



AGENDA

Meeting of the
Risk and Audit Committee

Wednesday 12 February 2025
Commencing at 3:30PM

To be held:
Clocktower Chambers,
Palmerston Street, Westport



CORE COUNCILLOR ROLE AND RESPONSIBILITIES

The Governance role entails:

- Strategic planning and decision-making;
- Policy and strategy review;
- Community leadership and engagement, and stewardship;
- Setting appropriate levels of service;
- Maintaining a financially sustainable organisation; and
- Oversight/scrutiny of Council's performance as one team.

The governance role focusses on the big picture of 'steering the boat' - management's role focusses on 'rowing the boat'

Our commitments to best support each other and meet the challenges and opportunities of 2025 include:

CLEAR AND RESPECTFUL COMMUNICATION

We are committed to:

Actively listening and not interrupting;

Remaining conscious of 'tone', body language, and amount of time speaking (allowing time for others);

Responding/answering in a timely manner; and

Being honest, reasonable, and transparent.

TRUST AND RESPECT

We recognise that trust and respect must be earned and that a team without trust isn't really a team. Trust can be built by:

Valuing long-term relationships; being honest; honouring commitments; admitting when you're wrong; communicating effectively; being transparent; standing up for what's right; showing people that you care; being helpful; and being vulnerable.

CONTINUOUS LEARNING AND IMPROVEMENT

Continuous learning and improvement are critical for growing together as a team.

We are committed to constantly reviewing what is going well and what needs to improve in relation to the way we work together, the processes we follow, and the outcomes we deliver.

NONE OF US IS AS SMART AS ALL OF US

Risk and Audit Committee

Reports to:	The Council
Independent Chairperson:	Sharon Roche
Membership:	The Mayor, all Councillors and Māori
Meeting Frequency:	Representative Bi-Monthly
Quorum:	A majority of members (including vacancies)

GENERAL PRINCIPAL

1. The work of this Committee will be in accordance with the priorities and work programme agreed by the Council.
2. This Committee has the powers necessary to perform the Committee's responsibilities, in accordance with the approved Long Term Plan and Annual Plan budgets. Subject to confirmation of compliance with the financial strategy.

PURPOSE

The Risk and Audit Committee is responsible for:

1. Monitoring Council's financial strategy, and financial performance against the Annual and Long Term Plans.
2. Monitoring Council's interests in its Council Controlled Organisations (CCOs).
3. Reviewing the Council's risk register and associated process for managing current and emerging risk.
4. Ensuring the independence and effectiveness of Council's External and Internal Audit processes.
5. Monitoring existing corporate policies and recommending new or amended policies as required.
6. Ensuring that Council policies and practices will prevent unethical, questionable or illegal activities.
7. Providing a communication link between management, internal auditors/external auditors and Council.
8. Supporting measures to improve management performance and internal controls.
9. Ensuring Council's Policies and Bylaws are fit for purpose and comply with all relevant legislation.
10. Guiding the development of Council's Climate Change Adaptation Plan

TERMS OF REFERENCE:

General

1. To receive regular reports regarding Council's financial and non-financial performance against Annual and Long Term Plans.
 2. To consider reports related to significant expenditure outside of the Annual and Long Term Plans and make appropriate recommendations to Council.
 3. To develop and monitor policy related to the following matters:
 - a) Financial management;
-

- b) Revenue generation;
 - c) Procurement and tendering; and
 - d) The appointment and remuneration of directors and CCOs
4. To monitor the probity of processes relating to policies developed by the Risk and Audit Committee.
 5. To provide clear direction to Council's CCOs on Council's expectations, including feedback on draft statements of intent.
 6. To receive Quarterly reports of Council's CCOs, including board performance.
 7. To undertake any reviews of CCOs and make appropriate recommendations for approval by Council.
 8. Review CCO requests for major transaction approval and recommend appropriate actions to Council.
 9. To monitor Council's debt and investments to ensure compliance with Council policy.
 10. To monitor the Council's outstanding debtors' positions.
 11. Engage with Council's external auditors regarding the external audit work programme and agree the proposed terms and arrangements of the external audit.
 12. Assess management response to audit reports and the extent to which external audit recommendations concerning internal accounting controls and other matters are implemented.

Internal Audit

13. Agree the scope of internal audits.
14. Monitor the delivery of the internal audit work programme and results
15. Assess whether Internal Audit's recommendations have been properly implemented by management.
16. Review the annual Internal Audit Plans to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.

Strategy, plans and policy

17. Develop and agree to strategies, plans and policies for the purposes of consultation and/or engagement with community.
18. Recommend to Council for adoption.
19. Monitor and review as and when required.

Bylaws

20. Develop and agree to the statement of proposal for new or amended draft bylaws for consultation.
21. Recommend to Council new or amended bylaws for adoption.

Consultation and engagement

22. Ensure appropriate, effective and transparent engagement with the community, tangata whenua and other stakeholders.
 23. Conduct any public engagement required on issues before the Committee, in accordance with Council's Significance and Engagement Policy.
 24. Conduct hearings, where appropriate, to consider submissions from members of the public and external organisations, making determinations on such matters unless they are reserved for Council to decide.
-

Submissions and legislation

25. Approve submissions to external bodies/organisations on legislation and proposals, related to the Committee's areas of responsibility, that impact governance policy or matters.
26. Monitor and oversee strategic projects and programmes.
27. Monitor Council's Asset Management Plans/Strategic Infrastructure Plan.

Contracts

28. Approve and monitor contracts and other legally binding arrangements provided that such contracts/arrangements:
 - a. Do not require the approval of the whole of Council; and
 - b. Fall within the budget approved under the Long Term Plan or Annual Plan and have a value exceeding the Chief Executive's financial delegation.

Reserves and Halls Subcommittees

29. Monitor and oversee the Reserves and Halls Subcommittees.

Creative Communities Subcommittee

30. Monitor and oversee the Creative Communities Subcommittee.

Other Matters

31. Review the effectiveness of the risk control environment established by management to safeguard Council's financial and non-financial assets, including the adequacy and appropriateness of insurance policies in place and management's actions to mitigate risks
32. Review the effectiveness of the systems for monitoring the Council's compliance against legislation, regulation, policy, and guidelines (including health and safety).
33. Conduct and monitor special investigations in accordance with Council policy and approved budget or in response to material matters raised by staff or committee members, including engaging expert assistance, on matters within its Terms of Reference.
34. Provide an annual review of Council's risk management framework and amend as required.
35. Review and monitor business continuity planning.
36. Consider and make decisions which are within the Chief Executive Officer's delegations, and which the Chief Executive Officer has referred to the Committee for recommendation to Council.
37. Consider and make decisions on operational matters that fall within a Committee's area of responsibility that are outside of delegations to the Chief Executive Officer or other Council officers.
38. Commission new Committee reports and work required to respond to significant or compliance issues, or to complete the agreed programme of Council.
39. Monitor Audit recommendations and ensure completion.

The Committee is delegated the following powers:

- The Committee may make recommendations to Council.
 - The Committee will provide three-monthly reports to Council on its activities with appropriate recommendations.
-

Special Notes:

- In fulfilling their role on the committee, members shall be impartial and independent at all times.
- The Chairperson will be an independent appointment, not an elected member, to strengthen the independent nature of the Committee's monitoring responsibility of Council activities.
- Members are appointed for an initial term of no more than three years that aligns with the triennial elections, after which they may be eligible for extension or reappointment.
- The Chief Executive Officer and Chief Financial Officer are required to attend all meetings but are not members and have no voting rights. Other Council officers may attend the Committee meetings, as required.
- The Chairperson of the Committee shall review the travel and other reimbursed expenses of the Chief Executive Officer and confirm compliance with Council policies and practice. This information will be provided to the Chairperson on a monthly basis.
- The Chairperson shall review the travel and other reimbursed expenses of the Mayor and confirm compliance with Council policies. This information will be provided to the Chairperson on a monthly basis.
- The Chief Executive Officer (Principal Advisor) shall be responsible for drawing to the Committee's immediate attention to any material matter that relates to the financial condition of Council, any material breakdown in internal controls, and any material event of fraud or malpractice.
- The Chairperson shall present an annual Audit and Risk Self Review to Council summarising the Committee's activities during the year and any related significant results and findings.

Risk and Audit Committee

Clock Tower Chambers,
Palmerston Street, Westport



12 February 2025 03:30 PM

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Live Streamed to the Buller District Council YouTube Channel

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 1

Prepared by Paul Numan
Group Manager Corporate Services

APOLOGIES

REPORT SUMMARY

1. That the Risk and Audit Committee receive any apologies or requests for leave of absence from elected members.

DRAFT RECOMMENDATION

2. That there are no apologies to be received and no requests for leave of absence.

OR

That the Risk and Audit Committee receive apologies from *name* and accepts *name* request for leave of absence.

RISK AND AUDIT COMMITTEE

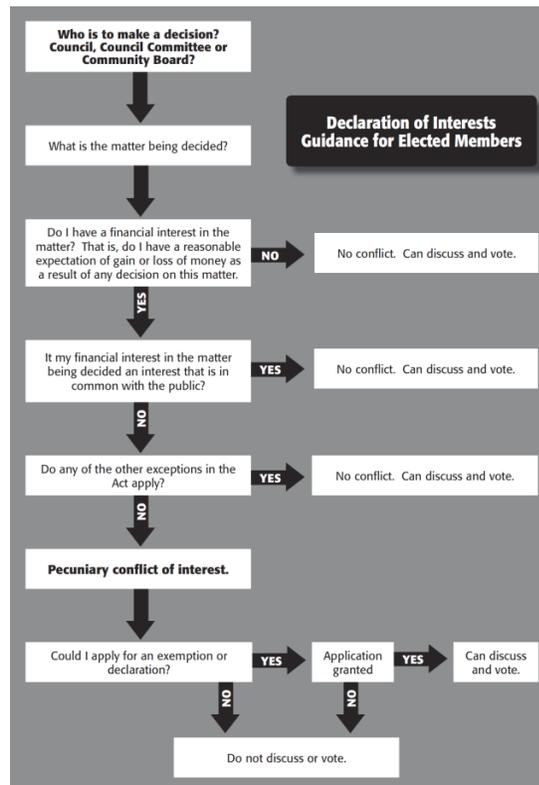
12 FEBRUARY 2025

AGENDA ITEM: 2

Prepared by Paul Numan
Group Manager Corporate Services

MEMBERS INTEREST

1. Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.
2. Councillors are encouraged to advise the Governance Assistant, of any changes required to their declared Members Interest Register.
3. The attached flowchart may assist members in making that determination (Appendix A from Code of Conduct).



DRAFT RECOMMENDATION:

4. That Members disclose any financial or non-financial interest in any of the agenda items.

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 3

Prepared by Paul Numan
Group Manager Corporate Services

Attachments 1. Risk and Audit Committee Public Meeting Minutes 11 December 2024

CONFIRMATION OF PREVIOUS MINUTES

DRAFT RECOMMENDATION

1. **That the Risk and Audit Committee receive and confirm the Public Meeting Minutes from 11 December 2024.**



MEETING OF THE RISK AND AUDIT COMMITTEE, HELD AT 3:30PM ON WEDNESDAY 11 DECEMBER AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.

PRESENT: Independent Chair S Roche, Cr P Grafton, Cr T O'Keefe, Cr Joanne Howard, Cr A Pfahlert, Cr L Webb, Cr G Neylon, Deputy Mayor A Basher, Cr R Sampson, Cr G Weston.

PRESENT VIA ELECTRONIC LINK: Cr C Reidy, N Tauwhare (Iwi Representative)

IN ATTENDANCE: S Pickford (Chief Executive Officer), P Numan (Group Manger Corporate Services), A Blom (Group Manager Infrastructure Services), S Bastion (Group Manager Regulatory Services), K Phipps (Manager Finance), J Curtis (Manager Capital Works), P Bicknell (Programme Manager – Resilient Westport), S Maharaj (Manager Human Resources), K Trigg (Group Manager Community Services), C McDonald (Governance Secretary), B Little (Policy Advisor), M Townsend (Contract Accountant)

IN ATTENDANCE VIA ELECTRONIC LINK: Nil.

PUBLIC FORUM: Nil.

MEDIA: Ellen Curnow (Westport News)

MEETING DECLARED OPEN AT: 3:34PM

1. APOLOGIES (Page 9)

Discussion:
Nil

RESOLVED that there are no apologies to be received and no requests for leave of absence.

Independent Chair S Roche / Deputy Mayor A Basher
12/0
N Tauwhare (Iwi Representative) not present for the vote
CARRIED UNANIMOUSLY

2. MEMBERS INTEREST (Page 10)

Discussion:

Cr G Neylon Agenda Item 7 - is on the Committee for Reefton Campground Cabins but will still discuss and vote on the matter.

RESOLVED that Members disclose any financial or non-financial interest in any of the agenda items.

Mayor J Cleine / Cr G Weston

13/0

CARRIED UNANIMOUSLY

3. CONFIRMATION OF MINUTES (Page 11)

Discussion:

ACTION POINT – ‘B Murphy to check the NBS sponsorship rollover and relay this information’ is to be added to the Action Point List

RESOLVED That the Risk and Audit Committee receive and confirm Public Meeting Minutes from 30 October 2024.

Cr A Pfahlert/Cr P Grafton

13/0

CARRIED UNANIMOUSLY

4. ACTION POINTS (Page 18)

Discussion:

~~218: Pump Stations – completed~~

~~228: Strategic Risk Register – completed~~

~~233: Climate Change Adaptation to Strategic Risk Register – completed~~

235: Slumpage in Wharf Backwall - updated

236: Crack in Buller Coal Ltd Shed Floor - ongoing

244: Capital Receipts And Expenditure To 31 December 2023 Update – A report is to come back to the Risk and Audit Committee.

~~247: Review of Buller District Council Procurement Policy – completed~~

RESOLVED That the Risk and Audit Committee receive the December Action Point report for information.

Deputy Mayor A Basher/Cr T O'Keefe

13/0

CARRIED UNANIMOUSLY

5. RISK AND AUDIT WORKPLAN REPORT (Page 22)

Discussion:

The Risk and Audit Work Plan will be reviewed in the New Year.

There was concern raised around the dates for the Annual Report Adoption. It is to be looked at in the New Year after feedback is received from the auditors.

RESOLVED

That the Risk and Audit Committee receive Risk and Audit Work Plan for information.

Cr G Neylon / Cr G Weston

11/2

**Cr C Reidy against
MOTION CARRIED**

6. CAPITAL WORKS PROGRAMME REPORT (Page 24)

Discussion:

J Curtis spoke to the report and answered questions.

ACTION POINT - The Waimangaroa Water Upgrade Surplus (from the Capital Works Programme Report) is to be updated in the bimonthly Risk and Audit Committee report around the progress of options for this surplus with the intention of a paper brought back Council regarding options for the surplus.

