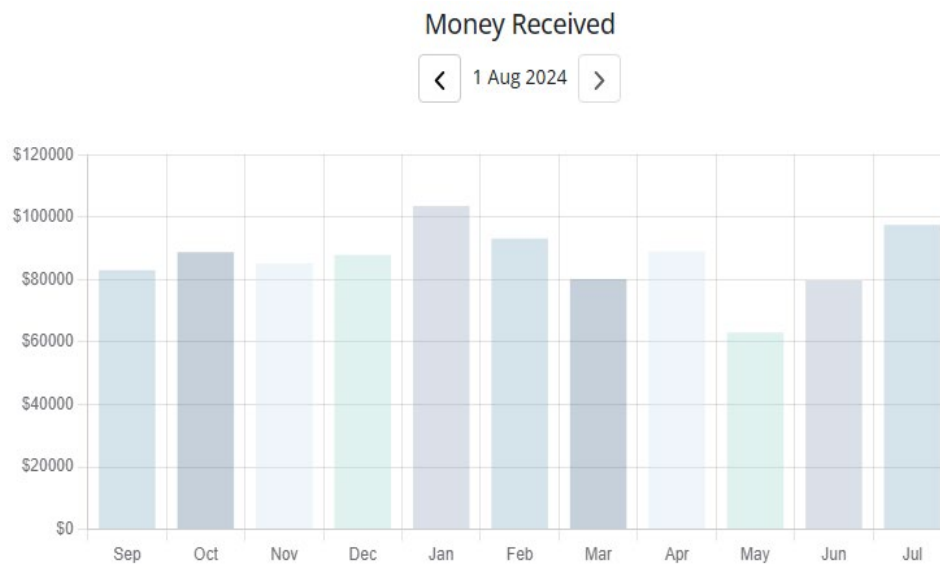


- **Reading room display:** Put on a shirt dude ... it's cold

3. Westland Recreation Centre Supervisor

3.1 Summary

In July we welcomed the latest edition to our facility with the opening of the Honey B Hive. We have already received many praises from members of the public and visitors to the region. July has also been a positive month regarding revenue as per the graph below, as the facility is a popular choice during school holidays.



3.2 Wet side

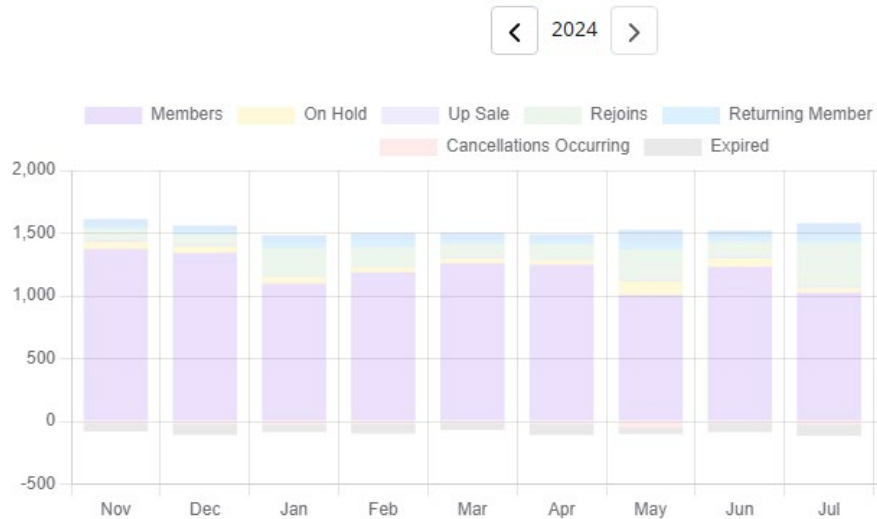
The school holidays are always an exciting time for the team as we had many visitors from out of the region coming in to enjoy our wonderful pools and hydro slides.

3.2.1 Swim School

Term 3 is well under way with many schools coming in and swim school running morning and afternoon lessons Monday to Friday. It is great to see so many lessons taking places at the same time while we continue the rebuild the swim school.

3.3 Dry side

Member Graph at End of Month



3.3.1 Fitness Centre

The gym team welcomed the new team member which is a highlight after many months operating with 3 staff. Sickness plagued the Group Fitness Instructors this month which impacted the classes, but the team is back onboard, and class numbers are increasing.

3.3.2 Stadium

The Stadium is being used at full capacity with winter sport finals. The Fun Fest holiday programme was successful as ever involving children and parents.



The Kaye Powell Sparkle Tournament for the young netball players took place and was more popular than ever. WRC has been the proud sponsor of this tournament for 7 years. Please visit West Coast Netball Face Book page for more information.

4. Customer Service Supervisor

Summary

It was a slow start to July before the Dog registration letters went out, but it soon made up for it with a large turnover of registrations coming in as normal, processing upwards of \$20,000 per day over the counter.

Support was required by bringing staff member back downstairs to assist full-time for a week and to cover the mornings up to morning tea breaks. Also, other staff assisting from Mayor’s Task Force is between 12 and 2pm to cover lunch breaks. Support will continue until a staff member on long term leave returns in early September.

In the last week of July, we welcomed a new team member, and she has hit the ground running with a busy final week of dog registrations, she is a great fit for the team and is working fantastically.