J Curtis to provide an update of the water trunk main project to Elected Members via email.

RESOLVED

That The Risk and Audit Committee regarding the Infrastructure Services Capital Works Programme report:

- a) Receives the report.
- b) Notes that the report will continue to evolve as the information required to show a full picture of the capital works programme is understood e.g. the addition of minor capital works and further breakdown to show multiyear projects.
- c) Notes that the reporting description for budgets have been updated with red and orange colour coding to reflect only forecasted overspends.
- d) Notes that work is underway to show estimated delivery dates and project closure dates on the report and highlight projects that require more than one financial year for their lifespan.

Mayor J Cleine/Cr G Weston

13/0

CARRIED UNANIMOUSLY

7. NEMA, AND BETTER OFF FUNDING PROJECT STATUS REPORT SUMMARIES (Page 54)

Discussion:

P Bicknell spoke to the report and answered questions.

The Airport relocation study is to be circulated to Elected Members via Diligent.

ACTION POINT - The IAF report is now part of the Capital Works Programme Report and is to be circulated to Elected Members.

A second recommendation was added and can be read below as recommendation two:

RESOLVED

1. That the report NEMA and Better Off Funding Project Status Report Summaries dated 11 December 2024 be received.
2. The Risk and Audit Committee endorse a request to NEMA for the \$100k to be reappropriated to the Wharf Repair Project.

Deputy Mayor A Basher/Cr P Grafton

13/0

CARRIED UNANIMOUSLY

8. STRATEGIC RISK REGISTER UPDATE (Page 74)

Discussion:

P Numan spoke to the report and answered questions.

RESOLVED

That the Risk and Audit Committee:

1. Note that Councillor workshops were held during September/October to provide an Elected member level view on the Strategic Risk Register.
2. Note the updates received for the Strategic Risk Register – from Elected Members as part of this report.
3. Note that Council staff will report back at the Risk and Audit Committee meeting to provide an updated strategic risk register in the first quarter of the 2025 calendar year.

Cr P Grafton/Cr G Weston

13/0

CARRIED UNANIMOUSLY

9. BYLAWS AND POLICIES REVIEW DECEMBER 2024 (Page 79)

Discussion:

B Little spoke to the report and answered questions.

RESOLVED

That the Bylaws And Policies Review Report dated 11 December 2024 be received.

Deputy Mayor A Basher/Cr A Pfahlert

13/0

CARRIED UNANIMOUSLY

10. HEALTH AND SAFETY QUARTERLY REPORT 30 JUNE – 30 SEPTEMBER 2024 (Page 82)

Discussion:

S Maharaj spoke to the report and answered questions.

RESOLVED

That the Health and Safety Quarterly Report 30 June 2024-30 September 2024 dated 11 December 2024 be received.

Independent Chair S Roche/Cr T O'Keefe

13/0

CARRIED UNANIMOUSLY

11. BULLER DISTRICT COUNCIL PROCUREMENT POLICY - REVISION (Page 86)

Discussion:

J Curtis spoke to the report and answered questions.

Cr A Pfahlert departed the meeting at 4:54PM

Cr A Pfahlert returned to the meeting at 4:57PM

RESOLVED

a) Review the revised Procurement Policy as per Attachment 1.

Deputy Mayor A Basher/Cr Joanne Howard

13/0

CARRIED UNANIMOUSLY

b) Note the operational manual for conducting Contractor Procurement and Management Manual at Buller District Council is accessible on the Buller District Council website.

Cr G Weston/Cr P Grafton

13/0

CARRIED UNANIMOUSLY

c) Note that the financial limits from the 2019 Procurement Policy are unchanged and in line with limits set by other Local Government organisations.

Cr P Grafton/Deputy Mayor A Basher

13/0

CARRIED UNANIMOUSLY

d) Recommends to the Council that it adopt the revised BDC Procurement Policy.

Cr P Grafton/Mayor J Cleine

11/2

**Cr C Reidy against
MOTION CARRIED**

12. PMO REVIEW: PROCESS IMPROVEMENT OPPORTUNITIES ACTION PLAN – UPDATE DECEMBER 2024 (Page 95)

Discussion:

Deputy Mayor A Basher departed the meeting at 5:04PM

Deputy Mayor A Basher returned to the meeting at 5:06PM

S Pickford spoke to the report and answered questions.

RESOLVED

That the PMO Review: Process Improvement Opportunities Action Plan – Update dated 11 December 2024 be received.

Independent Chair S Roche/Cr Joanne Howard

13/0

CARRIED UNANIMOUSLY

Meeting adjourned at: 5:18PM

Meeting reconvened at 5:30PM

13. FINANCIAL PERFORMANCE REPORT – AS AT 31 OCTOBER 2024 (Page 105)

Discussion:

M Townsend and P Numan to circulate the figures asked for by elected members.

RESOLVED

That the Financial Performance Report – As of 31 October 2024 dated 11 December 2024 be received.

Cr T O'Keefe/Cr P Grafton

13/0

CARRIED UNANIMOUSLY

14. INVESTMENTS AND BORROWINGS REPORT – AS AT 31 OCTOBER 2024 (Page 112)

Discussion:

P Numan and M Townsend spoke to the report and answered questions.

It was advised that there is a paper to come back to Risk and Audit Committee regarding LGFA and the history around previous decisions with LGFA (and why Buller District Council sits in the position it currently does) is to be included in the paper

RESOLVED

That the Investments and Borrowings Report as at 31 October 2024 dated 11 December 2024 be received.

Deputy Mayor A Basher/Cr A Pfahlert

13/0

CARRIED UNANIMOUSLY

15. DEBT MANAGEMENT REPORT 31 OCTOBER 2024 (Page 122)

Discussion:

M Townsend answered questions around the report.

There was discussion around how the rates debt can be dealt with.

Cr P Grafton departed the meeting at 6:10PM
Cr P Grafton returned to the meeting at 6:11PM

ACTION POINT - Councillors to have a workshop around debt management and recovery options in the new year.

RESOLVED

That the Debt Management Report 31 October 2024 dated 11 December 2024 be received.

Deputy Mayor A Basher/Cr T O'Keefe
13/0

CARRIED UNANIMOUSLY

16. WESTPORT AIRPORT AUTHORITY – FULL YEAR REPORT TO 30 JUNE 2024 (Page 127)

Discussion:

During discussion it was noted that the Westport Airport Authority Full Year Report has already been approved by Council at its meeting on 25 September 2024 and so there is no need to revisit this. The recommendation was left tabled.

RESOLVED

That the Westport Airport Authority – Full Year Report To 30 June 2024 dated 11 December 2024 be received.

Moved
QTY

CARRIED UNANIMOUSLY

17. BULLER HOLDING LTD – FINANCIAL REPORT TO 30 SEPTEMBER 2024 (Page 135)

Discussion:

Independent Chair S Roche to take feedback to the BHL meeting in the new year.

RESOLVED

That the Buller Holdings Ltd - Financial Report to 30 September 2024 dated 11 December 2024 be received.

Cr C Reidy/Cr A Pfahlert
13/0

CARRIED UNANIMOUSLY

Independent Chair S Roche thanked all Elected Members and Staff for their hard work and willingness to adapt to the changes of the Risk and Audit Committee during this year.

18. PUBLIC EXCLUDED REPORT (Page 157)**Discussion:**

It was noted that Public Excluded Agenda Item 2 has been withdrawn and will be presented to Full Council in Public Excluded at its meeting on Wednesday 18 December 2024.

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

Item No.	Minutes/ Report of:	General Subject	Reason For Passing Resolution under LGOIMA
PE 1	Paul Numan – Group Manager Corporate Services	Confirmation of Previous Public Excluded Minutes	<p>(s 7(2)(i)) - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or</p> <p>(s 7(2)(j)) - prevent the disclosure or use of official information for improper gain or improper advantage.</p>
PE 2	Paul Numan Group Manager Corporate Services	Insurance Cover Placement 2024-25	(s7(2)(i)) – enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

Deputy Mayor A Basher/Cr T O'Keefe

13/0

CARRIED UNANIMOUSLY

PUBLIC FORUM RESPONSE: Nil.

N Tauwhare (Iwi Representative) departed the meeting at 6:29PM

MOVED INTO PUBLIC EXCLUDED AT: 6:29PM

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 4

Prepared by Paul Numan
Group Manager Corporate Services

Attachment: 1. Risk and Audit Committee Action Points February 2025

ACTION POINTS

DRAFT RECOMMENDATION

1. **That the Risk and Audit Committee receive the February Action Point Report for information.**

RAC Action Points - CURRENT

No.	Meeting Of / Action Point	Responsible	Update:	Date Required By:
235	<p>14 Feb 2024</p> <p>Slumpage in wharf back wall</p> <p>Staff noted that harbour land adjacent to Cobden St has problem with slumpage in the wharf back wall. Council Engineers advised that the slumpage relates to a broken stormwater pipe and repair costs are not able to be claimed via the flood recovery process. The repairs will be funded from the Council stormwater and harbour accounts.</p>	<p>D Marshall W Dunlop</p>	<p>Staff to advise when work is complete</p> <p>IS advise there are a number of steps required in the Cobden St Storm water outfall repair as follows;</p> <ul style="list-style-type: none"> • Currently awaiting storm water modelling data specific to Cobden St which is expected late August 2024. • Following this Davis Olgivie (DO) will be engaged for final solution and design engineering continuing on from site assessment and optioneering stages already completed by DO. • QS/Scope price final design and finalise budget allocation. • Undertake construction procurement – noting Procurement starting late Oct 2024 (pending Wayne Dunlop approval to proceed) <p>Staff to advise when work is complete.</p> <p><u>Update 15 October 2024</u></p> <p>Confirmation is being sought from the modelers on their proposed outfall diameter and clear statement of level of service – noting this in advance of a fully completed model.</p> <p>Recent CCTV has confirmed the need for replacement of pipe to the outfall and adjacent pipe in Cobden St that is likely to extend the scope of this project – under discussion as to separation or amalgamation of additional works.</p> <p>It is expected that DO will be given the final design requirements /scope week ending 20 October 2024.</p> <p><u>Update 3 November 2024</u></p> <p>Diameters have been confirmed by modelers, final design is being undertaken by Davis Oglvie. Expected final design delivery Jan 2025.</p>	<p>26 June 2024 14 August 2024 On Going</p>
236	<p>14 Feb 2024</p> <p>Crack in Buller Coal Ltd shed floor</p> <p>Recent media coverage was discussed about this topic. The shed is located on council owned land and councillors were concerned there might be an exposure to the council if this cracking became a</p>	<p>D Marshall P Numan</p>	<p>Staff to advise if any further issues arise.</p>	<p>On Going</p>

	larger problem. Staff advised that the problem is not that of council, but councillors asked to keep the matter on the Action Points for future monitoring.			
244	<p>17 April 2024</p> <p>Capital Receipts And Expenditure To 31 December 2023 Update</p> <p>D Marshall to provide a report to the June Risk and Audit Committee meeting regarding the original proposal to amalgamate the Reefton Service Centre and the original budget broken down</p> <p>11 December 2024</p> <p>A report is to come back to the Risk and Audit Committee with all of the above information included.</p>	<p>D Marshall</p> <p>P Numan</p>	<p>Moved to August Risk and Audit, as the capacity of the Finance Team is limited with the preparation of the Enhanced Annual Plan.</p> <p>This item is not on the Agenda as it was removed by the Senior Leadership Team. Please refer to the revised Risk and Audit Committee Work Plan.</p> <p>Next report scheduled to the December 2024 Risk and Audit Committee Meeting.</p> <p>Dec 2024 update: Amalgamation was proposed in the 2021-2031 LTP at \$230,000. Work commenced in September 2022 and was completed in September 2023.</p> <p>The final budget spend on the project amalgamation was \$170,222 which was underbudget. A breakdown can be sent to councillors if required.</p> <p><u>Update 12 February 2025</u></p> <p>A paper regarding Reefton Service Centre has been provided by the GM Community Services to the February RAC meeting</p>	<p>26 June 2024</p> <p>14 August 2024</p> <p>30 October 2024</p> <p>11 December 2024</p> <p>12 February 2025</p>
248	<p>11 December 2024</p> <p>INVESTMENTS AND BORROWINGS REPORT – AS AT 30 SEPTEMBER 2024</p> <p>B Murphy to check the NBS sponsorship rollover and relay this information.</p>	B Murphy	<p><u>Update 12 February 2025</u></p> <p>Three-year rollover with potential renewal May 2025. Council has \$2.9M invested with NBS at current interest rates plus receives 1% in sponsorship.</p>	12 February 2025
249	<p>11 December 2024</p> <p>CAPITAL WORKS PROGRAMME REPORT</p> <p>The Waimangaroa Water Upgrade Surplus (from the Capital Works Programme Report) is to be updated in the bimonthly Risk and Audit Committee report around the progress of options for</p>	J Curtis	<p><u>Update 23 January 2025</u></p> <p>A paper regarding the surplus will be brought to Council in April 2025</p>	<p>12 February 2024</p> <p>30 April 2025</p>

	this surplus with the intention of a paper brought back Council regarding options for the surplus.			
250	<p>11 December 2024 NEMA, AND BETTER OFF FUNDING PROJECT STATUS REPORT SUMMARIES The IAF report is now part of the Capital Works Programme Report and is to be circulated to Elected Members.</p>	J Curtis	<p><u>Update 23 January 2025</u> The November 2024 and January 2025 IAF Reports are included in the agenda and will be included the Risk and Audit Committee agendas going. <u>Update 12 February 2025</u> Paper included in agenda.</p>	12 February 2025
251	<p>11 December 2024 Councillors to have a workshop around debt management and recovery options in the new year.</p>	P Numan	<p><u>Update 12 February 2025</u> In progress - Finance currently working through an agenda and potential workshop dates.</p>	12 February 2025

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 5

Prepared by: Paul Numan
Group Manager Corporate Services

Attachments: 1. Risk and Audit Committee Work Plan February 2025

RISK AND AUDIT WORK PLAN

DRAFT RECOMMENDATION

1. **That the Risk and Audit Committee receive the Risk and Audit Work Plan for information.**

Risk and Audit Committee
Proposed Programme 2025 Calendar Year

Categories/Reports Proposed	SLT Member	Reporting Officer	February	March	April	May	June	July	August	September	October	November	December
Risk & Assurance Items													
Ernst & Young Report on BDC's 23/24 Annual Report and its Preparation	GM Corporate Services	Finance Manager											
Strategic Risk Register Update and Framework Review	GM Corporate Services	GM Corporate Services			√		√		√		√		√
Health and Safety Report Update	Human Resources	Human Resources											
BHL Letter of Expectation	GM Corporate Services	Manager Finance			√								
CCO Statements of Intent	GM Corporate Services	Manager Finance			Draft		Final						
CCO Director Appointments and Remuneration	GM Corporate Services	Manager Finance			√								
CEO Exemption Paper (required every 3 years)	GM Corporate Services	Finance Manager											
BHL Quarterly Financials	GM Corporate Services	Manager Finance			√		√		√				√
BHL Annual Report (adopt is required under law by 30 Sept each year)	GM Corporate Services	Manager Finance									√		
Westport Airport Authority Financials - 30 June	GM Corporate Services	Manager Finance									√		
Westport Airport Authority Financials - Half year	GM Corporate Services	Manager Finance			√								
Insurance	GM Corporate Services	Management Accountant											√
Review of Procurement Policy	GM Infrastructure Services	Manager Infrastructure Delivery/CEO											
Update on By-law review process	CEO	GM Community Services			√				√				√
Review of BDC Created Policy	GM Community Services	GM Community Services			√				√				√
Review of Business Continuity Plan	GM Regulatory Services	CEO			√								
LGQIMA report	CEO	CEO											
RAC Project Status Reports	GM Corporate Services	Programme Manager - Recovery	√		√		√		√		√		√
Dredge/Harbour Activities	GM Corporate Services	Manager Finance	√				√				√		
Internal Audits													
Payroll/Creditors (PwC)	GM Corporate Services	Manager Finance			√								
Harbour Activities	GM Corporate Services	Project Accountant											
Follow-up on Ernst & Young Matters Raised in their 22-23 Annual Report audit Opinion	GM Corporate Services	Manager Finance	√										
Follow-up on matters raised in Morrison-Lewis reports													
Monitoring Items													
BDC Quarterly / Half-Yearly Financials	GM Corporate Services	Finance Manager											
BDC Monthly Financial Performance Report	GM Corporate Services	Financial Accountant			√				√				√
BDC Investments and Borrowings	GM Corporate Services	Manager Finance			√				√				√
BDC Debt Management - Sundry and Rates	GM Corporate Services	Manager Finance			√				√				√
BDC Capital Receipts and Expenditure	GM Corporate Services	Financial Accountant											
PIP Reports	CEO	CEO											
Capital Report Multi-Year Projects	GM Infrastructure Services												
KPMG Update	CEO	CEO											

The following items are not directly related to the Risk & Audit work programme but are provided to note when staff have key programmes of work

Major Financially Based Reports to be Prepared in the 2025 Calendar Year													
Annual Plan					Adopt-draft-& Consultation	Consultation-& Hearings	Adoption						
Long Term Plan							Adoption		Preparation of draft	Preparation of draft	Preparation of draft	Preparation of draft	Preparation of draft
BDC 22-23 Annual Report					Adoption Annual Report - Audit opinion issued	Publish Annual Report & Summary							
BDC 23-24 Annual Report			Interim/Final Audit		Preparation of Annual Report	Preparation of Annual Report	Preparation of Annual Report	Adoption Annual Report - Audit opinion	Publish Annual Report & Summary Document				
BDC 24-25 Annual Report						Interim Audit	Preparation of Annual Report	Preparation of Annual Report	Preparation of Annual Report	Adoption Annual Report - Audit opinion issued	Publish Annual Report & Summary		
Rating Policy Review													
Rating Policy Review			Preparation and review - 3 waters rates	Preparation and review - 3 waters rates	Consultation part of Enhanced Annual Plan	Hearings part of Enhanced Annual Plan	Adoption part of Enhanced Annual Plan		Preparation and review - general rates	Preparation and review - general rates	Preparation and review - general rates	Preparation and review - general rates	Preparation and review - general rates

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 6

Prepared by Penny Bicknell
Programme Manager – NEMA and BoF

Reviewed by Paul Numan
Group Manager Corporate Services

Attachments 1. Better Off Funded Projects Status Report December 24
2. NEMA Wharf Repair Project Report December 24

Public Excluded: No

NEMA AND BETTER OFF FUNDING PROJECT STATUS REPORT SUMMARIES

1. **REPORT PURPOSE**

The purpose of this report is to bring the Risk and Audit Committee a summary of the Project Status Reports for NEMA and Better Off Funded projects for the month ended December 2024 (November 2024 financials) and a detailed project status report for the NEMA Wharf Repair Project.

2. **EXECUTIVE SUMMARY**

Key points to note from each of the Programmes of Work for December 2024/January 2025:

3. **NEMA Projects overview/status report**

- As reported at the last RAC meeting, all NEMA projects other than the Westport Wharf Repair are complete – no further reporting on these projects.
- Westport Port Repairs
 - o Key milestones completed as planned
 - o Five of seven concrete wharf sections completed
 - o Sixth concrete pour late January
 - o Completion on schedule for May 2025
- There is an additional \$100k that is potentially available for reappropriation from other T2 projects (subject to NEMA approval). NEMA will continue to assess whether this needs to be reappropriated.

NEMA Tranche 2 Programme								
For Period 2023/24- October								
	CURRENT BUDGET (Total)	TOTAL COST TO DATE	TOTAL REVENUE TO DATE	RETENTIONS (to claim)	Claims	FORECAST COST TO COMPLETE	FORECAST AT COMPLETION	PROJECT VARIANCE
WP7 Westport Port Repairs	0	4,134,587	(1,484,242)	(90,877)	2,559,467	(2,650,345)	0	0
Expenses	6,220,000	4,134,587				2,085,413	6,220,000	0
Revenue	(6,220,000)		(1,484,242)	(90,877)	2,559,467	(4,735,758)	(6,220,000)	0
Programme Management	0	175,974	(165,654)		10,320	(10,320)	0	0
Expenses	190,440	175,974				14,466	190,440	0
Revenue	(190,440)		(165,654)		10,320	(24,786)	(190,440)	0
TOTAL	0	4,310,561	(1,649,896)	(90,877)	2,569,787	(2,660,665)	0	0
Ineligible costs		4,637						

4. **Better Off Funded Projects**

- All three 3 Waters projects now progressing well.
- Reefton Campground Accommodation project
 - Finalising tender documentation for GETS for early February and Building Consents – meeting with working group to sign off prior to submitting
 - The project team propose to bring a paper to Council for approval once the full costs and loan terms are known - March.

DRAFT RECOMMENDATION

That the NEMA and Better Off Funding Project Status Report Summaries dated 12 February 2025 be received.

Project Status Report – Better Off Funding Projects overview – December 2024



Programme/Project Details	
Location and Region:	Buller District
Contracted Amount:	\$3,500,000
Reporting Period:	December 2024 (November 2024 financials)
Project Principal:	Buller District Council (BDC)
Project Partner(s):	Crown Infrastructure Partners (CIP)/DIA
Programme Manager:	Penny Bicknell
Programme Outcomes:	The original scope was made up of 13 projects approved by DIA that meet the funding criteria and demonstrate wellbeing outcomes. 8 of these projects completed. 2 of which were under budget with the surplus funds transferred to 2 new 3 Waters projects as directed by CIP

Project Overview/traffic Light Status/High-Level Summary (G = Green; A = Amber; R = Red)		
Aspect	Status	Comments
Overall:	G	The programme was prioritised by Council and approved by Crown Infrastructure and DIA
Budget:	G	\$3,500,000
Scope:	G	<p>The Programme of works includes the following approved projects:</p> <ul style="list-style-type: none"> • Three Waters projects • Reefton Wastewater/Stormwater modelling • Climate Change Adaptation and Master Planning (completed) • Community Hub Feasibility Study and Concept Designs (Feasibility completed) • Civil Defence Procurement (completed) • Airport Relocation options study (completed) • Karamea Reserve Water Supply (completed) • Westport Emergency Water supply (completed) • Reefton Campground Accommodation • Westport Stormwater/wastewater work • Test bore and sampling for non-compliant water supplies - Little Wanganui and Mokihinui (completed) • Granity Fundraising Centre (completed) • Ngakawau Swimming Pool improvements (completed) • Local Water Done Well – reallocated funding from Airport Relocations Study surplus (completed) • Resilient Westport Stormwater concept study – reallocated funding from Westport Critical Water surplus (completed)
Resource:	G	Resource to be assigned to each project as required
Schedule:	G	Schedule for each project to be determined. Final deadline for Crown Infrastructure projects programme is 30 June 2027
Risks / Issues:	G	Scope of works may need to be reduced in some projects to ensure they remain in budget

State of Play	
Last Month (December)	Next Month (January)
<ul style="list-style-type: none"> • Awaiting Project accounting codes for the two 3 waters projects (LWDW and RW stormwater concept) • 3 Waters – Combined Inangahua projects tender evaluated and awarded to Paul Smith Earthmoving Ltd. Final project, Hughes Place engineering scope defined , options concluded, and design services engaged from DO. Final data and survey to inform design concluded. • Reefton stormwater/wastewater modelling – approved offer of service from DO • Community Hub Feasibility Study/concept - Continued discussions re set up of Charitable Trust. Offer of Service from Heritage Works to be evaluated by project team. • Reefton Campground cabins - prepare tender documents for construction phase with preliminary notice on GETS; prepare documents for building consents; costings for stormwater. Preliminary application to DWC for loan funding (subject to full Council approval) • Westport Wastewater/Stormwater separation work – Procurement plan and docs completed. WestReef managing construction phase. Programme finalised • Ngakawau Swimming Pool improvements completed. 	<ul style="list-style-type: none"> • Once codes raised, raise claims to CIP as these projects are complete. • Submit further claims to CIP for claims balances. • Execute Inangahua contract. Conclude final design for Hughes Place and start tender documents for procurement of construction contractor. • DO scheduled to commence works • Commence concept alignment study with Heritage Works • Reefton Campground cabins – Tender for construction phase on GETS by early February; apply for building consents; prepare final costings for funding decisions and full Council approval (March). • Westport Wastewater/stormwater separation - finalise procurement plan, award contracts and commence construction February.

Programme delivery schedule																	
Project task	Feb to June 2023	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2024	Feb	Mar	Apr	May	Jun	Jul	Aug 2025	Sep	Comments
3 Waters																➔	SW Backflow complete. Henley St East SW complete. Completion of last 3 projects end April 2025
Reefton WW/SW modelling																➔	Completion by end April 2025
Climate Change Adaptation																	Completed BoF involvement
Master planning (Stage 1)																	Complete
Cultural Community Hub			Feasibility Study complete											➔	Project plan and scope for concept design \$50k		
Civil Defence																	Complete
Airport relocations options study																	Study completed – surplus funds to be reallocated to LWDW
Karamea Reserve Water																	Complete
Westport critical Water Supply																	Completed. Surplus funding to be reallocated to Resilient Westport Stormwater concept study
Reefton Campground																➔	Progress tender for final costings. Completion dependent on funding approval by Council
Westport Stormwater/Wastewater																➔	Completion scheduled end March/early April
Test Bores & Sampling																	Complete
Granity Fundraising Centre																	Complete

NB: Civil Defence budget is in credit as 100% drawn down in the 10% advance payment

Surplus funding: Directive from Crown Infrastructure Partners to use any surplus funding for 3 Waters projects or for the setup of a new Water entity.

- \$15,642 Airport Relocations surplus to be used for the T + T report commissioned by 3 District Councils into 3 Waters – approved by CIP 4 October 24
- \$69,712 Critical Water surplus funding to be used for contribution to Worley’s stormwater concept work for Resilient Westport –submitted to CIP awaiting approval.

Communications

An update on media, marketing and communication activity for the programme/project

Westport News reported on the request to reprioritise funding from Waimangaroa and Westport smoke testing projects and the subsequent discussions at the April Council meeting. Better off Funding Tranche 2 funding has been withdrawn by Government.

Westport News reported on the additional funding available of \$950k from the Westport Wastewater/stormwater smoke testing project and Waimangaroa water project discontinuation.

Westport News reported on the allocation of \$300k to Reefton Campground Accommodation

Westport News reported on the Council workshop in September and the outcome of the Council meeting for the unallocated funding of \$650k

Cultural Community Hub working group met with Westport News Reporter in November to ensure correct facts are in the public domain

Westport News reported on DIA directive of expenditure on water infrastructure rather than Community projects.

Emergency Water - Comms to Westport Community w/c 12 April after first tank installed

Media release for WaStop completion under the 3 Waters BoF funding May

Media Release for completion of Granity Fundraising Centre – July

August Media coverage from last RAC meeting re funders reviewing KPMG report

October – Media coverage from RAC meeting re funding hold.

November – Plan media release for Inangahua tender

December – media release for Inangahua contract

BULLER DISTRICT COUNCIL - Infrastructure Strategy - Recovery - Westport Wharf Repair and Reinstatement

Programme/Project Details

Location and Region:	Buller, Westport	
Project Budget:	\$6,220,000	
Month End	December-2024	
Financial Period End	November-2024	
Project Principal:	Buller District Council	
Project Partner(s):	National Emergency Management Agency (NEMA)	
Project Manager:	Phil Rossiter	
Programme Outcomes:	Project Scope: This project seeks to repair and reinstate safe and fit-for-purpose wharf infrastructure at the bulk shipping precinct that was damaged during the July 2021 and February 2022 Buller River flood events.	

Project Overview/traffic Light Status/High-Level Summary (G = Green- Good ; A = Amber- Warning; R = Red - Issue)

Aspect	Status	Comments
Overall:	A	The project progressed as planned during the period with all piling works completed successfully, significantly reducing financial and programme risk to the project. Additional concrete pours relating to the replacement wharf deck were completed, with five of the seven pours now completed. Formwork for remaining pours and infill stitch pours was progressed. Significant on-going risk mitigation and planning work was completed, increasing confidence of completion on time and within available budget.
Budget:	A	Close and active management of contingency is on-going to ensure the project is completed within the project funding envelope. While some risks still exist, these have been quantified, with a range of strategies prepared should they eventuate, and confidence has increased about budget adequacy given the advanced state of piling work. The status of this aspect has been retained as amber to reflect the on-going and 'live' management of this element.
Scope:	G	The repair scope has been defined based on a combination of user-input, a detailed structural site inspection, a 'constructability' review, and a Peer Review. The repair design will be based on Importance Level 3. The scope is as defined in the IFC drawing set.
Resource:	G	Resources required have been secured.
Schedule:	G	The overall programme stalled compared with its initial estimated baseline because of unforeseen delays confirming the Importance Level of the repair design and because of the unforeseen need to complete a peer review of the repair design. However, with those matters resolved, the programme was reset with award of a repair contract and despite poor weather conditions over the last few months, repair work is still scheduled for final completion by May 2025 (Practical Completion will be earlier than this).
Risks / Issues:	G	There has been a significant recent reduction in project risk with construction repair work successfully progressing through the piling stage and well through the concrete works stage. Whilst risk still exists, owing to the significant and successful reduction in overall project risk, the RAG status has been reduced to Green to reflect this progression.