4.1.1 CRM

302 Opened in July
 279 Closed in July
 336 Current Total

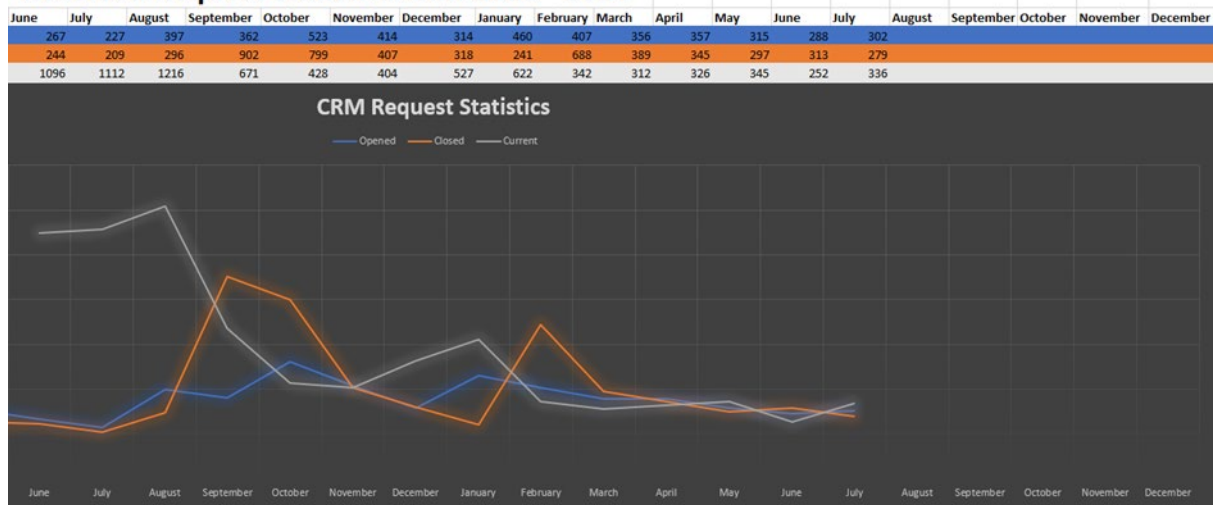
Largest demand categories:

Water 41
 Refuse & Recycling 67
 Roading 34

Department open CRM Totals:

Assets & Engineering 180
 Corporate Services 54
 Regulatory 104

Received Request Statistics CRM 2023 - 2024



4.1.2 Retirement Housing

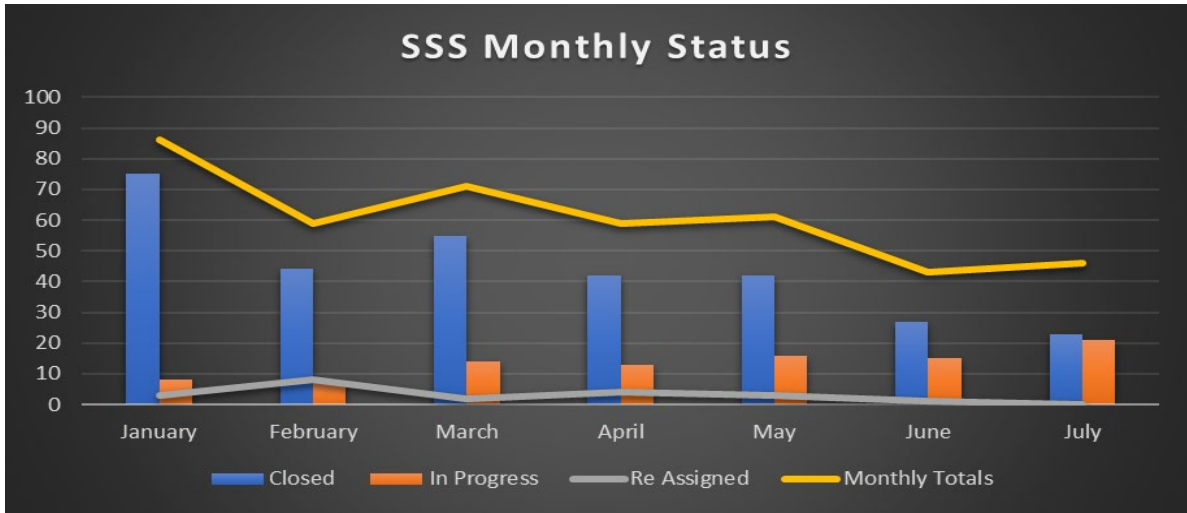
Two new tenants signed up in July, 3 other empty flats that require a large amount of renovation prior to re-tenanting.

4.1.3 Car Park Leasing

No changes to levels

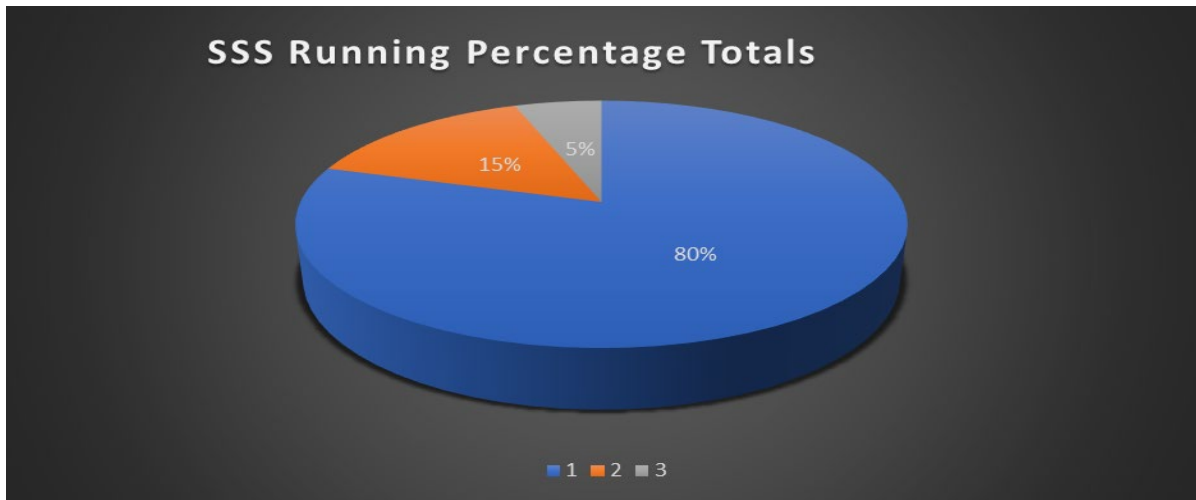
4.1.4 Snap Send Solve

46 Snaps Created
 108 In Progress Overall Total



Live SSS Overall Running Percentages (July 2023 – Current)

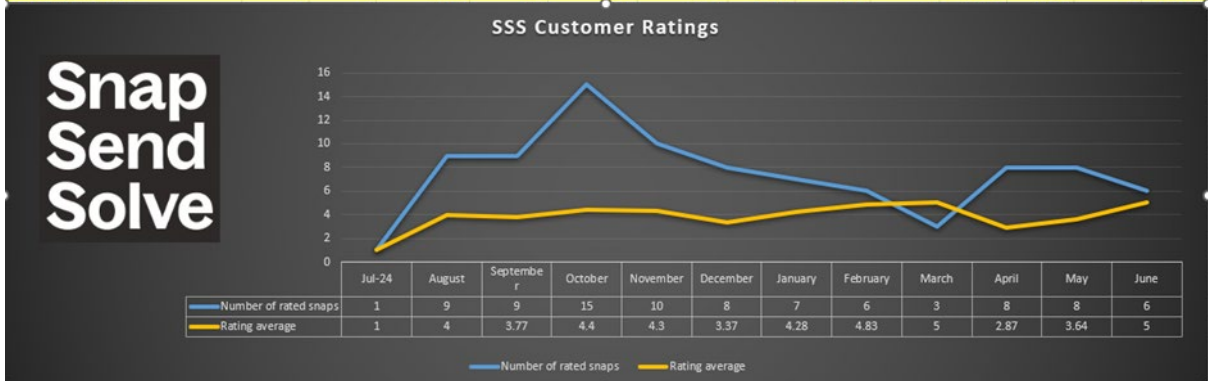
Closed	583
In Progress	108
Re Assigned	40
Total	733



SSS Ratings

12 months running rating average 3.872 (Out of 5)

Rating Averages 2023-2024	Jul-24	August	September	October	November	December	January	February	March	April	May	June	Total
Number of rated snaps	1	9	9	15	10	8	7	6	3	8	8	6	90
Rating average	1	4	3.77	4.4	4.3	3.37	4.28	4.83	5	2.87	3.64	5	3.872



4. 1. 5. Land Information Management (LIMS)

Total Requested LIMS	19
Refunded due to time frame not meeting	0

5 LAND LEASES

- 5.1** Along with our usual work reported previously, staff are continuing to deal with renewals, rental reviews and various enquires in relation to Land, Leases and Licences.
- 5.2** These processes can be slow with delays being experienced in obtaining valuations and time required for various aspects of the Legal process (where relevant).
- 5.3** Good progress is being made with bringing up to date the backlog of rental reviews and renewals. Processes are being put into place so going forward these reviews and renewals and carried out as efficiently and close to the relevant dates as possible.

Update on the total number in progress

Current Leases:	119
Lease Rental reviews:	22
Lease CPI Rental reviews:	0 (all completed)
Lease renewals:	13
New leases:	3
New Lease enquiries:	1
Cancellation of Leases	1
Variation of Lease Area	1
Current Licences to Occupy:	169
Licences to occupy CPI Rental reviews:	0 (all completed)
Licences to Occupy Renewals:	158
New Licences to Occupy:	7
Freeholding of Land:	4
Freeholding Land Enquiries:	1
Land purchase enquiries:	13

Staff are still in the process of considering suggestions for Policy additions or amendments.

Staff are working with the Finance team dealing with a number of matters including reviewing costings codes and debtors. New procedures and processes are being put in place in order to make everything run as efficiently as possible and staff are working as a team collaboratively to refine these.

Licences to Occupy are still in the process of being switched to the new templates. Investigations and considerations are ongoing into streamlining processes when dealing with and determining Licence, Lease and Land requests.

6 ICT

Topic	Intent	Agenda	Frequency
Reports on security audit	Inform the ELT and Council stakeholders on the status and progress of IT & Governance and Security audit reports.	<ul style="list-style-type: none"> • Updates on progress of IT and Governance audit report (FTG) • Updates on progress of Security audit report (SSS) • Overall status and what to expect in the future 	Monthly / Quarterly
Infrastructure and Operations	Inform the ELT and Council stakeholders about current and future needs for availability, performance and capacity of IT systems and infrastructure.	<ul style="list-style-type: none"> • Implementation of Service Desk Plus (ManageEngine) • Email Archiving Solution (Mimecast) • Wide Area Network (WAN) Migration • Core Network Infrastructure Upgrade 	Ad hoc
Strategy and Governance	Inform the ELT and Council stakeholders about current ICT strategy that would help drive future initiatives.	<ul style="list-style-type: none"> • Business capabilities (new vs enhanced) • Project business value and benefits • Business risk assessed 	Annually
Security and Risk	Inform the ELT and Council stakeholders about proactive security and risk initiatives.	<ul style="list-style-type: none"> • Security goals and objectives (alignment and framework) • Top threats and risks for GDC and their business impacts • Risk mitigation strategies and roadmap 	Quarterly