Current Updated Programme	
Previous Reporting Period	Next Reporting Period
<p>Key milestones were completed as planned.</p> <p>Several additional concrete wharf sections were poured and completed (five of seven completed).</p> <p>Formwork being progressed for sixth concrete pour.</p> <p>Construction monitoring (quality) inspections undertaken as planned.</p> <p>Significant risk management work undertaken by team address remaining potentialities.</p> <p>Fortnightly planning, management, and reporting meetings on-going, with frequent team meetings occurring to monitor and manage issues.</p> <p>On-going user liaison and coordination work in relation to live port environment and return of vessels that have been kept away to simplify repair works.</p>	<p>Progress sixth concrete pour (formwork and replacement concrete decking).</p> <p>Begin infill stitch pours where concrete curing times have been satisfied.</p> <p>Reinstate mooring bollards on repaired sections of wharf.</p> <p>Progress formwork for last concrete pour.</p> <p>Reinstate vessel fenders to external face of wharf.</p> <p>Finalise site reinstatement (drainage and fencing) plans.</p>

Updated Project Road Map/Schedule														
Project task	2024								2025					Comments
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
Project management, coordination, and delivery (Sep '22 to May '25)														Scheduled for completion in May 2025
Design (Sep '22 to Dec '23)														Significantly delayed due to need to undertake Peer Review. Peer Review now completed. Design input and support on-going with construction underway
Consents & approvals (Jun '23 to Mar '24)														Resource consents and Building Consent exemption secured
Construction procurement (Jun '23 to Jun '24)														Complete. RFT released in February 2024. Contract awarded in May 2024
Construction & site management (Jun '24 to May'25)														Current forecast is for Practical Completion by March 2025 with full handover by May 2025
Handover & closeout (Apr '25 to May '25)														

Milestones				
Milestone / Task	Baseline Finish	Forecast/Actual Finish	% completion	Comments
Conceptual engineering design	23-Sep-22	23-Sep-22	100%	Complete
Geotechnical investigation & assessment	11-Nov-22	11-Nov-22	100%	Complete
Topographical survey acquisition	9-Nov-22	9-Nov-22	100%	Complete
Detailed engineering inspection and assessment	16-Nov-22	16-Nov-22	100%	Complete
Kiwirail liaison and building fate determination	28-Feb-23	28-Jan-23	100%	Complete
Preliminary engineering design	14-Dec-22	14-Jan-23	100%	Complete
Construction supplier engagement/validation	18-Jan-23	24-Apr-23	100%	Complete
Statutory approvals	10-May-23	28-Mar-24	100%	Building consent exemption to be secured
Detailed design	12-Apr-23	15-Dec-23	100%	Complete
Construction procurement	7-Jun-23	31-May-24	100%	Completed. Contract awarded
Construction	30-Jun-24	7-May-25	75%	Construction repair underway
Handover	31-Jul-24	31-May-25	0%	

Financials						
Budget and Expenditure Summary						
Programme/Project Item	Current Budget	Cost To Date (CTD)	Forecast Cost to Complete (FCC)	Final Forecast Cost (FFC)	Project Variance	Commentary
Business Case (Phase 0)	\$0	\$0	\$0	\$0	\$0	
Planning and investigations (Phase 1 - 3)	\$108,000	\$121,897	\$0	\$121,897	\$13,897	
Consents, procurement, and legal (Phase 4)	\$61,200	\$53,657	\$4,500	\$58,157	\$3,044	
Design (Phase 4)	\$150,000	\$124,055	\$0	\$124,055	\$25,945	
Construction (Phase 4)	\$5,432,387	\$3,670,029	\$2,000,404	\$5,670,433	\$238,046	
Closeout (inc operational readiness, handover, as built) (Phase 5)	\$12,000	\$0	\$12,000	\$12,000	\$0	
Project Management	\$156,000	\$160,313	\$38,570	\$198,883	\$42,883	
Total	\$6,220,000	\$4,129,950	\$2,055,474	\$6,185,424	\$34,576	
Contingency (not included above)			\$0			

Programme/Project Status Report

Risks/Issues/Outcomes		
Key risks and/or issues arising are detailed below (NB level of risk is relative to this project)		
Risk ID - Risk/Issue	Mitigation	Residual Risk
10232 / 8 - Because of the failure or absence of controls addressing the number of hazards that are present	Monitor, manage, and communicate	10
10232 / 6 - Because it is not possible to accurately predict ground conditions and circumstances affecting the cost of the repair, creating a risk of financial burden on the Council (there is no additional funding available from NEMA).	Monitor, manage, and communicate	9
10232 / 7 - Because the Port Repair Project must co-exist and accommodate on-going operations meaning repair sequencing and/or efficiency and/or access gets disrupted	Monitor, manage, and communicate	6

Communications
 An update on media, marketing and communication activity for the programme/project
 Media engagements on-going. No further proactive releases planned for the time being after a spate of activity late in 2024.

Risk Key

Risk Rating		Action, Escalation & Review Timeframe Needed
20 - 25	Extreme	Risk Owner must immediately escalate risk to the SLT who co-escalating it to the Finance, Risk and Audit Committee.
10 - 16	High	Risk Owner immediately escalates risk to the Risk Leader, and SLT if required.
4 - 9	Moderate	Risk Owner monitors and reviews the effectiveness of risk controls whether the risk rating has changed, on a monthly basis.
1 - 3	Low	Retain all risks on the risk register and review those with a con score of 1 or 2 on a 6-monthly basis and those with a combined of 3 on a quarterly basis to ensure that the risk rating has not chx

Table 5: Likelihood of Occurrence		
Likelihood	Score	Description
Almost certain	5	Event is expected to occur more than once in the next year
Likely	4	Event is expected to occur once in the next year
Possible	3	Event could occur at least once in the next two years
Unlikely	2	Event could occur at least once in the next 3 to 5 years
Rare	1	Event is unlikely to occur in the next 5 years

		Risk Assessment Matrix				
		5	10	15	20	25
Consequence	Catastrophic (5)	5	10	15	20	25
	Major (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost certain (5)
		Likelihood				

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 7

Prepared by Jess Curtis
Capital Works Manager

Reviewed by Anthony Blom
Group Manager Infrastructure Services

Attachments 1. 4 BDC IS Projects Control Group Report 250124

Public Excluded: No

INFRASTRUCTURE SERVICES PROJECTS CONTROL GROUP REPORT

1. **REPORT PURPOSE**

The attached Infrastructure Services Projects Control Group report provides a status update on key operational and capital projects (above \$100k) for the Council's information. The report captures project health through budget, scope, resource, schedule, risks/issues and financial tracking for each project.

2. **EXECUTIVE SUMMARY**

The Infrastructure Services Projects Control Group meets monthly and is chaired by the Infrastructure Services Group Manager as the Sponsor for all projects. Other members include the Corporate Services and Community Services Group Managers, Infrastructure Delivery Manager and Infrastructure Planning Manager. Project managers will be invited to talk through the projects when project decisions are required and if there are key risks that require management support.

3. The monthly IS projects report shows key operational and capital projects (above \$100k) that are run through the Infrastructure Services Unit by capturing project health through budget, scope, resource, schedule, risks/issues and financial tracking for each project. Minor capital works (less than \$100k) are not currently shown, however the long-term aim is to include minor capital, show finance over multiple years and show the total portfolio spend breakdown.

4. High risks, health and safety events including notifiable events and communications for the month are also included in the report. Risks are reviewed and adjusted monthly with high risks and mitigations identified in the November/December report from page 22, with two new risks added since the previous report:

- Riley Place pump station renewal
 - o If funding is not approved, then the pumpstation will remain in poor condition and with a reduced capacity.
 - Westport wastewater sludge treatment and disposal
 - o If the Council's consent application is not complete within the timeframes or issues with onerous conditions that are unable to be fulfilled, then the council may incur penalties and reputational damage for breaching conditions.
5. Project health is shown through red, amber and green colours (definitions for these are within the report), and projects with set up documents still required are shown as grey. Further projects are still to be added to the report as the year progresses.
6. Key notes are:
- The report has widened to include key projects that are operational not only capital.
 - The report will continue to evolve as the information required to show a full picture of the projects are understood e.g. the addition of minor capital works
7. **DRAFT RECOMMENDATION**
That the Infrastructure Services Projects Control Group Report dated 12 February 2025 be received.

Buller District Council Infrastructure Services Projects report

Reporting Month Ending:	December 2024
Financial Month Ending:	November 2024
Last Control Group Meeting:	18 th December 2024
This Control Group Meeting:	29 th January 2025
Next Control Group Meeting:	19 th February 2025

Purpose

This report provides an overview of projects (both capital and operational) in the Infrastructure Services team for Buller District Council.

Overall Capital Financials

The table below provides a rolled-up overview of the annual capital budgets, carryovers, and costs to date along with remaining expenditure for each portfolio. The figures below represent the 24/25 capital programme budget, tracked against delivery. Figures in red show an overspend compared to budget.

Portfolio	24/25 AP budget	Carryovers from 23/24	Approved changes	Total approved budget	Cost To Date	Variance (budget – cost to date)	Commentary
Local Roads	\$4,292,215	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$526,870	\$3,765,345	
Special Purpose Roads	\$3,065,489	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$57,040	\$3,008,449	
Transport & Urban Development	\$4,909	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$264,288	\$259,379	This includes costs from the IAF and Resilient Westport projects.

Portfolio	24/25 AP budget	Carryovers from 23/24	Approved changes	Total approved budget	Cost To Date	Variance (budget – cost to date)	Commentary
Sewerage Schemes	\$1,842,893	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$538,484	\$1,304,409	
Water Supplies	\$5,687,022	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$601,274	\$5,085,748	
Stormwater Network	\$631,577	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$155,374	\$476,203	
Solid Waste	\$197,405	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$41,105	\$156,300	
Community Facilities	\$781,265	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$563,926	\$217,339	
Total	\$15,721,510	Not yet confirmed	Not yet confirmed	To be confirmed with carryovers	\$2,184,435	\$13,537,075	

Portfolio summaries

The projects listed below are low, medium and high complexity projects across the Infrastructure Services Capital Works Programme. Minor capital works (less than \$100k) are not currently shown, however the aim is to include minor capital, baseline start and finish dates for each project, multiyear project financial breakdowns and show the total portfolio spend breakdown. The reporting description for budgets have been updated to reflect only forecasted overspends.

The report colour coding represents the following:

Colour	Description
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	<p><u>Off track</u></p> <p>Budget – budget variation is forecasted to be 10% over budget, insufficient to deliver or external funding unconfirmed</p> <p>Scope – not well defined and/or highly likely that the approved scope cannot be delivered</p> <p>Resources – project is significantly under resourced and/or specific skills not in place</p> <p>Schedule – no clear visibility of deliverable dates and/or delays in completing deliverables for the delivery dates</p> <p>Risk/Issues - risks are not able to be managed at programme/project level despite controls in place and/or risks are expected to eventuate and impact the programme/project delivery.</p>
	<p><u>On track for now, aspects need resolution</u></p> <p>Budget – budget variation is forecasted to be 5-10% over budget with work underway to resolve</p> <p>Scope – not well defined with a scope change identified which may require additional budget/resources/time</p> <p>Resources – some variances exist and/or required skills</p> <p>Schedule – not enough visibility of deliverable dates, delays may impact final delivery dates</p> <p>Risk/Issues - some mitigation strategies are in place but with improvement needed. Risk status overall is worsening.</p>
	<p><u>On track</u></p> <p>Budget – project on track against approved budget</p> <p>Scope – well defined and on track for delivery</p> <p>Resources – required resources/capabilities are in place</p> <p>Schedule – clear deliverable dates with no delays to baseline delivery dates</p> <p>Risk/Issues - risks are fully assessed and managed</p>
	<p>Baselines not yet set to measure report against.</p>

Community Facilities Portfolio health check

The key projects in the Community Facilities portfolio are upgrades to the Mokihinui and Punakaiki campground sewage systems, HVAC installations for Brougham House, NBS theatre and Reefton Swimming Pool and Carnegie Library.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Mokihinui Campground Sewerage							\$800,000	\$19,909.60	\$646,005	\$800,000	\$0
Commentary	Design ongoing with draft design sent to the Mokihinui sub-committee. Design under review by Environmental Technologies and changes being incorporated by designer. Budget updated with confirmation that the funding sources are \$400,000 BDC and \$400,000 of TIF funding.										
Punakaiki Campground Sewerage							\$588,456	\$454,814	\$30,000	\$484,814	\$103,642
Commentary	AES system installed, under Defects Liability Period until March 2025										
Brougham House - HVAC							\$225,000	\$66,187	\$158,813	\$225,000	\$0
Commentary	Onsite construction to install anticipated to start from March 2025.										
NBS theatre HVAC							\$457,000	\$4,758	\$452,242	\$457,000	\$0
Commentary	Budget made up of \$372K BDC funds, \$85K from Buller Arts and Recreation Trust (BART) with BART payment confirmed. Request for proposal drafting underway to obtain 3 quotes and understanding of dates for theatre impacts underway to be included in procurement documents.										
Carnegie Library							\$547,157	\$70,079	\$477,078	\$547,157	\$0

Key projects	Over all	Budge t	Scope	Resourc e	Schedul e	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Commentary	<p>Project business case underway. Funding provided by BDC through the 2023-24 Annual Plan, to provide seed funding to enable external funding to be sourced for strengthening and refurbishment work so the building can be reused.</p> <p>Heritage Works Architect contract is working with Heritage NZ and other advisors through the design process. Resource consent application underway.</p> <p>Lotteries Grant application underway for submission in February 2025, conditional on resource consent outcome.</p>										
Reefton swimming pool HVAC and upgrade							\$600,000	\$53,675	\$546,325	\$600,000	\$0
Commentary	<p>Budget made up from \$300k approved Lotteries funding to fund HVAC system work along with \$300K BDC funding.</p> <p>200 kVA power supply upgrade switchboard design completed with livening intended for 30th January 2025. New pool cover installed, external door relocated and repairs completed to pool water dosing system.</p> <p>HVAC design completed; procurement underway for installation. Building Consent for changing room repair work approved.</p>										

Roading and Transport Portfolio Health Check

The projects listed below are the larger projects within the roading and transport portfolio including the Omau Road intersection upgrade and the 24-27 road resealing work. The 24-27 bridge work and footpath work are currently being scoped to set up before adding to the report.