6.1 IT Infrastructure and Operations

Initiatives / Projects		Initiative Timeline (FY24-FY25)	Total Investment
01	Implementation of Service Desk Plus	FY24 Q1 – FY24 Q2	Capex: \$80K Opex: \$20k
02	Email Archiving Solution	FY24 Q2 – FY25 Q3	Capex: \$40K Opex: \$20K
03	Wide Area Network Migration	FY24 Q2 – FY25 Q4	Capex: \$400K Opex: \$100K
04	Core Network Infrastructure Upgrade	FY24 Q3 – FY25 Q4	Capex: \$300K Opex: \$100K

6.1.1 Implementation of Service Desk Plus (ManageEngine)

ServiceDesk Plus is a comprehensive IT service management (ITSM) software that offers a wide range of benefits for organizations looking to streamline their IT operations and provide efficient support to their employees. Some of the key benefits of ManageEngine ServiceDesk Plus include:

- Incident and problem management: ServiceDesk Plus will help GDC quickly identify, prioritize, and resolve IT incidents and problems, thereby minimizing downtime and improving productivity.
- Change management: The software allows GDC to manage changes to the IT infrastructure in a controlled and systematic manner, reducing the risk of disruptions and ensuring compliance with ITIL best practices.
- Asset management: ServiceDesk Plus will help GDC track and manage IT assets, including hardware, software, and other resources, enabling better asset utilization and cost management.

Overall, ManageEngine ServiceDesk Plus provides a powerful ITSM solution that can help GDC improve service quality, increase efficiency, and reduce costs associated with IT support operations.

6.1.2 Email Archiving Solution (Mimecast)

Mimecast email archiving solution is important for organizations for several reasons:

- Compliance: Email archiving solutions will help GDC meet regulatory compliance requirements by securely storing emails and ensuring they are easily accessible for auditing purposes.
- Legal eDiscovery: In the event of litigation or a legal dispute, email archiving solutions can help GDC quickly retrieve relevant emails and data to support their case, reducing the time and cost associated with eDiscovery requests.
- Data Retention: Email archiving solutions help GDC retain important business records and communications for a specified period, ensuring data integrity and providing a historical record of communications.

- **Storage management:** By archiving older emails and attachments, GDC can free up space on email servers, improve email system performance, and reduce storage costs.
- **Business Continuity:** Email archiving solutions help organizations safeguard against data loss due to accidental deletion, corruption, or system failure by providing a secure backup of all email communications.
- **Security:** Oftentimes, email archiving solutions offer advanced security features like encryption, data loss prevention, and tamper-proof storage, helping organizations protect sensitive data and mitigate the risk of data breaches.

Overall, Mimecast email archiving solution plays a critical role in helping organizations manage and secure their email communications effectively, ensuring compliance, data retention, legal support, and improved email system performance.

6.1.3 Wide Area Network (WAN) Migration

Migrating from a traditional Multiprotocol Label Switching (MPLS) network to a Software-Defined Wide Area Network (SD-WAN) offers several key benefits and advantages for GDC:

- **Cost Savings:** SD-WAN can significantly reduce operational costs by leveraging multiple connection types, such as broadband internet, to create a more cost-effective network infrastructure compared to MPLS.
- **Improved Performance:** SD-WAN optimizes network traffic by dynamically routing data over the most efficient path, resulting in improved application performance and reduced latency.
- **Enhanced Flexibility:** SD-WAN provides greater flexibility to scale network bandwidth up or down based on business needs, allowing organizations to adapt quickly to changing requirements.
- **Increased Resilience:** SD-WAN offers built-in redundancy and failover capabilities, ensuring network uptime and reliability even in the event of a connection failure.
- **Centralised Management:** SD-WAN solutions provide centralised management and control of network traffic, allowing IT teams to monitor and manage the network more efficiently.
- **Application Prioritisation:** SD-WAN enables organisations to prioritise critical applications over less important traffic, ensuring optimal performance for key business applications.
- **Security:** SD-WAN solutions often include advanced security features such as encryption, firewall capabilities, and threat detection, enhancing network security and protecting data in transit.
- **Cloud Connectivity:** SD-WAN simplifies connectivity to cloud services by providing direct access to cloud applications and services, improving user experience and productivity.
- **Scalability:** SD-WAN is highly scalable and can easily accommodate the addition of new sites or users without the need for significant infrastructure changes.

- **Future-Proofing:** By migrating to SD-WAN, GDC can future-proof its network infrastructure and adapt to emerging technologies and business requirements more effectively.

Overall, migrating from MPLS to SD-WAN offers organizations a more agile, cost-effective, and efficient network solution that can improve performance, flexibility, security, and scalability while reducing operational costs.

6.1.4 Core Network Infrastructure Upgrade

Upgrading core network infrastructure offers GDC several key benefits that can enhance overall performance, security, and efficiency. Some of the benefits of upgrading core network infrastructure include:

- **Improved Performance:** Upgrading core network components such as routers, switches, and firewalls can help optimize network traffic flow, reduce latency, and increase bandwidth capacity, resulting in better performance for critical applications and services.
- **Enhanced Security:** Newer network infrastructure often includes advanced security features such as intrusion detection and prevention systems, encryption capabilities, and regular security updates, helping organizations better protect against cyber threats and data breaches.
- **Scalability:** Upgraded core network infrastructure provides the flexibility to scale network capacity and accommodate the addition of new devices, users, and applications as the organization grows, ensuring scalability and future readiness.
- **Reliability and Uptime:** Modern core network infrastructure is designed to provide high availability and reliability, with built-in redundancy, failover mechanisms, and disaster recovery capabilities to minimize downtime and ensure continuous network operation.
- **Network Monitoring and Management:** Upgraded core network infrastructure often includes centralised management and monitoring tools that enable IT teams to proactively monitor network performance, analyse traffic patterns, and troubleshoot issues quickly and efficiently.
- **Support for New Technologies:** Upgraded core network infrastructure can support the adoption of emerging technologies such as Internet of Things (IoT), cloud services, virtualization, and software-defined networking, enabling organizations to leverage these technologies for innovation and digital transformation.

Overall, upgrading core network infrastructure is essential for GDC to stay competitive, secure, and agile in today's rapidly evolving digital landscape and to ensure optimal performance, reliability, and scalability for their network operations.

6.2 Security and Risk Management

01

Our security operations focus on three key goals:

- reducing the likelihood of data breaches
- improving our network security
- improving compliance.

02

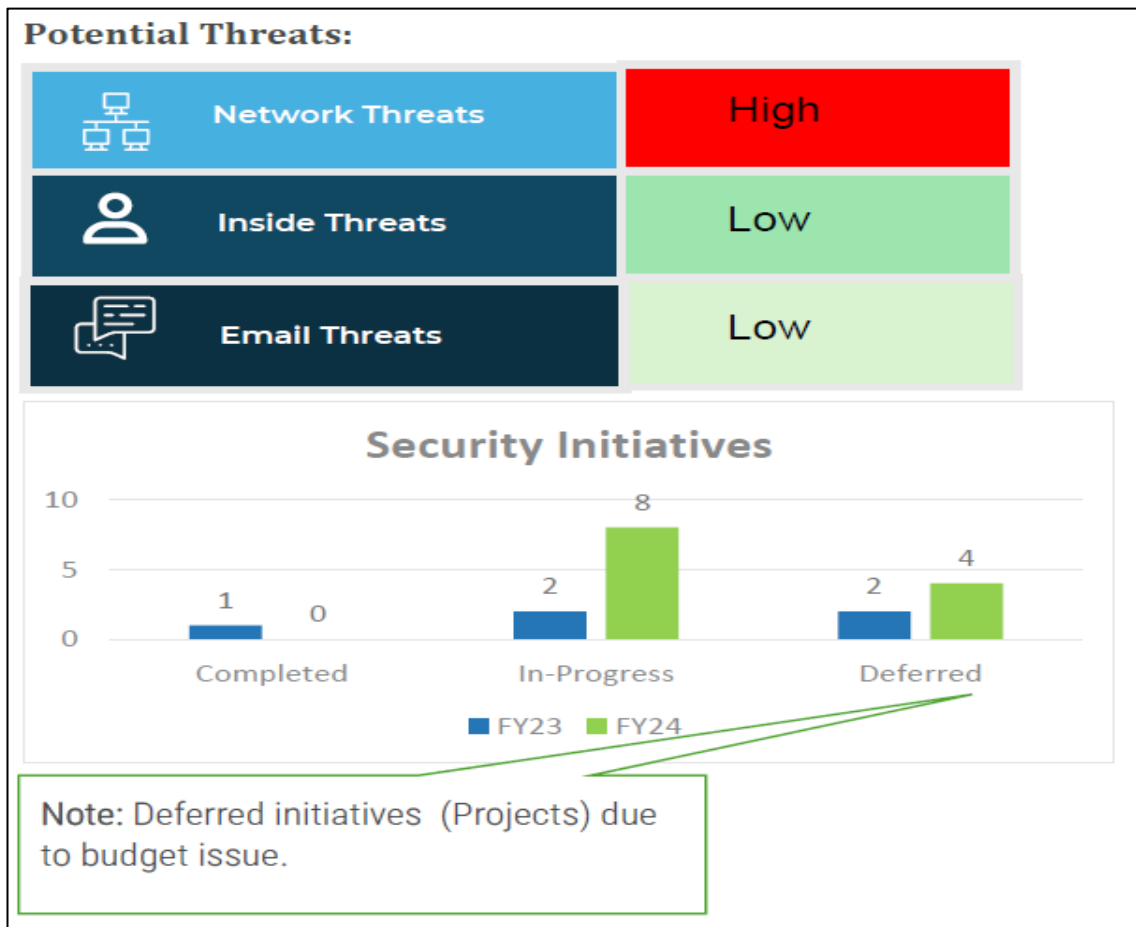
Our new security risk management program has identified four major risks to mitigate:

- Endpoint vulnerability on a legacy system
- Data leakage
- Denial of Service (DoS) / Phishing Attack / Malware
- Regulatory compliance

6.2.1 Security Goals and Objectives

Business goals that support:

- Alignment with standard industry framework (NIST and CIS)
- Reduction of security friction
- Improved training and awareness
- Reduction of costs associated with security incidents (e.g. data breach, regulatory fine)
- Reduction of downtime associated with security incidents.



6.2.2. Top threats and Risks

Cyber threats are always evolving, and there is no silver bullet. The ICT team has adopted a proactive approach to risk identification and analysis.