Key Projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
LR – Low Cost/Low Risk – Omau Road intersection upgrade							\$1,974,332	\$333,613	\$1,640,719	\$1,974,332	\$0
Commentary	Redesign and procurement underway for release early 2025. Community consultation planned to update on design changes in 2025.										
SPR – Karamea highway rehabilitation							\$1,895,172	\$1,775,604	\$0	\$1,775,604	\$122,713
Commentary	Contractor has agreed to a work programme to remediate the defective seal at site 2 and 3 in early 2025. Monitoring of the sites will continue until remediation is completed.										
Toki Trail stage 2a							\$142,599	\$105,306	\$37,293	\$142,599	\$0
Commentary	Final construction completed. Project handover and closure to be started. Funded from a 22/23 carry-forward for district revitalisation work of \$158,004. \$9,480 of the carry-forward was spent on non-Toki Trail Stage 2A projects, leaving an available budget of \$142,599.										
24-27 Road resealing							\$4,329,000	\$27,160	\$4,301,840	\$4,329,000	\$0
Commentary	Contract award underway. Physical works are to be carried out over two periods (Dec 24 - Mar 25 and Nov 25 - Mar 26). Construction expected to commence in Feb 24.										

Key Projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
LR – Speed Management Plan							\$245,000	\$172,771	\$0	\$172,771	\$72,229
LR – Speed Management Plan	New speed limit rules implement by central government, options for BDC being explored.										

Waste Water Portfolio Health Check

The largest portion of the wastewater portfolio is currently being refined as a wastewater improvements programme and has been separated into its own programme summary below. As part of this programme establishment, previously reported projects Waste water/stormwater separation – 52024 and Waste water/stormwater separation smoke and dye test – 52017 have been combined into the improvements programme and are no longer shown individually. Three new projects have been added to this portfolio; Adderly Street main replacement, Reefton Wastewater Treatment Plant upgrades and The Strand, Reefton, waste water line renewal.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Riley Place pumpstation - 52052							\$250,000	\$722	\$249,278	\$250,000	\$0
Commentary	Investigation of options for pumpstation underway. A workshop to clarify the business case scheduled for January 2025.										
Pakington street main replacement (20 – 32) - 52021							\$380,000	\$95,442	\$284,558	\$380,000	\$0
Commentary	Work continuing into 2025.										
Potter Road – Buller Road reline - 52023							\$154,137	\$8,707	\$145,430	\$154,137	\$0
Commentary	CCTV delays due to survey difficulties requiring the installation of a manhole. Suggestion that relining is possible. Relining contract work programme negotiations ongoing.										
Adderly Street main replacement							\$320,000	\$296,616	\$23,384	\$320,000	\$0
Commentary	Work near completion.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Reefton WWTP upgrades							\$120,000	\$3,945	\$116,055	\$120,000	\$0
Commentary	Aerator on site - 6-month trial underway from mid-November. Level sensors and DO meters procurement underway.										
The Strand, Reefton waste water line renewal							\$200,000	\$0	\$200,000	\$200,000	\$0
Commentary	Procurement plan underway.										
Westport Wastewater sludge treatment and disposal							\$200,000	\$0	\$200,000	\$200,000	\$0
Commentary	Business case underway to identify project scope of treatment plant upgrades. Resource consent application planning started. Greenwaste collection operations to be refined for composting treatment.										

Waste Water Improvement Programme Health Check

The wastewater improvements programme looks to reduce the inflow and infiltration of stormwater into the wastewater network and meet resource consent conditions. The projects within this programme are currently being reviewed and will be updated in the future.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Replacement of WWPS screens – 10234							\$200,000	\$203,138	\$0	\$203,138	-\$3,138
Commentary	Closure report underway.										
Discharge resource consent application - 10235							\$455,000	\$325,358	\$116,000	\$441,358	\$13,642
Commentary	Buller River Consent RFI's and consent variation for discharge into the Buller River ongoing. Review of community communication plan underway. Summary update letter to the WCRC underway. Environmental monitoring negotiations underway.										
Waste water model preparation – 10236							\$315,000	\$65,397	\$135,000	\$200,397	\$114,603
Commentary	Wastewater modelling and optioneering ongoing. There is further modelling work to be completed once separation completed e.g. Carters Beach, Colvin Street and Riley Place (see project below).										
Stormwater model preparation - 10237							\$420,000	\$112,078	\$30,527	\$142,605	\$277,395
Commentary	Stormwater modelling and optioneering ongoing. Survey underway with results expected in early 2025 once survey is completed.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
	Variance not expected at project completion as additional modelling work is likely to be required that is not shown yet as a committed cost.										
Waste water/storm water separation – 10238							\$800,000	\$312,444	\$315,000	\$627,444	\$172,556
Commentary	Construction work on going. Previous projects 52017 and 52024 costs to be combined with this project.										
Waste water/storm water separation policy – 10239							\$50,000	\$14,042	\$9,243	\$23,285	\$26,715
Commentary	Policy workshopped with Councillors. Draft policy underway for 2025. Project manager handover completed to mitigate resourcing challenges.										

Water Supplies Portfolio health check

The largest project in the water supplies portfolio is the final stage of the Westport Trunk Main replacement. Funding was approved in the 24/25 annual plan and the project setup is currently underway. The Westport trunk main replacement project was broken into 4 stages. Stage 1 has been fully closed, stages 1a, 1b and 2 are shown below.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Punakaiki Chlorination – 51011							\$194,000	\$52,331	\$296,508	\$348,839	- \$154,839
Commentary	Work completed; defects liability period underway. Project change request to add further funding from the 24/25 AP underway.										
Westport Water Treatment Plant Optimisation - 51052							\$270,000	\$51,293	\$218,707	\$270,000	\$0
Commentary	Caustic wash complete and monitoring of effects is ongoing. Quote for new access stairs and platforms underway.										
Westport water Sectorisation - 51008							\$380,000	\$100,742	\$279,258	\$380,000	
Commentary	Confirmed the flowmeter scopes with the Trunkmain Stage 2 Project for Kew Road and Queen Street. Awaiting confirmation for the other four flowmeter scopes.										
Waimangaroa raw water supply upgrade							\$2,519,912	\$2,056,293	\$7,217	\$2,063,510	\$456,402
Commentary	Handover report completed by EGIS. SLT memo underway for decision on budget movement for underspend.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Westport Trunk Main Stage 1b - 10240							\$1,634,954	\$1,151,325	\$6,800	\$1,158,125	\$476,829
Commentary	Physical works completed. Defects liability period still to be completed. SLT memo to be drafted for decision on budget movement for underspend. Easement approved by BDC currently with Colls Surveying to be lodged. Handover report completed by EGIS.										
Westport Trunk Main Stage 2 - 51080							\$3,092,985	\$104,320	\$2,234,598	\$2,338,918	\$754,068
Commentary	Kiwirail grant issued for BDC approval. Construction tender documents released on GETS.										
Coates Street Mains Replacement - 51076							\$250,000	\$3,050	\$246,950	\$250,000	\$0
Commentary	Construction programme ongoing.										
Reefton backflow preventions – 51006							\$131,000	\$30,889	\$100,111	\$131,000	\$0
Commentary	Construction programme ongoing.										
Westport backflow preventions – 51007							\$443,125	\$270,112	\$173,013	\$443,125	\$0
Commentary	Work program ongoing, due to be completed by June 2025.										

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
West Disraeli to Queen Street Mains Replacement - 51023							\$103,857	\$25,821	\$78,036	\$103,857	\$0
Commentary	Construction near completed, final stage to be completed in early 2025 once main replacement completed.										
Walsh street Main replacement							\$118,850	\$0	\$118,850	\$118,850	\$0
Commentary	Design completed, construction to be programmed in for Q1 2025.										

Stormwater Portfolio health check

The largest projects in the stormwater portfolio are the repairs of the Cobden Street outfall and the Resilient Westport stormwater modelling.

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Brougham Street Stormwater Upgrade – 53001							\$150,000	\$125,873	\$10,500	\$136,373	\$13,627
Commentary	Easement process for BDC assets on private property ongoing.										
Southern Peel Street Stormwater Upgrade – 53011							\$300,000	\$26,884	\$207,151	\$234,035	\$ 65,965
Commentary	Procurement plan to be drafted, construction to be completed in 2025.										
Cobden Street outfall repair - 53031							\$400,000	\$35,637	\$458,900	\$494,537	-\$94,537
Commentary	Detailed design underway, construction tender documents underway for release in 2025. Change request to increase budget underway.										
Thomas Creek outfall protection – 53006							\$160,000	\$180	\$159,820	\$160,000	\$0
Commentary	Interim design completed with work programme to be confirmed										
Stormwater management improvements - 52061							\$150,000	\$99,511	\$50,489	\$150,000	\$0
Commentary	Application to Regional Infrastructure Fund for capital underway. Stormwater flow data received.										

Waste Management Portfolio health check

The key projects in the Waste Management portfolio are:

Key projects	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Current Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Karamea landfill and recycling centre upgrade							\$328,000	\$284,644	\$15,000	\$299,644	\$28,356
Commentary	<p>Minor tasks to be completed prior to project closure.</p> <p>Multiple funding streams including AP budgets from 22/23, 23/24, waste levy's fund, MFE funds, Karamea Waste Group Grants contribution of approximately \$25k for materials. Project closure report to be drafted that confirms final financial breakdown.</p>										
Construction and demolition waste recovery facility							\$949,999	\$128,504	\$821,495	\$949,999	\$0
Commentary	<p>Council approval of the Buller project confirmed, project manager procurement underway.</p> <p>Project majority funded by the Ministry for the Environment. Budget shows combined regional total which will be revised once the Westland project is confirmed.</p>										
Westport and Reefton transfer station upgrade							\$442,817	\$347,151	\$35,000	\$382,151	\$60,666
Commentary	<p>Minor weather dependent tasks to be completed at end of 2024 prior to project closure.</p>										
Waste Minimisation Plan							\$70,000	\$66,149	\$3,000	\$69,149	\$851
Commentary	<p>Waste minimisation plan drafting continuing. Budget obtained from the Waste Levy Funds and from co-fundings from the other two WCRC (Other Councils total co-funding was \$41,764)</p>										

Waste Services contract renewal							\$300,307	\$384,560	\$0	\$377,717	-\$84,353
Commentary	Budget includes previous two consultations, statement of proposal elaboration, contract renewal, procurement plan, request for proposal, legal review, probity and audit advice, tender evaluation and moderation. Co-funding from GDC and WDC was \$34,664										
Organic Management Feasibility Study							\$100,000	\$68,129	\$31,000	\$99,129	\$871
Commentary	Feasibility study ongoing intended for completion in May 2025. Project co-funded by MfE \$75,000, DWC \$10,000, BDC \$5,000, GDC \$5,000, WDC \$5,000.										

Return to Service Programme Health Check

The NZTA funded Return to Service roading work is a programme of works separated into 12 bundles which are described below. Bundles were identified either by work of a similar nature or geographic similarity. A large review on the programme scope was completed in December with the programme forecasting an overspend of \$388,784. NZTA is requesting additional funding from the Board.

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Bundle 1 – Work usually carried out by Council's maintenance contractor							\$933,731	\$605,076	0	\$605,076	\$328,655
Commentary	All construction works completed. Proposed work at Gannons Bridge removed from scope.										
Bundle 2 – Roding and culvert repairs							\$332,795	\$238,973	\$0	\$238,973	\$93,822
Commentary	Defect period ended in December 2024. Retentions released.										
Bundle 3 – Machine work							\$448,204	\$344,754	\$0	\$344,754	\$103,450
Commentary	Work completed; defects liability period underway. Estimate higher than actual cost to complete.										
Bundle 4 – MSE wall & minor machine work							\$618,765	\$795,051	\$	\$795,051	-176,286
Commentary	Work completed; defects liability period underway. Tender price received higher than estimate.										

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Bundle 5 – Karamea Basin & Little Wanganui underslips							\$662,360	\$526,124	\$3,616	\$529,740	\$132,620
Commentary	Defect period ended in December 2024. Retentions released.										
Bundle 6 – Denniston retaining walls & road repair							\$3,371,256	\$4,092,285	\$16,000	\$4,108,285	-\$737,029
Commentary	Work completed; defects liability period underway. Additional costs identified during construction due to challenging ground conditions over five sites.										
Bundle 7 – Rock protection & repairs Northern Buller local roads							\$1,256,062	\$980,787	-\$19,238	\$961,549	\$294,513
Commentary	Work completed; defects liability period underway. Reduction on scope of work on De Malmanches Road identified by Project Manager and competitive tender received.										
Bundle 8 – SPR underslips, retaining structures & roads							\$2,725,265	\$1,779,030	\$1,117,506	\$2,896,536	-\$171,271

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Commentary	Final extent of retaining wall can only be determined during construction once unforeseen ground conditions are fully managed. Work underway, with estimated completion early 2025. Site team proactively looking for cost savings.										
Bundle 9 – Local roads rockwall, roading & rock placement							\$215,750	\$135,185	\$0	\$135,185	\$80,565
Commentary	All sites have been removed from the scope of works. If required these will be carried out using the roading maintenance budget.										
Bundle 10 – Karamea Bluff rockwall, roading, rock & culverts							\$1,165,615	\$1,049,830	\$145,594	\$1,195,424	-\$29,809
Commentary	MSE retaining wall construction completed. Remaining work includes chipsealing and sight rails. Work underway, with estimated completion early 2025.										
Bundle 11 – Karamea Bluff soil nail wall, replace culvert							\$751,279	\$758,470	\$12,460	\$770,930	-\$19,651
Commentary	Contractor onsite carrying our remedial works.										

Project name	Overall	Budget	Scope	Resource	Schedule	Risk/Issues	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast to Complete	Variance
Bundle 13 – Christmas Creek & Burkes Creek Bridge abutments, rock protection, culverts							\$1,011,152	\$1,294,343	\$5,170	\$1,299,513	-\$288,361
Commentary	Work completed, defects liability period underway. Tender price received higher than estimate.										

	Budget	Cost to Date	Forecast Cost to Complete	Final Forecast Cost to Complete	Variance	Commentary
Overall Programme finances	\$13,492,234	\$12,599,911	\$1,281,107	\$13,881,017	-\$388,784	Reassessment of remaining work underway.

Summary by event and local roads or special purpose roads:

Class and event	Current budget	Forecast final cost	Variance
LR FEB	\$6,232,155	\$6,873,679	-\$641,524
LR JUL	\$1,073,193	\$790,647	\$282,546
SPR FEB	\$5,376,935	\$5,061,148	\$315,787
SPR JUL	\$809,952	\$1,155,544	-\$345,593

TOTAL	\$13,492,234	\$13,881,017	-\$388,784
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High Risks and Issues

The following table outlines the most significant risks and issues facing the Capital Programme Delivery and the mitigation measures in place to address them.

Project name	Risk/Issue Name	Description	Action/Mitigation
Brougham House - HVAC	Cost escalation during construction works.	If unfavourable conditions are discovered once work is started, then there may be additional costs required.	Ensure robust negotiations are carried out to agreed quote and purchase order Contract management communication lines clear between the contractor and BDC.
NBS theatre – HVAC	Cost escalation during construction works.	If unfavourable conditions are discovered once work is started, then there may be additional costs required.	Ensure robust negotiations are carried out to agreed quote and purchase order Contract management communication lines clear between the contractor and BDC.
Carnegie Library	Achieving a fit for purpose and affordable outcome	If the design of and purpose for the Carnegie building is not agreed by the BDC and community, then the outcome may be unaffordable, unachievable and not fit for purpose.	Regular meetings between the project manager and the Carnegie committee with final approval through Council.
Carnegie Library	Investigation costs	If construction is not completed there may be write off and demolition costs for operating.	Costs to be held as Work in Progress until a decision on phase 2 construction is made.
Stormwater management improvements - 52061	Delivery funding not confirmed.	Funding for stormwater improvements not included in the June 2022 Westport Flood Resilience Business Case.	Once modelling is completed, active engagement with central government on external funding sources.
Stormwater management improvements - 52061	Modelling cost write offs	If modelling is charged to capital and construction is not completed there may be write off costs for operating.	Working with finance to agree on an accounting treatment for this work.
Discharge resource consent application - 10235	Volume of request for information	If the volume of request for information tasks is too big there will not be available BDC resourcing to respond.	Task list has been drafted with assigned resources to it. Workload priority conversations with assigned staff underway.

Project name	Risk/Issue Name	Description	Action/Mitigation
Discharge resource consent application - 10235	Consent compliance	If the Council's consent application is not complete within the timeframes or issues with onerous conditions that are unable to be fulfilled, then the council may incur penalties and reputational damage for breaching conditions.	Reduce stormwater discharge into wastewater network.
Waste water/stormwater separation policy - 10239	Community engagement	If community engagement is not completed, then the stormwater infiltration policy may not be understood and accepted by councillors and the community.	Advise underway from the BD Communications and Engagement team on a communications plan linked to the consent process.
Riley Place Pump station renewal – 52052	Delivery funding not confirmed.	If funding is not approved, then the pumpstation will remain in poor condition and with a reduced capacity.	Business case underway to forecast costs along with the long-term plan.
Westport Wastewater sludge treatment and disposal	Consent compliance	If the Council's consent application is not complete within the timeframes or issues with onerous conditions that are unable to be fulfilled, then the council may incur penalties and reputational damage for breaching conditions.	Site improvements for composting of sludge.

Health, Safety and Environmental

This register tracks the health, safety and environmental audits and reports completed for construction projects in the previous month.

Programme/project name	Events Reported	Notifiable Events	Audits Completed
RTS Programme	0	0	42

Communications/Community and Stakeholder Engagement

The following recent communication has been distributed to achieve the above aims.

Project Name	Description
RTS Programme	Monthly traffic management update sent to interested parties

Trunkmain stage 2	Video of water infrastructure uploaded to project webpage Westport water trunk main replacement
Westport Wastewater sludge treatment and disposal	Media release 29 th November Buller residents to benefit from local green waste being repurposed Buller District Council
Punakaiki chlorination	Media release 29 th November Punakaiki water supply chlorination work ramps up Buller District Council

Appendix 1: Project Name and Description

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Community Facilities	Mokihinui campground sewerage	Upgrade of Mokihinui Campground Effluent discharge funded by both the MBIE Tourism Infrastructure Fund and BDC.	October 2024	July 2025	September 2025
Community Facilities	Punakaiki campground sewerage	Upgrade the existing onsite effluent wastewater system, ensuring the upgrade is fit for purpose, operates efficiently and meets current resource consent conditions for a maximum of 400 camping ground uses.	October 2023	Completed	March 2025
Community Facilities	Brougham Street Upgrade	Upgrade Brougham House. Current work has included electrical-main switchboard replacement and upgrades of heating and ventilation system for ground and first floor of Brougham house. Earthquake strengthening work still to be confirmed through council as budget insufficient to complete the required works.	June 2024	February 2025	March 2025
Community Facilities	NBS theatre HVAC	Upgrade of heating and ventilation system for NBS theatre.	June 2024	August 2025	March 2026
Community Facilities	Carnegie Library	Primarily seismic upgrade and associated refurbishments to meet the building act.	October 2023	To be estimated through a project documentation	To be estimated through a project documentation

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Community Facilities	Reefton swimming pool HVAC and upgrade	Upgrade of heating and ventilation system to ensure swimming pool air temp consistent with water temp to rectify severe condensation problem.	October 2023	September 2025	March 2026
Roading and Transport	LR – Low Cost/Low Risk – Omau Road intersection upgrade	Council is proposing to upgrade the Omau intersection due to safety concerns and to provide a safe alignment for the Kawatiri Coastal Trail. This stage will involve the detailed design of the intersection to be completed by 30th June 2024.	June 2023	December 2025	December 2026
Roading and Transport	SPR – Karamea highway rehabilitation	Granular overlay and two coat chip seal at three sites from the northern side of the Karamea bluff to the Karamea bridge.	June 2023	April 2025	April 2026
Roading and Transport	LR – Speed Management Plan	This project aimed to deliver on the outcomes of the Regional Speed Management Plan 2024-2026 consultation that proposed to lower the speed limit around eight schools, and seven high priority roads/high priority areas.	July 2023	March 2026	June 2026
Roading and Transport	Toki Trail stage 2a	A shared path was created between the Toki Poutangata bridge and Victoria Park which has been the subject of a post-construction safe system audit undertaken by Abley Consultants which recommended multiple changes and improvements. The scope of this project is to rectify the existing Kawatiri Coastal Trail, Westport town precinct, Westport CBD, and the recreational area of Victoria Park via a shared pathway. An enhanced journey experience for cyclists and pedestrians will increase well-being, retail and social benefits	July 2023	Completed	March 2025
Roading and Transport	24-27 road resealing	Sections of road requiring resealing as part of regular maintenance.	November 2024	March 2026	June 2027

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Waste Water	Replacement of WWPS screens – 10234	Replace screens on the three pump stations subject of the consent RC00408/2. Note there are five other WW pump stations in Westport that are currently unconsented and may need the addition of overflow screens before consents can be issued.	July 2022	Completed	March 2025
Waste Water	Discharge resource consent application – 10235	Buller river and Orowaiti river resource consent application. Includes iwi liaison, environmental reporting etc.	July 2022	June 2027	December 2027
Waste Water	Waste water model preparation – 10236	Waste Water model and optioneering to identify improvement works that will need to be carried out over short and longer term.	July 2022	June 2031	December 2031
Waste Water	Stormwater model preparation - 10237	Stormwater model and optioneering to identify improvement works that will need to be carried out over short and longer term.	July 2022	March 2025	December 2025
Waste Water	Waste water/stormwater separation investigation – 10238	Repairs for immediate cross connections.	July 2022	March 2025	December 2025
Waste Water	Waste water/stormwater separation policy – 10239	Develop and consult on a WW/SW separation policy including consultation.	July 2022	February 2025	December 2025
Waste Water	Riley Place pumpstation - 52052	The current pump station, rated at 4 litres per second (l/s), is outdated, frequently struck by vehicles, and deteriorating. This project looks to investigate options available.	June 2024	June 2028	June 2029
Waste Water	Pakington street main replacement - 52021	Replacement of the main pipeline around numbers 20 – 32 in Pakington Street.	May 2024	April 2025	June 2025

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Waste Water	Potter Road – Buller Road reline - 52023	Reline inside of the pipework between Potter and Buller Roads.	June 2022	February 2025	June 2025
Waste Water	Adderly Street main replacement	Adderly Street main replacement	April 2023	Completed	June 2025
Waste Water	Reefton WWTP upgrade	Upgrades to the Reefton Wastewater treatment plant including aerator, level sensors and DO meters	November 2024	January 2026	April 2026
Waste Water	The Strand, Reefton, wastewater line renewal	Renewal of wastewater line on the Strand	May 2024	May 2026	May 2027
Waste Water	Westport Wastewater sludge treatment and disposal	Long term management optioneering and implementation of sludge in Westport	December 2024	June 2026	September 2026
Water Supplies	Punakaiki Chlorination – 51011	The objectives of the project are essential to improving water supply safety by introducing residual chlorine into the drinking supply and complying with the Drinking Water Assurance Rules of 2022	January 2024	Completed	December 2025
Water Supplies	Westport water treatment plant optimisation - 51052	This project aims to investigate the WTP treatment performance and undertake affordable improvements.	February 2024	March 2025	April 2025
Water Supplies	Westport water sectorisation - 51008	Sectorisation of the Westport Water system to understand the areas of water loss and allow improvements through management.	April 2025	June 2025	August 2025

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Water Supplies	Waimangaroa WS Upgrade	Upgrade critical elements of the raw water supply to implement priorities of the raw water network.	July 2021	Completed	February 2025
Water Supplies	Westport Trunk Main stage 1b - 10240	The project is a continuation of the Westport Trunk main, construction of PE trunk main pipeline towards Westport.	August 2022	Completed	February 2025
Water Supplies	Westport Trunk Main stage 2- 51080	The project is the final stage of the Westport Trunk main, construction of PE trunk main pipeline towards Westport.	July 2024	June 2025	June 2026
Water Supplies	Coates Street Mains Replacement - 51076	Replacement of mains in Coates Street	July 2024	June 2025	June 2026
Water Supplies	Reefton Backflow prevention	In order to meet Taumata Arowai anticipated compliance testable backflow prevention valves are being rolled out firstly with rural water connections.	February 2025	June 2025	August 2025
Water Supplies	Westport backflow preventions – 51007	In order to meet Taumata Arowai anticipated compliance testable backflow prevention valves are being rolled out firstly with rural water connections.	July 2024	June 2025	August 2025
Water Supplies	West Disraeli to Queen Street Mains Replacement - 51023	Replacement of mains in West Disraeli to Queen Street	June 2024	February 2025	April 2025
Water Supplies	Walsh street Main replacement	Replacement of mains in Walsh Street.	February 2025	February 2025	April 2025
Stormwater	Brougham street stormwater upgrade – 53001	The project originates from an unresolved historic stormwater issue wherein private construction works damaged an unmapped public stormwater drain passing through private property and localized flooding persisted at the rear of 143-149	October 2023	June 2025	August 2025

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
		Palmerston Street. To address this, the project focuses on installing a new stormwater pipe. This pipe will facilitate the drainage of communal stormwater from neighbouring properties into the Council's stormwater system situated in Brougham Street, thereby resolving the persistent localized flooding issue.			
Stormwater	Southern peel street stormwater upgrade – 53011	The primary objective of the Southern Peel Street Stormwater Upgrade project is to decrease flooding of roads and private properties during rain events ranging up to the 10-year Average Recurrence Interval (ARI). This involves improving the stormwater management system to handle stormwater effectively, thus ensuring the road corridor and surrounding properties remain flood-free during typical rainfall events, improving safety, and reducing maintenance costs	October 2023	June 2025	August 2025
Stormwater	Cobden Street outfall repair - 53031	Reactive repairs to the Cobden Street outfall. Design required prior to construction.	May 2024	May 2025	May 2026
Stormwater	Thomas Creek outfall protection – 53006	Reactive repairs to the Thomas Creek outfall. Stage 1 initial outfall design to be delivered and tested Stage 2 final outfall confirmed and delivered if needed.	February 2024	March 2027	August 2027
Stormwater	Stormwater management improvements - 52061	Upgrade to the Westport township stormwater network integrated into the flood protection wall construction	Sept 2024	May 2027	August 2027

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Waste management	Karamea landfill and recycling centre upgrade	Purchasing and installing weighbridge, site office and recycling centre for Karamea.	March 2022	February 2025	May 2025
Waste management	Construction and demolition waste recovery facility	Regional project to design, build and operate three construction and demolition waste recovery facilities around the region (Westport, Hokitika, Greymouth).	March 2022	November 2025	February 2026
Waste management	Westport and Reefton transfer station upgrade	Major maintenance work of the two main waste facilities of the district (Westport and Reefton) e.g. roof repairs, Westport weighbridge, security fences/gates and cctv cameras.	July 2022	March 2025	June 2025
Waste management	Waste minimisation plan	Elaboration of the Regional WMMP that establish the Waste Management strategy to achieve the waste minimisation goals.	February 2024	April 2025	May 2025
Waste management	Waste Services contract renewal	Procure the contract that will provide the Buller Waste Management services and facilities operations from July 2025 until 2035 (10y).	July 2023	January 2025	March 2025
Waste management	Organic Management Feasibility Study	Elaborate a Feasibility Study to identify a preferred approach to manage food scraps and garden waste in the West Coast Region.	March 2024	May 2025	August 2025
Return to Service Programme	Bundle 1	Bundle 1 is made up of defects/projects that require simple designs and that are usually carried out by Council's maintenance contractor.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 2	Bundle 2 is made up of general roading and culvert repairs.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 3	Bundle 3 is made up of machine works on the Karamea highway.	April 2022	Completed	March 2026

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
Return to Service Programme	Bundle 4	Bundle 4 is made up of machine works and a mechanically stabilised earth wall on the Karamea highway.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 5	Bundle 5 is made up of roading underslips that require the road shoulder to be reinstated in Karamea basin and Little Wanganui.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 6	Bundle 6 is made up of retaining wall and roading repairs on the Denniston road.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 7	Bundle 7 is made up of rock protection and roading repair work.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 8	Bundle 8 is the repairs of underslips using retaining structures and roading work on the Karamea highway.	April 2022	March 2025	March 2026
Return to Service Programme	Bundle 9	Bundle 9 is made up of rockwall and roading & rock placement. The largest portion is Darkies Tce, with a significant retaining structure intended to support road required	April 2022	Completed	March 2026
Return to Service Programme	Bundle 10	Bundle 10 is made up of rockwall and roading & rock and culvert work on the Karamea highway.	April 2022	March 2025	March 2026
Return to Service Programme	Bundle 11	Bundle 11 is the construction of a Soil Nail wall, replacement of existing culvert and other miscellaneous works on the Karamea highway.	April 2022	Completed	March 2026
Return to Service Programme	Bundle 13	Bundle 13 is the repairs to two sites;	April 2022	Completed	March 2026

Portfolio	Project Name	Project Description	Project start date	Estimated delivery completion date	Estimated project closure date
		<p>Christmas Creek - Lift existing bridge, upgrade, construct new abutments, river works and miscellaneous work.</p> <p>Burkes Ford - Reinstatement of rock protection, void repairs, culvert installation and other works.</p>			

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 8

Prepared by Jess Curtis
Capital Works Manager

Reviewed by Anthony Blom
Group Manager Infrastructure Services

Public Excluded: No

WESTPORT TRUNK MAIN STAGE 2 DESIGN AMENDMENT

1. **REPORT PURPOSE**

This report is to provide an update on the design of the stage 2 trunk main replacement project for the Council's information.

2. **EXECUTIVE SUMMARY**

As part of the planning stage of the Westport trunk main replacement stage 2 project, a review was undertaken on the design with the decision made to align the pipe along Abattoir Road then back to Roberston Street along in a straight line to the Roebuck/Queen Street intersection.

3. This decision was made with the aim to reduce the whole-of-life cost, lessen impacts to residents and shorten the construction time of the trunk main stage 2 portion of work.

4. **DISCUSSION**

As part of the 24/25 Enhanced Annual Plan, the Westport trunk main replacement stage 2 project (continuing the water trunk main from the McKenna/Stephen Road intersection through to Queen Street), was approved.

5. However, during the planning of the project the project team completed an options assessment on the alignment as part of the projects due diligent from outset. At a similar time, there were concerns on the alignment raised by Councillors. A key focus of the options assessment was the impacts of construction costs and ongoing operational costs for both options. The process included a peer review from the maintenance contractor to ensure all perspectives were covered.

6. The two options considered were.

- 1) through town, along Abattoir Road, Domett Street, Bentham Street and Queen Street ending at the Roebuck/Queen Street intersection.



- 2) Abattoir Road then back to Roberston Street along in a straight line to the Roebuck/Queen Street intersection.



7. The decision was made to implement option 2 with the benefits being:
 - A shorter, simpler route with less construction, saving time and an estimated \$500,000 of construction cost.
 - Less construction disruption for traffic and homeowners' access to properties.
 - Other services and utilities are less impacted during construction.
 - Other benefits will continue to be realised including an even flow pressure, increased capacity deeper into Westport, reduced leakage, and the ability to retire of old cast iron mains.
8. A media release was completed in November and is available on the overall Westport Trunk main replacement projects webpage <https://bullerdc.govt.nz/blog/planning-for-the-next-stage-of-westport-s-water-trunk-main-replacement-underway/>

9. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.
10. **DRAFT RECOMMENDATION**
That the Westport Trunk Main Stage 2 Design Amendment dated 12 February 2025 be received.

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 9

Prepared by Domonic Venz
Harbourmaster

Reviewed by Paul Numan
Group Manager Corporate Services

Public Excluded: No

PORT AND DREDGE – FEBRUARY 2025 OPERATIONS REPORT

1. **REPORT PURPOSE**

This report updates the committee on operational matters relating to the Westport Port and the dredge Kawatiri as at February 2025.

2. **DISCUSSION**

3. **Buller Port Co Limited (Westland Mineral Sands)**

Westport Harbour team continues to engage with BPCL in a positive manner.

4. **Pilotage**

The approved Pilot that BDC contracts from Port Marlborough recently completed the revalidation process for piloting in Westport waters. This will allow Council to continue providing pilotage services to those operators requiring this service. Also, once BPCL returns to Westport, we can return to providing that service directly.

5. Due to the lack of crossings completed by the vessel Manahau, we used the Kawatiri during a recent short dredge campaign in Westport to achieve the required number of crossings for the Pilot.

6. The Kawatiri proved to be an integral part of port and harbour operations supporting the wider pilotage programme while undertaking dredge work.

7. **Wharf and Harbour Structures**

The NEMA funded Holcim/Kawatiri wharf repair project is tracking to plan, with practical completion forecast to be achieved by late April 2025, as forecast.

8. BDC Infrastructure Services have been managing work to repair a storm water drain at the end of Cobden St which has impacted the wharf/river edge. We understand a repair plan has been developed and was scheduled for tender late January early February 2025.

9. **Harbour movements**

There has been the seasonal increase in fishing vessels chasing Albacore tuna which is found in the warmer waters from December through to Easter. We have had around 15 additional vessels using Westport as a base this year from all around the country.

10. This has required harbour staff to attend the port every day to ensure vessels are receiving the level of service they are paying Council for and to induct any new vessels into the safety system for the port.

11. **Safer Boating**

Late last year BDC received funding from Maritime New Zealand to employ a summer safer boating advisor for 6 weeks.

12. There was a joint supported application submitted, the programme is managed by the BDC Harbour team on behalf of BDC, Grey District Council, Westland District Council and West Coast Regional Councils.

13. We employed and trained a local person to go to a number of key “hot spots” for recreational boating across the Westcoast region. We provided a wide range of safety collateral to give away to boaters as well as collecting generic information for a national survey on boating and boating behaviours which can be analysed to better understand where effort is needed going forward.

14. We focussed on areas such as Lake Brunner, Lake Kaniere, Westport as well as other areas of interest and shops operating in the outdoors space.

15. We completed 100 surveys, and feedback has been positive regarding engagement with boaters around the region.

16. Whilst not core BDC business, we believed the risks for the region around recreational boating safety required someone to lead this programme as this was not part of the other local authorities work plans at this time.

17. This year has been primarily focussed around collecting information to understand what this space looks like for the region with a view to working more productively within our region to develop a funded annual programme.

18. **Regional Infrastructure Funding (RIF)**

Buller District Council applied in December 2024 for a range of infrastructure initiatives. Additional information was provided mid-January 2025 and will be presented to the Minister in February for consideration.

19. **Dredge Activities**

BDC staff continued required work to upgrade the dredge within budget. The future of the Kawatiri will be subject to securing future dredging opportunities.

20. Council staff have been active in undertaking maintenance work to ensure the vessel is seaworthy for dredging and this has been successful despite the challenges faced by the historic lack of investment. The dredge is now considered a multi-generational Buller asset.

21. The Kawatiri has been based in Westport since the last report.

22. Hydrographic soundings were completed at the end of the NEMA river dredging programme. A narrated version was supplied to Councillors in late 2024 for their information.
23. The current sustained bar depth is a result of excellent targeted dredging as part of that NEMA flood recovery program. This has allowed the natural flow of the river, influenced in particular by the high flows we encountered late last year, to be directed and channeled to increase the depth on the bar.
24. The crew have replaced a number of the dredge pipe components as part of ongoing preventative maintenance. The dredge has recently undertaken the first tranche of work to complete a dredging project to remove material from the Floating Basin and the Kawatiri berth pocket on the Buller River.
25. When finished, this work will improve access for the fishing fleet and other marina users and allow the Kawatiri access to its own berth again after a period berthed at Fisherman's Wharf. The Kawatiri was based at this temporary location while wharf repairs were carried out at the old Holcim Wharf upriver.
26. Due to the grounding of the Manahau in September 2024, the council has now refocused on investigating alternative future revenue options and its staff are in discussion with other ports around New Zealand who could benefit from the dredging services the Kawatiri can offer.
27. BDC will proceed with putting the Kawatiri on the slipway at Port Nelson in late February 2025 to ensure that the vessel remains in survey and fully compliant with all maritime regulatory requirements.
28. The DOP/Bell pump dredging system is partly on hold awaiting contracts confirmation for this type of dredging system. The part of this project that has been implemented is the ordering of the crane that holds the pump. The reason behind the ordering is that the crane when installed on the Kawatiri can undertake dual roles being:
 1. Lifting the new dredge pump into place when it is installed and then used to lift and remove the decommissioned pump from the engine room of the Kawatiri.
 2. Lifting any number of items onto and off the Kawatiri.
 3. Lifting items from the sea/riverbed that are obstructing/impacting on safe navigation in a harbour area that can be safely lifted and removed.
 4. Holding the DOP in place when being used for dredging.
29. Points 1 & 2 above result in savings for projects/maintenance activities on the Kawatiri that need a crane to be hired from time to time. Point # 3 offers the potential for a new income source although that source will be minimal when considering the income that the Kawatiri needs to generate. Point 4 offers the opportunity for new revenue opportunities at other NZ ports.
30. The replacement of the dredge pump engine is part of the strategy of modernising the Kawatiri's in line with the condition assessment undertaken in June 2023. The replacement pump engine includes a gearbox for driving the proposed Bell pump for the Kawatiri.

31. The engines on the Kawatiri are the originals installed when it was launched in 1978. These engines are “Blackstones” and are no longer manufactured.
32. We hold a selection of second-hand engine parts for some potential repairs/replacements. The two main engines and their gearboxes are scheduled for replacement in 2026.

33. **Financial Activities**

34. Dredge Kawatiri financial performance – 6 months to 31 December 2024
 The key points for the 6 months actual results to 31 December 2024 are:
- Kawatiri has completed its dredging programme for Port Nelson
 - Income from dredging in Westport until 31 December is well down on budget since the Westland Mineral Sands operations in and out of Westport were suspended due to the Manahau grounding and related damage which needs to be repairs.
 - Costs are above budget as the crew were held on contract to ensure their availability for the start of the WMS operations. The contracts were completed early January 2025.

Dredge "Kawatiri" Financial Performance			
6 months ending 31 December 2024			
	Actual Dec 2024	Budget Dec 2024	Total Actuals 2018 to Dec 2024
Operating Income and Expenses			
Income	833,310	1,365,000	12,238,045
Salaries	102,863	0	996,666
Interest	0	0	50,813
Depreciation	0	0	38,273
Direct Costs	845,592	675,118	8,872,631
Dredge Slipping	4,200	248,538	2,152,856
Overheads	80,220	80,220	519,696
Net Operating Surplus/(Deficit)	(199,565)	361,124	(392,890)
Capital & Funding			
Capital Expenditure	32,878	377,283	311,157
less depreciation funded in operating surplus	0	0	0
Net capital to fund	32,878	377,283	311,157
Net Activity Surplus/(Deficit)	(232,443)	(16,159)	(704,047)

35. Forecast financial notes – 1 January 2025 to June 2025:
- Dredging income to be earned in the period January 2025 to June 2025 in Westport will be limited. Silt removal in the fishing basin to improve access for fishing boats (funded by the harbour account) is a minor source. If the Regional Infrastructure Funding (RIF) application for funding for the proposed RORO ramp is successful, then the required dredging work could be undertaken pre-30 June

2025. This work requires the installation of a DOP pump, or similar pump arrangement.

- The crew will be contracted for a swing during February/March to take the Kawatiri to Nelson for its scheduled survey.
- If the DOP pump arrangement is installed, contracts for berth pocket work can be signed creating new income sources pre-30 June 2025.

36. Westport Port financial performance – 6 months to 31 December 2024

The key points for the 6 months actual results to 31 December 2024 are:

- The port made a deficit from operations in the first 6 months of the 2024/2025 financial year of \$416,219 compared to budget \$404,156.
- Income expected from wharfage from the WMS operation is well under budget and will not improve in the 2025 financial year for the reason noted above. On the positive, harbour vessel costs are lower than budget by \$ 18,237 due to the lower activity WMS activity.
- Rates charged to the port for the 2024/2025 financial year are \$51,833 compared to the budget of \$31,463.

Westport Port Financial Performance 6 months ending 31 December 2024			
	Actual Dec 2024	Budget Dec 2024	Total Actuals 2018 to Dec 2024
Operating Income and Expenses			
Income	126,427	172,146	1,464,981
General Rates	0	0	567,527
Salaries	113,944	129,128	1,363,016
Interest	30,278	30,278	384,631
Depreciation	108,498	108,498	629,248
Direct Costs	226,926	245,408	2,531,849
Overheads	63,000	63,000	471,641
Net Operating Surplus/(Deficit)	(416,219)	(404,166)	(3,347,878)
Capital & Funding			
Capital Expenditure	0	21,673	1,445,553
less depreciation funded in operating surplus	108,498	108,498	629,248
less sale of asset (Bob Gower)	0	0	150,000
Net capital to fund	(108,498)	(86,825)	666,305
Net Activity Surplus/(Deficit)	(307,721)	(317,341)	(4,014,182)
Activity deficit breakdown			
Net Operating Surplus/(Deficit) 2018 to 2021			(1,058,549)
Net Operating Surplus/(Deficit) 2021 to Dec 2024			(2,180,831)
Port assets purchased in 2018 from BHL			(1,040,000)
Harbour boat purchase 2024			(270,000)
Sale of Bob Gower 2019			150,000
Depreciation funding			520,750
Various capital items			(135,553)
			(4,014,182)

37. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.

38. **DRAFT RECOMMENDATION**
That the Port And Dredge – February 2025 Operations Report dated 12 February 2025 be received.

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 10

Prepared by Jason Sellaiah
Subcommittee Liaison Officer

Reviewed by Nicola Woodward
Manager Community Engagement

Attachments - 1. Reserve Management Plan Timeline

Public Excluded: No

RESERVE AND HALL SUBCOMMITTEE UPDATE

1. **REPORT PURPOSE**

This report provides an update on the current position and strategic developments across the eleven reserve and hall subcommittees, focusing on activities and issues related to the operations of the reserves and halls.

2. Additionally, it integrates insights from the recent community survey conducted between October and December 2024, which informs future planning and the development of the Reserve Management Plan.

3. **EXECUTIVE SUMMARY**

This report highlights key advancements and ongoing projects within the eleven reserve and hall subcommittees. Notable achievements include the completion of essential infrastructure upgrades, successful funding acquisitions, and community engagement initiatives. The report also incorporates findings from the 2024 Reserve Management Plan survey, showcasing community priorities such as environmental conservation, enhanced amenities, and sustainable operations.

4. These updates emphasise the collaborative efforts of subcommittees and stakeholders in enhancing the reserves' functionality and appeal while addressing challenges like vandalism and maintenance requirements.

5. **DISCUSSION**
Reserve Subcommittee Updates
6. **Karamea Reserve Subcommittee**
The standalone disability unit toilet funded through the Annual Plan 2022/23 has been successfully completed, along with the renovation of the women's toilet.
7. **Little Wanganui Reserve & Hall Subcommittee**
The subcommittee is exploring feasible options for hall ownership, drawing inspiration from the approach taken by the Ngakawau/Hector subcommittee.
8. **Seddonville Reserve Subcommittee**
The main building's fireplace is in the process of being replaced, the fireplace was purchased by the subcommittee and its installation coordinated and funded by the Buller District Council (BDC). In late 2024, BDC engaged a contractor to conduct a building assessment, which concluded that the building is structurally sound but requires ongoing maintenance.
9. External funding of \$26,400 was secured from the Buller Resilience Trust for exterior painting of the campground's main building. BDC has committed \$4,995 to co-fund the remaining costs.
10. The subcommittee plans to apply to the Long-Term Plan later this year for interior painting. These upgrades aim to enhance the campground's appeal and ensure its operational sustainability.
11. **Mokihinui Reserve & Hall Subcommittee**
The effluent system upgrade is progressing, supported by 50% external funding from the Tourism Infrastructure Fund (TIF).
12. CJ Coll Surveying has completed the sewerage treatment design, and minor alterations requested by AES are being incorporated. The final design, which includes stormwater control, is expected to be completed by the end of January 2025. Resource consent will be lodged immediately afterward, enabling BDC to open the project for tender.
13. **Ngakawau/Hector Reserve & Hall Subcommittee**
Ownership of the hall building has been formally transferred to the Buller Mining Society.
14. **Waimangaroa Reserve & Hall Subcommittee**
After years of dedicated effort, building renovations are complete, and the Certificate of Public Use (CPU) was obtained in late 2024. A grand opening is scheduled for February 16, 2025.

15. **Carters Beach Reserve & Hall Subcommittee**
Incidents of vandalism have risen sharply in 2024, including damage to the coin-operated BBQ mechanism, a smashed window, regularly jammed toilets, and rock-throwing at the tractor shed, resulting in wall damage.
16. **Omau Reserve Subcommittee**
The reserve is heavily utilised for summer events. WestReef's maintenance schedule will be updated to ensure more frequent lawn care during the busy summer season.
17. **Springs Junction/Maruia Reserve & Hall Subcommittee**
A concept plan for the Springs Junction Reserve is underway, with the first draft expected by mid-February 2025.
18. The Reserve Management Plan engagement session with Maruia School students in December 2024 was highly successful. Students actively participated, offering creative ideas, identifying potential challenges, and suggesting practical solutions. They also committed to contributing native trees from their on-site nursery for reserve plantings.
19. **Inangahua Reserve & Hall Subcommittee**
The subcommittee plans to print posters to promote community dinners, targeting those without internet access. The Giant Inanga Project will resume in March 2025 with community involvement.
20. Website upgrades are in progress to include donation options, photo consent forms, and community blog contributions. The local civil defence team is streamlining operations for greater efficiency.
21. Upcoming events include a market day on Easter Monday (April 21) and a bingo night on March 22 at 6 PM. Funding applications are being prepared for February 2025 grant rounds, focusing on a deck, ramp, recladding, and wiring. A working bee is scheduled for January 22 to clean, declutter, and advance the Giant Inanga Project.
22. **Reefton Reserve Subcommittee**
The large Oak tree by the pump shed which was identified as a safety hazard has been pruned and strapped back to safety.
23. The major electrical upgrade works are underway and will be completed further over the off-peak season.
24. The Worker's Accommodation Project is supported by external funding from the Central Government's Better Off Funding program, with an approved budget of \$300K for Stage One, covering planning, design, and early service upgrades. \$61,225 has been spent to date, leaving \$238,77 remaining.

25. A draft loan application for \$700K has been submitted to Development West Coast to progress to Stage Two (construction). Resource consent queries are being addressed, with responses due after final design documentation is completed.
26. Building consent is expected to be submitted by late January 2025.
27. WestReef Services is preparing a quote for stormwater upgrades, and ElectroNet Services has quoted \$28K+GST for the new power supply, with both proposed for direct engagement.
28. An Advance Notice for the tender was published on the Government Electronic Tenders Service (GETS), and the Request for Tender (RFT), a formal invitation for suppliers to submit competitive bids for goods, services, or works, is currently being prepared.
29. Stage Two is contingent on budget approval and Council consent, with the cabins required by July 2025. Final design plans are expected within 10 days.
30. **Reserve Management Plan Update**
The early engagement process was conducted over 5 weeks ending 25 November 2024 to gather community insights to inform the development of the draft Reserve Management Plan through survey and workshops.
31. We received 87 responses and substantial feedback from the reserve subcommittees and external stakeholders in relation to specific reserves. The survey gathered community input on various aspects of reserve management in the Buller District. It aimed to identify public priorities and preferences to shape the Reserve Management Plan.
32. The key insight from the survey includes
 - 1. Connections to the Buller District:**
 - The majority of responses were from locals, with a smaller representation from visitors and external stakeholders.
 - 2. Feedback on Reserves:**
 - Popular reserves for feedback included Karamea Memorial Reserve, Mokihinui Recreation Reserve, and Westport Domain.
 - Participants expressed strong interest in activities such as walking, cycling, family outings, and ecological restoration.
 - 3. Environmental Improvements:**
 - Suggestions included planting native vegetation, enhancing wildlife habitats, improving water management, and promoting community gardens.

- Calls for community involvement through education and volunteer programs were emphasised.

4. Amenities Priorities:

- Most requested amenities were accessible toilets, rubbish bins, seating areas, parking, and clear signage.
 - Recreational facilities like playgrounds, cycleways, and BBQs were also highlighted.
33. The survey report indicates a community-driven focus on sustainability, inclusivity, and enhancing the natural and recreational values of Buller’s reserves.
34. The draft Reserve Management Plan is in progress. **Attachment 1** indicates the process and the estimated timeline.
35. The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.
36. **DRAFT RECOMMENDATION**
That the Reserve and Hall Subcommittee Update dated 12 February 2025 be received.

Reserve Management Plan Timeline



RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 11

Prepared by Jason Sellaiah
Subcommittee Liaison Officer

Reviewed by Nicola Woodward
Manager Community Engagement

Public Excluded: No

APPOINTMENTS TO SUBCOMMITTEE

1. **REPORT PURPOSE**

This report asks the Risk and Audit Committee to appoint new members to the Inangahua Reserve and Hall Subcommittee.

2. **EXECUTIVE SUMMARY**

The Inangahua Reserve and Hall subcommittee held a meeting on Monday 2 September 2024 at the Inangahua Hall. A motion was made to appoint 5 new members to the subcommittee. All members agreed that it would be the best way forward for the subcommittee. The resolution was carried unanimously by current Subcommittee members.

3. **DISCUSSION**

The standard considerations have been thoroughly evaluated, and there are no additional comments at this time.

4. **DRAFT RECOMMENDATION**

That the Risk and Audit Committee appoint Andrea Brown, Lindsay Brown, Kelsey Turpin, Nathan Jago and Paula Jean to the Inangahua Reserve and Hall Subcommittee.

BULLER DISTRICT COUNCIL

12 FEBRUARY 2025

AGENDA ITEM: 12

Prepared by Krissy Trigg
Group Manager Community Services

Reviewed by Simon Pickford
Chief Executive Officer

Public Excluded: No

REEFTON VISITOR AND SERVICE CENTRE AMALGAMATION

1. **REPORT PURPOSE**

To provide a breakdown of the original budget and subsequent spending for the project relating to the Reefton Service Centre and the Reefton Visitors Centre amalgamation.

2. **EXECUTIVE SUMMARY**

The amalgamation of the Service and Visitors Centre in Reefton was discussed in the 2021-2031 Long Term Plan.

3. Council was paying a grant to the visitors centre (\$32,500 p/a), while also running the Service Centre. Services in the Centre at the time included the library, New Zealand Post, Waka Kotahi services (NZTA) and Council services.

4. The Reefton Service Centre had a number of maintenance works to be completed in the life of the 2021-31 Long Term Plan. Amalgamating the two premises ensured Reefton could retain all the services provided for the community and its visitors.

5. **DISCUSSION**

6. Long Term Plan 2021-2031, page 91

'Council and Reefton Visitor Centre Inc are currently exploring the possibility of co-locating in the Reefton Visitor Centre building, and of Council taking over the operation of the Visitor Centre, to create a Service Hub in Reefton. For Council services, it is intended that the level of service remain at least the same as is currently provided through the Reefton Service Centre, including the NZ Post and NZTA functions. The library would also move into the Reefton Visitor Centre building. It is not anticipated that this will increase the cost of providing

these services, and in time there may be a decrease in cost while achieving an increase in the level of service through shared resources and efficiencies'

7. Annual Report 2022, page 73
'In the 2021-2031 Long Term Plan, Council consulted with the community regarding the potential co-location of the Reefton Service Centre and the Reefton Visitors Centre in the Reefton Visitor Centre building. This would align with Council taking over the operation of the Visitor Centre. This proposal aimed to create a Service Hub that could provide the same level of service and incorporate all functions held by Council, including NZ Post, Waka Kotahi and Inangahua County Library.
8. *The amalgamation is not anticipated to increase the cost of providing these services. Through sharing resources and increasing efficiencies the merger over time could lead to a decrease in cost while achieving an increase in the level of service. The council has progressed the amalgamation and undertook staff consultation. The opening date is confirmed for Monday 21 November 2022.'*
9. One of the projected expenses in the Service Centre included \$231,000 for a new roof, window replacements and internal fit out. This budget item was repurposed for the amalgamation.
10. Quotes were sought for some aspects of the project. For example, the builder's work where three quotes were obtained. Other aspects were direct sourced as deemed appropriate. A local firm was chosen by the panel for the majority of the works which prioritised local workers and cost.
11. Total available budget for this project was \$230,000.
12. Work commenced in September 2022 and was completed in September 2023.
13. Final cost was \$170,222 as per the schedule below:

Grouped Costings	Sum of Value
Building Work	\$ 35,686.24
Consultants including Legal	\$ 16,750.00
Electrical	\$ 16,798.59
Fire Safety	\$ 27,084.00
Miscellaneous	\$ 5,973.01
Project Management	\$ 22,585.32
Building Work Other	\$ 45,345.69
Grand Total	\$ 170,222.85

14. **DRAFT RECOMMENDATION**
That the Reefton Visitor and Service Centre Amalgamation Report dated 12 February 2025 be received.

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 13

Prepared by John Salmond
Corporate and Strategic Planning Manager

Reviewed by Paul Numan
Group Manager Corporate Services

Public Excluded: No

UPDATE OF THE 22/23 AND 23/24 ANNUAL REPORTS

1. **REPORT SUMMARY**

The purpose of this report is to provide the Risk and Audit Committee with a comprehensive update on the status and progress of both the 2022/23 and 2023/24 Annual Reports, outlining the reasons for the delay in adopting the 2022/23 report and the subsequent impact on the preparation of the 2023/24 report.

2. **DISCUSSION**

3. **22/23 Annual Report**

As required by section 98 of the Local Government Act 2002 (LGA 2002), the Council must adopt an Annual Report for the Buller District Council each financial year. At the Council meeting on 25 October 2023, elected members were briefed on the reasons for not meeting the statutory deadline of 31 October for adopting the 2022/23 Annual Report. The primary cause of this delay was due to Council commissioning a forensic report from KPMG, which required detailed investigation and review.

4. After a thorough assessment, both Ernst and Young (EY), the Council's appointed auditors, and senior management determined that delaying the adoption of the report was in the Council's best interest. This decision was also reviewed and supported by the Office of the Auditor-General (OAG), ensuring full transparency and accountability in the process.

5. The forensic report was successfully completed in April 2024, allowing EY to focus their attention on finalising the audit opinion. This has been a complex and carefully monitored process to ensure accuracy and compliance with all required standards.
6. Council staff have since received the draft audit opinion and are now working intensively to resolve the final outstanding queries and clarifications. We are working closely with EY to ensure that all necessary adjustments are fully addressed, furthermore staff have provided more evidence to the auditor and are currently in the process of finalising a date for EY to be on site in Buller mid-November.
7. Status update since last report to Risk and Audit in October
A meeting was held on Thursday 14 November 2024 at Council Chambers with representatives from Ernst Young (Auditors) and Council in attendance. The Mayor, CEO and Chair of the Risk and Audit Committee also attended.
8. The purpose of this meeting was to further discuss matters raised by the Auditors in the draft 2023 audit opinion.
9. The face-to-face meeting was very productive allowing both parties to work through the outstanding items.
10. A key outcome of the meeting was agreement to provide further information to our Auditors for consideration in finalising the 2023 annual report audit opinion.
11. The following four key areas outline where the Auditors required further information;
 1. Carrying amount of Infrastructure assets – We provided the Auditors with further information to support the value of infrastructure assets (3W and Roading) as at 30 June 2023.
 2. Current year additions to Infrastructure assets – We provided the Auditors with further information to support the amount of recorded additions to infrastructure assets.
 3. Infrastructure and other Fixed Assets Work in Progress (WIP) – We are providing the Auditors with a further level of detailed WIP analysis.
 4. Costs claimed and reimbursed under Subsidies and Grants – We are providing the Auditors with further information that the costs claimed and reimbursed were in line with the funding agreements.
12. This information was finalised and provided to the Auditors on 19 December 2024.

13. The Auditors acknowledged receipt and advised they would commence a review of this information when they returned to the office on 13 January 2025.
14. At the time of writing this report we have had auditor queries relating to the independent infrastructure revaluation. Any further information received on the status of the audit will be provided by way of a verbal update at the Risk and Audit Committee meeting.
15. **23/24 Annual Report**
Looking ahead, the 2023/24 Annual Report is due for adoption by 31 October 2024. However, EY has indicated that until the finalised audit opinion for the 2022/23 report is agreed upon and formally adopted, they will not commence their audit work for the 2023/24 report.
16. Despite this, Council staff have proactively continued preparations in the background, ensuring that much of the groundwork for the 2023/24 report has already been done. Our team remains committed to maintaining momentum, and once the 2022/23 report is formally adopted, we will immediately refocus our efforts to finalise the 2023/24 Annual Report as quickly as possible.
17. We have also formally requested that EY conduct their audit work on-site following the adoption of the previous report. This will allow for a smooth audit process and quicker resolution of any potential issues. While the delay has impacted the timing of the 2023/24 audit, we remain confident that our preparatory work will allow us to mitigate any further delays.
18. Status update since last report to Risk and Audit in October
To date EY have not issued an audit plan for 23/24. They have stated their priority is to finalise the 22/23 annual report
19. Due to these reasons, the 23/24 adoption of the annual report will not be within the statutory deadline.
20. Other matters
In late January 2025 the current EY Audit Partner confirmed that following resourcing for the Long-Term Plan and Annual Reports including associated internal workloads that a new partner Stuart Mutch (based in Wellington) had been assigned to oversee the Audit activities for the Buller District Council.
21. The CEO and Council staff working on the LTP and Annual Reports subsequently met with Stuart and were encouraged by his proactive commitment to working with Buller District Council to finalise outstanding matters in the 22/23 audit and complete the 23/24 annual audit.

22. This augurs well for Buller, and we look forward to working with Stuart and the EY team to complete and adopt both the 22/23 and 23/24 Annual Reports.

23. **DRAFT RECOMMENDATION**

That the Update Of The 22/23 And 23/24 Annual Reports dated 12 February 2025 be received.

RISK AND AUDIT COMMITTEE

12 FEBRUARY 2025

AGENDA ITEM: 14

Prepared by Paul Numan
Group Manager Corporate Services

PUBLIC EXCLUDED REPORT

REPORT SUMMARY

1. Subject to the Local Government Official Information and Meetings Act 1987 (LGOIMA) s48(1) right of Local Authority to exclude public from proceedings of any meeting on the grounds that:

DRAFT RECOMMENDATION

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

Item No.	Minutes/ Report of:	General Subject	Reason For Passing Resolution under LGOIMA
PE 1	Paul Numan Group Manager Corporate Services	Confirmation of Previous Public Excluded Minutes	(s 7(2)(i)) - enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or (s 7(2)(j)) - prevent the disclosure or use of official information for improper gain or improper advantage.
PE 2	Paul Numan – Group Manager Corporate Services	Update on the Buller Port Co. Limited.	(s7(2)(bii)) - protect information where the making available of the information would: ii. Be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.