Threat	Risk	Likelihood	Financial Impact	Financial Risk
Data Breach	Endpoint Vulnerability	75%	\$1M	\$900K
Data Breach	Data Leakage	50%	\$1.5M	\$750K
Network Security	Denial of Service Phishing Attacks Malware	35%	\$500K	\$275K
Compliance	Regulation Alignment	45%	\$1M	\$450K

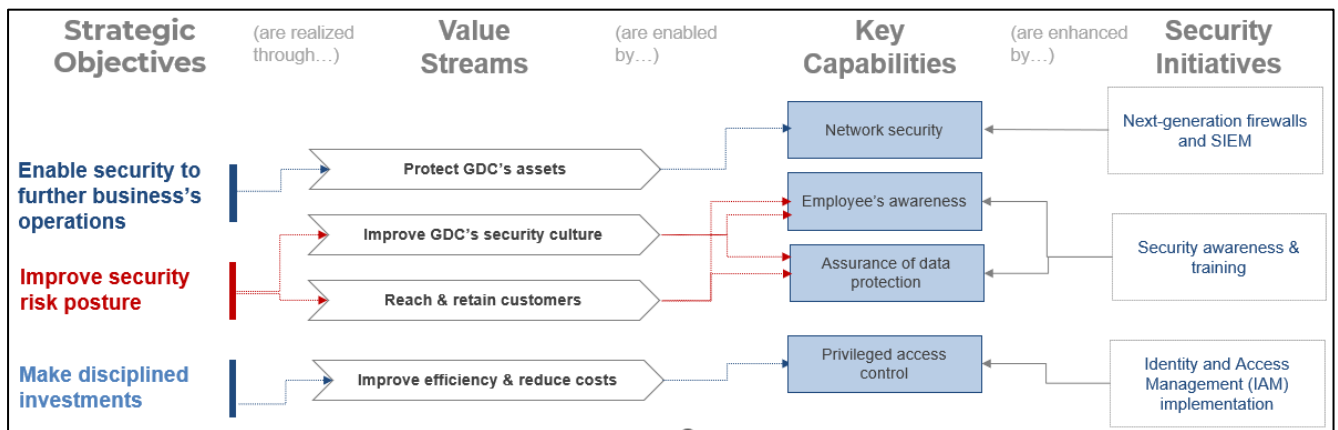
NOTE: The financial impact of these threats could include a combination of loss of revenue and any regulatory fines imposed. These costs could be derived from the industry’s average cost of threat or extrapolated from financial costs incurred in past security incidents.

	Risk	Business Impact	Recommendation
Endpoint Vulnerability	Major vulnerability identified in legacy system	Disruption to operations in support, engineering, and operations departments	Implement endpoint solutions and tools – action required
Data Leakage	Confidential data is not encrypted properly or protected	Customer and council data breach, severe regulatory fines in event of breach, and reputational damage	Implement strong encryption protocols and access control measures. – action required
Denial of Service (DoS), Phishing Attack, Malware	Improving – increasing internal phishing simulations and lack of security awareness/training.	Lack of employee awareness could result in phishing and malware attacks and leaked information	Continued investment in internal training – no action required
Industry Regulation Alignment	75% and increasing	Incomplete alignment could expose us to regulatory fines and penalties	Continued efforts in regulatory alignment – no action required

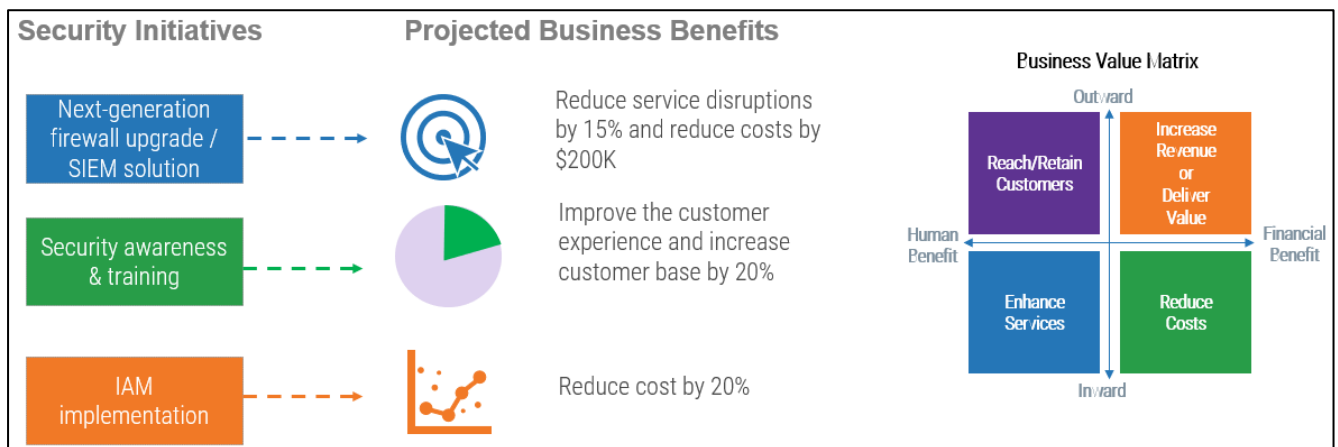
6.3 Risk mitigation strategies and road maps

	FY 23	FY 24	FY 25	FY 26	
Endpoint Vulnerability	Project Kickoff (requirements for rebuild)	Rebuild application to run on a more recent OS and implement endpoint solutions			24 Months
Encrypt Confidential Data	Implement BitLocker & email encryption controls	Perform data discovery and classification	Implement a data loss prevention solution		24 Months
Proactive Protection	Phishing simulations, employee awareness and training				Ongoing
Industry Regulation Alignment	Collaboration with industry regulatory bodies				Ongoing

6.3.1 IT Strategy and Governance implementation

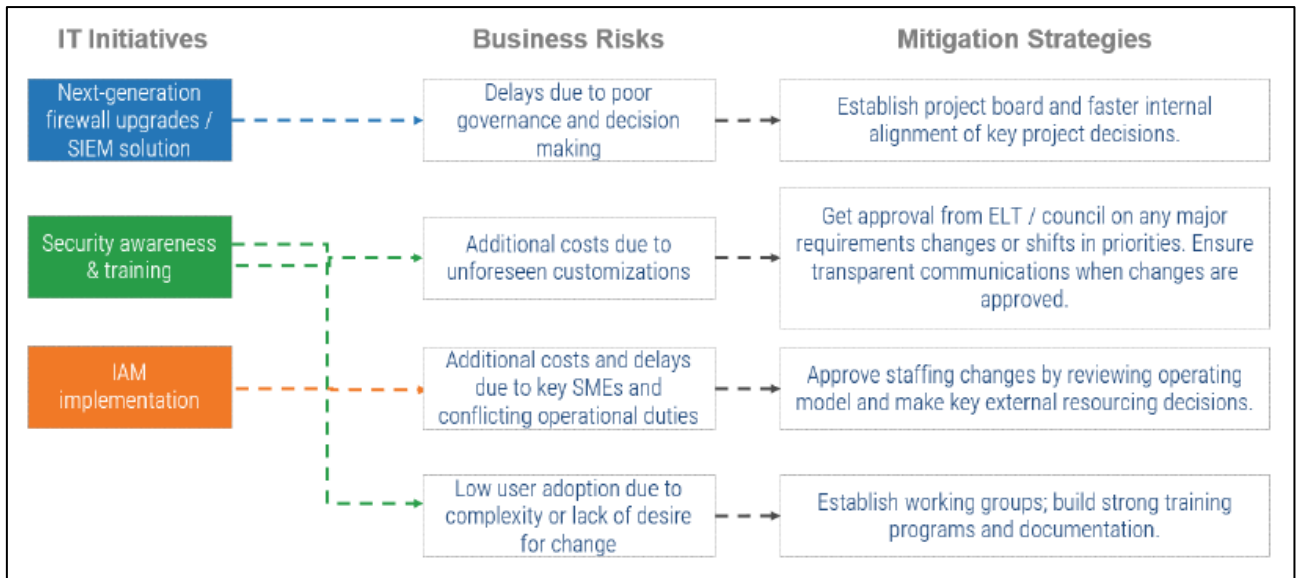


6.3.2 Projected business value and benefits



6.3.3 Business risks assessed

The ICT department is prepared with a list of business risks along with a proactive approach to mitigating them. ICT has planned for unforeseen business disruptions or risks and is dedicated to the success.



7 FINANCE

7.1 Annual Report 2023/2024

The annual report document has been started and the model designed for input of numbers.

The project is currently under way with the finance team working on finalising numbers and preparing final year end adjustments. There is a risk that should there be staff illness the project will not be completed within the statutory timeframes.

The auditors have started their work in preparation for the year end audit and will be onsite from 23 September for a period of three weeks.

7.2 Long Term Plan

Planning for the preparation of the 2025-2034 LTP and LTP audit has begun. The auditors have engaged Council to plan the audit, with the audit to start towards the end of November, dates to be finalised.

Council will leverage off the budgets prepared as part of the Enhanced Annual Plan, as the budgets were initially prepared for 10 years, and this information will be used as a starting point to budget for the next 10 years.

A project plan and timeline has been drafted, highlighting the risks associated with the plan, mainly being a lack of resources. This will be discussed with ELT in the coming week to ensure that the risks can be mitigated to an acceptable level.

A project team and steering group has been identified to monitor the project and ensure that all risks are mitigated, and timelines met.

7.3 ERP Conversion Project

Due to the costs associated with regards to an ERP conversion, the Finance Manager has discussed the support of the current software with the supplier, who indicated that there is no indication of support stopping in the foreseeable future.

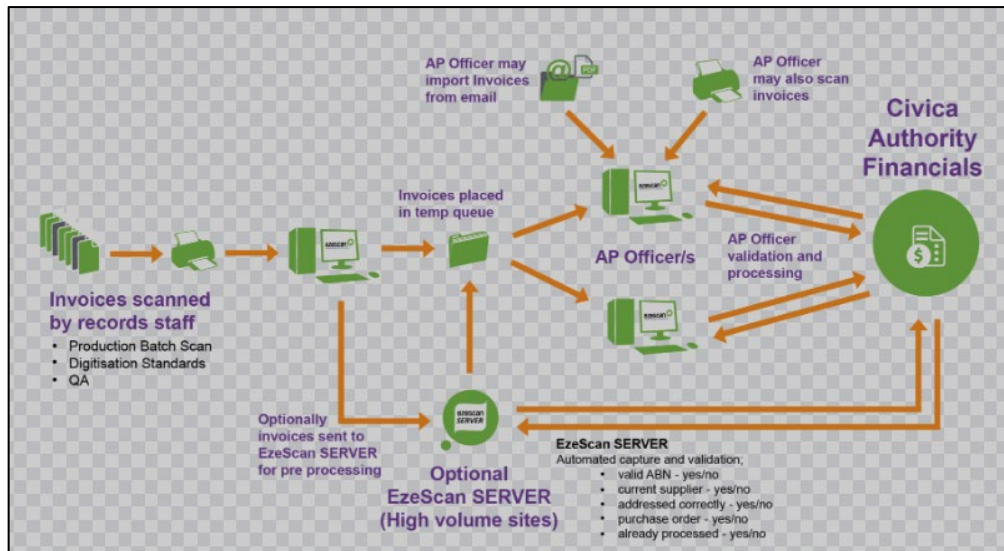
As such the project will be placed on hold and sufficient budgeting done through the LTP process for the replacement of the software.

7.4 Financial Control and Control Environment

The Finance Manager and Finance Team are working through the financial controls and processes to ensure that there are sufficient controls to mitigate the financial risks, whether due to fraud or error, to an acceptable risk.

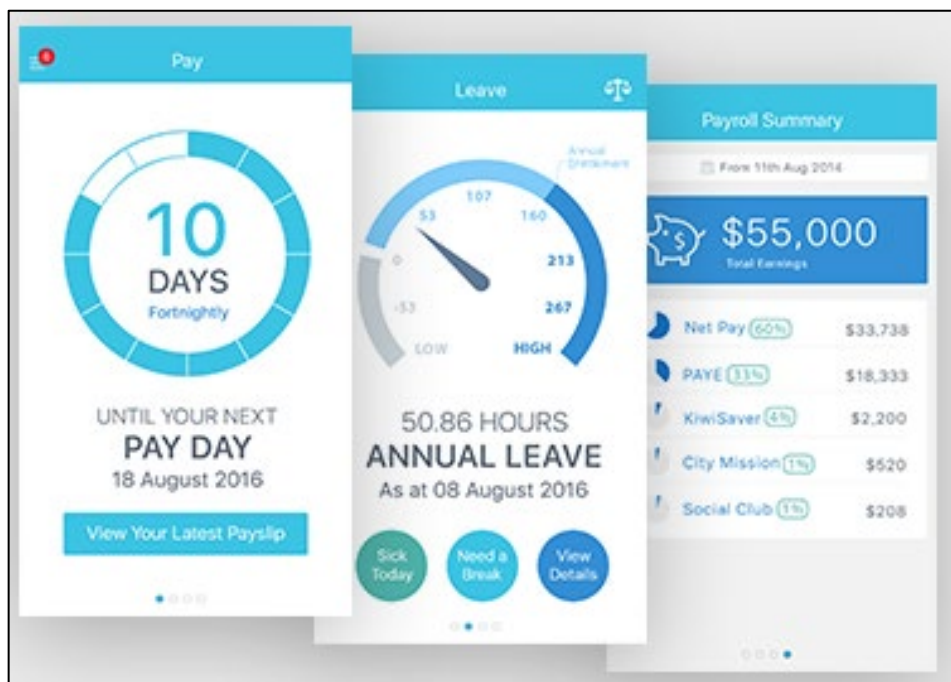
7.5 Procure to Pay Implementation

The project is in the final stages, with the last business alignment processes being updated with the supplier, to ensure all processes align and have sufficient financial controls in place. Once this is completed the final testing will be done and the system is ready to go live.



7.6 Automated Timesheets and Outsourcing Payroll

Phase one – electronic timesheets has been fully implemented and running as expected. The full outsourcing of payroll is in the final stages and expected to be fully effective by the end of September.



7.7 Creditors

We aim to process urgent invoices promptly for payment. Our current invoices we aim to pay within 30 days of the invoice date.

7.8 Debtors and debt recovery

We are starting to address long-standing debt collections. Contacting direct debit clients to align current debits with our updated GDC Direct Debits process by transitioning them to a single day per week.

Our debt with Resolve Collections amounts to \$584,854.30. In July 2024, we successfully collected \$45,268.37 from the arrears.

Our current debtors as at 03/09/24	Current	Overdue
Sundry Debtor	22,649.48	2,080,758.29
Dogs Debtors (from ACS)	(345.05)	(535.64)
Retirement Housing	44,464.93	31,472.11
Land Leases	17,696.34	234,985.49
Port Accounts	(2,724.80)	155,484.52
Resource Consenting	24,606.97	56,298.30
Building Control	40,949.51	66,953.85
Westland Recreation Centre	4,647.83	31,689.33
Licence to Occupy	(692.24)	17,839.98
	151,252.97	2,674,946.23

7.9 Rates and Water Billing

A stricter direct debit process has been implemented, recalculating dishonors, and cancelling direct debits after three dishonors within the current rating year. This has reduced dishonors and ensured penalties for ratepayers with insufficient payment arrangements, with debts passed to Resolve Collections.

Close collaboration has helped identify properties for rating sales and issue mortgagee demands to recover debts.

Water rates are all up to date.

7.10 Grants and Claims Submitted

MBIE/BRANZ building consent levies are up to date.

NZTA claims are up to date and completed for the end of financial year. Next claim due is September.

Better off funding is fully committed. The 2nd claim is in progress for the new library building project.

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

- (a) This report contains:
- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
 - (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

4 IN COMMITTEE ITEMS

COUNCIL IN-COMMITTEE

That the public is excluded from this part of the meeting in relation to:

Agenda item(s)

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

OFFICER RECOMMENDATION

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
4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 29 JULY 2024	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.2 - RECEIPT OF IN COMMITTEE MINUTES OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD UNDER DELEGATED AUTHORITY FOR INFORMATION OF COUNCIL HELD 26 AUGUST 2024	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.3 - CLAIM AGAINST COUNCIL: DAMAGE TO TANKER: SETTLEMENT.	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>person who supplied or who is the subject of the information</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	
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5 SUB-COMMITTEE RESUMES IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING