



**I, Malcolm Alexander, Interim Chief Executive, hereby give notice that
Finance, Assurance & Risk Committee Meeting will be held on:**

Date: Tuesday, 6 May 2025
Time: 10:00 am
Location: Council Chamber, Wairoa District Council,
Coronation Square, Wairoa

AGENDA

Finance, Assurance & Risk Committee Meeting

6 May 2025

MEMBERSHIP: His Worship the Mayor Craig Little, Cr Jeremy Harker, Cr Denise Eaglesome-Karekare, Mr Philip Jones, Cr Benita Cairns, Cr Melissa Kaimoana

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz

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- 1 KARAKIA**
- 2 APOLOGIES FOR ABSENCE**
- 3 DECLARATIONS OF CONFLICT OF INTEREST**
- 4 CHAIRPERSON'S ANNOUNCEMENTS**
- 5 LATE ITEMS OF URGENT BUSINESS**
- 6 PUBLIC PARTICIPATION**

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 15.1 requests to speak must be made to the Chief Executive Officer at least one clear day before the meeting; however this requirement may be waived by the Chairperson. Requests should also outline the matters that will be addressed by the speaker(s).

7 MINUTES OF THE PREVIOUS MEETING

Ordinary Meeting - 25 March 2025

**MINUTES OF WAIROA DISTRICT COUNCIL
FINANCE, ASSURANCE & RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, WAIROA DISTRICT COUNCIL, CORONATION SQUARE, WAIROA
ON TUESDAY, 25 MARCH 2025 AT 12:32 PM**

PRESENT: His Worship the Mayor Craig Little, Cr Jeremy Harker, Cr Denise Eaglesome-Karekare, Mr Philip Jones, Cr Benita Cairns, Cr Melissa Kaimoana

IN ATTENDANCE: **Kitea Tipuna** (Tumu Whakarae | Chief Executive), **Gary Borg** (Pouwhakarae – Pūtea/Tautāwhi Rangapū | Group Manager Finance and Corporate Support), **Te Aroha Cook** (Kaiarataki Whakaoranga | Recovery Manager), **Luke Knight** (Acting Group Manager Assets and Infrastructure), **Hinetaakoha Viriaere** (Pouwhakarae Whakamahere me te Waeture | Group Manager Planning and Regulatory), **Juanita Savage** (Pouwhakarae Rātonga Hapori me te Whakawhanake | Group Manager Community Services and Development), **Hinemoa Hubbard** (Kaiurungi Mana Ārahi | Governance Officer), **Michael West** (Kaitātari Pakihi | Business Analyst), **Madhan Nageswararao** (Kaiwhakahaere Pūtea | Finance Manager), **Karla Hogan** (Kaitohutohu Pūtea me ngā Kirimana | Funding and Contracts Advisor), **Kate Standring** (Executive Principal), **Lawrence Yule** (Crown Manager), Ernst & Young (EY) staff (via teams): **Gabriel Ahkit, David Borrie**

1 KARAKIA

A karakia was held before the meeting.

2 APOLOGIES FOR ABSENCE

Nil.

3 DECLARATION OF CONFLICT OF INTEREST

Nil.

4 CHAIRPERSON'S ANNOUNCEMENTS

Nil.

5 LATE ITEMS OF URGENT BUSINESS

Nil.

6 PUBLIC PARTICIPATION

Nil.

7 MINUTES OF THE PREVIOUS MEETING

COMMITTEE RESOLUTION 2025/261

Moved: His Worship the Mayor Craig Little

Seconded: Cr Melissa Kaimoana

That the minutes of the Ordinary Meeting held on 11 February 2025 be confirmed.

CARRIED

8 GENERAL ITEMS

8.2 2024/25 ANNUAL REPORT AUDIT WORKPLAN

COMMITTEE RESOLUTION 2025/263

Moved: Cr Jeremy Harker

Seconded: Cr Benita Cairns

The Committee receives the report.

CARRIED

David Borrie (EY) introduced the report.

The Chair highlighted revaluation, impairment, and fair value assessment as key audit risks.

8.1 THREE WATERS ACTIVITY RISK UPDATE

COMMITTEE RESOLUTION 2025/262

Moved: Mr Philip Jones

Seconded: Cr Denise Eaglesome-Karekare

The Committee receives the report.

CARRIED

The Group Manager of Assets & Infrastructure introduced the report.

The Chair queried how risks can be monitored in the absence of a detailed report. The Group Manager of Finance and Corporate Support advised that an enterprise risk system is being implemented, and that a spreadsheet model is being used in the interim.

8.3 HEALTH, SAFETY AND WELLBEING REPORT

COMMITTEE RESOLUTION 2025/264

Moved: Cr Jeremy Harker

Seconded: Cr Denise Eaglesome-Karekare

The Committee receives the report.

CARRIED

The Health, Safety and Wellbeing officer introduced the report.

The committee asked how required spending is integrated into the annual plan process. The Health, Safety and Wellbeing Officer advised that actions can be entered into the system; however, significant expenditures must undergo a separate risk assessment process outside of the system.

8.4 VERBAL UPDATE FROM RECOVERY MANAGER**COMMITTEE RESOLUTION 2025/265**

Moved: Cr Denise Eaglesome-Karekare

Seconded: His Worship the Mayor Craig Little

The Committee receives the report.

CARRIED

The Recovery Manager highlighted the following:

- The report was prepared in response to an action point raised by the former Group Manager of Assets and Infrastructure, who was concerned about the risk of Recovery work affecting scheduled operations due to staff being assigned to other duties.
- An exit strategy is in progress, with Recovery scheduled to end on 30th June.
- The CSR system is poorly configured, with CSRs being lodged and then inconsistently processed, resulting in them being dispersed across various areas.

8.5 2025/26 ANNUAL PLAN UPDATE**COMMITTEE RESOLUTION 2025/266**

Moved: Cr Denise Eaglesome-Karekare

Seconded: Cr Melissa Kaimoana

The Committee receives the report.

CARRIED

The Business Analyst highlighted that changes had been made to the Mahanga Water Project, noting it had been removed from the document since the creation of the agenda.

The committee requested that a summary be included explaining the progression from the originally proposed rates increase in Year 2 to the current position.

8.6 MONTHLY REPORT TO 31 JANUARY 2025**COMMITTEE RESOLUTION 2025/267**

Moved: Cr Denise Eaglesome-Karekare

Seconded: Cr Benita Cairns

The Committee receives the report.

CARRIED

8.7 COMMITTEE WORK PLAN 2025**COMMITTEE RESOLUTION 2025/268**

Moved: Mr Philip Jones

Seconded: His Worship the Mayor Craig Little

The Committee approves the Work Plan.

CARRIED

9 PUBLIC EXCLUDED ITEMS**RESOLUTION TO EXCLUDE THE PUBLIC****COMMITTEE RESOLUTION 2025/269**

Moved: Cr Denise Eaglesome-Karekare

Seconded: Cr Melissa Kaimoana

That the public be excluded from the following parts of the proceedings of this meeting at 2:03pm.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
9.1 - P/Ex Verbal Update from Recovery Manager	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under

	<p>making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public</p>	section 6 or section 7
9.2 - Systems and Processes Review	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
9.3 - Internal Audit, Focus Area: Contractors	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	
CARRIED		

COMMITTEE RESOLUTION 2025/270

Moved: Cr Denise Eaglesome-Karekare

Seconded: Mr Philip Jones

That the Committee moves out of Closed Committee into Open Committee at 2:37pm.

CARRIED

The Meeting closed at 2:38pm.

The minutes of this meeting were confirmed at the Finance, Assurance & Risk Committee Meeting held on 6 May 2025.

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CHAIRPERSON

Finance, Assurance and Risk (FAaR) Committee – Action Sheet

<u>ACTION</u>	<u>MEETING THE ACTION WAS RAISED IN</u>	<u>DUE DATE</u>	<u>OFFICER RESPONSIBLE</u>	<u>COMMENTS</u> 25/03 update	<u>COMMENTS</u> 30/04 update	<u>STATUS</u>	<u>PUBLIC EXCLUDED</u>
Recovery Risk Updates to be presented to the FAaR Committee until the contract end date of June 3 rd 2025	11/02/2025		Te Aroha Cook	Verbal report to be provided today both in public and public excluded.	The update is included as part of Steve's report. An Exit Strategy is going to Council in May.	In Progress	No
Joy Buckingham Report/Internal Audit to be reported back to the FAaR Committee	11/02/2025		Kitea Tipuna	The item will remain in progress on the agenda as a standing item for reporting to the Committee until it is formally closed.		In Progress	No
3 Waters: Risks to be presented at the next scheduled FAaR Committee	11/02/2025		Luke Knight	The Chair noted that there is an ongoing risk associated with Local Waters Done Well. The item will remain a standing agenda item until the Water Services Plan is accepted by the Minister of Local Government.		In Progress	No
Take engagement document to April Council meeting	25/03/2025		Mike West		Decision was made by elected members to forgo public engagement/consultation on the 2025/26 Annual Plan due to no significant changes to year 2 of the 2024/27 Long Term Plan. As a result of this	In Progress	No

					decision the full Annual Plan will be adopted by Council at their May 27 Meeting.		
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8 GENERAL ITEMS

8.1 CAPITAL REPORTING FRAMEWORK

Author: Steve Baker, Tautoko Whakaora - Recovery Support

Authoriser: Gary Borg, Pouwhakarae - Putea Tautawhi Rangapu | Group Manager Finance and Corporate Support

Appendices: 1. Appendix A - Proposed Project Brief Template [↓](#)

1. PURPOSE

- 1.1 This report provides information for Committee on work completed to date on the implementation of a reporting framework for the capital work programme of Council. No decisions are required by Committee at this stage.
- 1.2 The Finance Audit and Risk Committee is tasked to monitor Councils achievement to budget and risks to Council. As such it plays a pivotal role in the proposed capital reporting framework. This paper walks the Committee through that proposed framework for 2026 and provides us the opportunity to check in to ensure we can incorporate feedback from the Committee in future iterations of the framework.

RECOMMENDATION

The Tautoko Whakaora - Recovery Support RECOMMENDS that Committee receive the report.

2. BACKGROUND

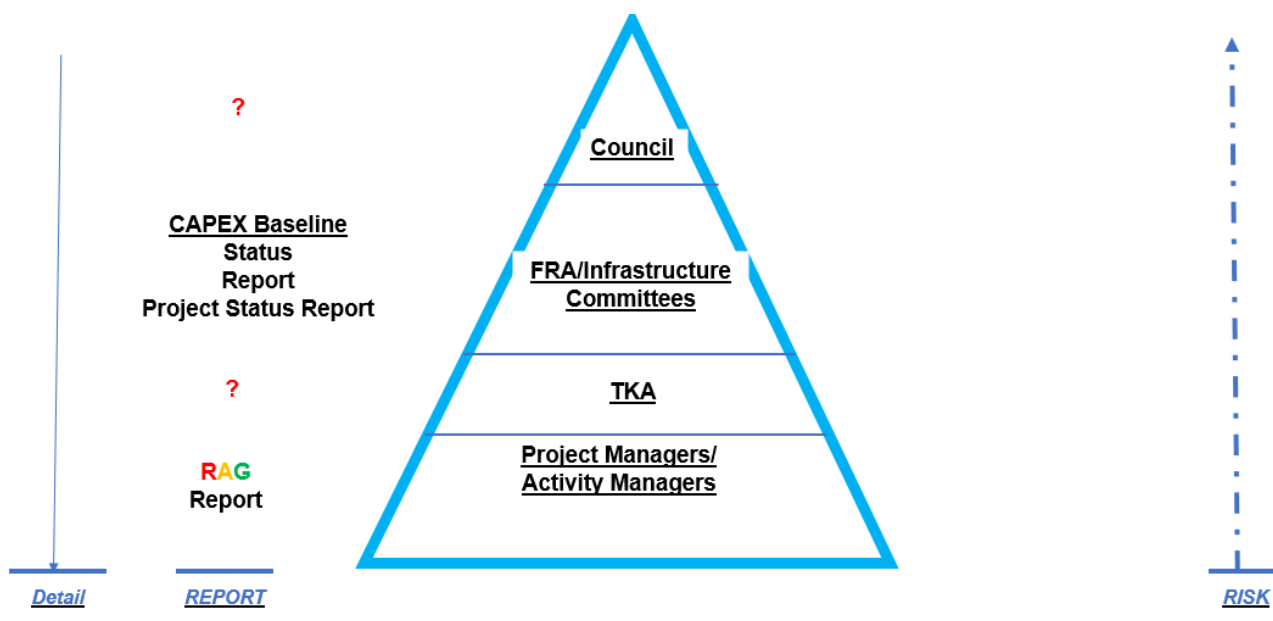
- 2.1 Council has a proposed capital works programme set out in Councils Draft Annual Plan for 2026 containing 86 individual projects totalling more than \$55m.
- 2.2 There will also be unfinished projects from the 2024/25 programme that will be carried over into the 2025/26 year and Council decisions within 2025/26 which will change the capital works programme and place new demands on our resources and ability to deliver the programme.
- 2.3 Council's Te Kahui Amokura (TKA) and the Chair of the Finance Assurance and Risk Committee have sought to improve the communication process, in relation to Councils capital works programme, not only to elected members, and committees of Council but also departments and staff within Council.
- 2.4 They have determined we require a framework where we:
 - 2.4.1. could monitor progress and risks to each individual project and the programme as a whole utilising a traffic light approach.
 - 2.4.2. could escalate issues to Activity Managers, GM's, TKA, Council Committees, and Council itself as and when required.
 - 2.4.3. had a system that could document clear pathways, if required to get a project back on track and that this information can be shared easily with the stakeholders above.

- 2.4.4. provide clear accountability for the delivery of an individual project.
- 2.4.5. provide project managers with clear link to the customer representative, usually the activity manager.
- 2.4.6. provide the project manager a clear outline of the objectives of the project though the use of a "Project brief"

2.5 An integral part in developing the Annual Plan or Long-Term Plan is the identification of programmes of capital work that are required to be delivered in order for Council to deliver on its vision of desirable lifestyles, thriving economy, treasured environments, and connected communities. These strategic documents also identify the timeframe these programmes are to be delivered within. A capital works reporting framework is an essential mechanism to ensure keep council abreast of the state of its capital works programme.

3. THE FRAMEWORK

3.1 Risk is at the cornerstone of the proposed framework. The reporting itself is based on the concept of the pyramid where all the detail is at the base of the pyramid. It is stored in what is known as the RAG report (Red Amber Green).



4. THE RAG REPORT

4.1 The RAG report is the one source of truth when it comes to the capital reporting programme.

- 4.2 During the Annual Plan and Long-Term Plan process project briefs are completed (see Appendix A). This is so staff, elected members and ultimately project managers are all aware of the scope and objectives of a project.
- 4.3 Not all projects are created equally so there are a range of approval requirement options before the project manager can press go, that the TKA can choose from for each project based on its perceived risk to Council. These options are:
- 4.3.1. Just do it – low perceived risk - get on deliver it within budget.
 - 4.3.2. Group Manager approval required [File note/email]
 - 4.3.3. TKA approval required (report to TKA). [approval to be minuted].
 - 4.3.4. Committee of Council approval required (report/ business case) a number of Councils delegate this roll to subcommittees of Council [approval to be minuted]
 - 4.3.5. Council (report/ business case) [approval to be minuted]
- 4.4 The **RAG** report records whether a project is externally funded or not. The progress off the project will depend upon whether funding is received. Council can still determine to proceed with the project without external funding.
- 4.5 Projects are allocated to project managers. This process should identify any resourcing capacity restraints. Note projects can be reassigned throughout the year based on workloads resources etc.
- 4.6 Once operational, data in the **RAG** report is maintained by the finance team and project managers.
- 4.7 Finance updates the report for year to date spends together with any decisions of Council made through the year relating to the capital works programme including the carry-forward request report submitted to Council each year.
- 4.8 This carry-forward report documents projects that were not completed the previous year that staff would like to complete in the current year. It documents the unspent budget that is requested to be carried forward and the reasons why. Note this report is vetted by the TKA before being submitted to Council which will normally be August/September each year. Note not all unspent budgets need to be carried into the current year. They can be parked for future years.
- 4.9 Project Managers are responsible for updating the risk and forecast components for projects allocated to them. Customers have access to this report but are not allowed to edit it. An example of the **RAG** report.

On Track
 Potential Issues
 Significant Issues or delays Immediate Action Required
 Cancelled
 On Hold

Red/Amber/Green Project Status 31-Mar-25


Ref	Project Name	PM	Budget	YTD Spend	Status	Due Date	Scope	Schedule	Budget	Risks	Issues	Overall	Go to Green Plan
GW4071	Loadout Platform (p7)	Mike Wilson QRS	206,000	85,000	Construction	Mar-25							Design Approved; construction started, awaiting fuel tank to be moved. Retrospective approval to direct appointment requested to be addressed with Council 1 April 2025
GW4072	Open Top Hook Bins * 4 (P10)	Lara	127,600	127,600	Completed	Apr-25							Final 2 hook bins procured due to arrive 2nd April
GW4073	New Weighbridge (P11)	Mike Hardie	300,000	5,000	Procurement	Jun-25							Procurement phase complete. require PO as above delegations. Ask Council for CE Delegation 1 April 2025 then place order granted. Budget increase submitted to Misters Feb 2025 approval received March 2025. Shredder is on site for trial. Will use to complete projects (P8 & P9 being processing and disposal of debris located at landfill. Require delegation to approve to ensure delivery in June 2025. Explore with DIA if they will allow funding for contract signed before 30 June but paid afterwards. Note no installation required as mobile shredder
GW4074	Shredder (P12)	Mike Hardie	650,000	3,000	Procurement	Jun-25							

5. TKA, INFRASTRUCTURE COMMITTEE AND COUNCIL

















- 5.1 The report structure and frequency will be determined based upon their requirements. There may well be some crossover between the infrastructure and regulatory Committee we will remedy these in future iterations of the framework.

6. FINANCE ASSURANCE AND RISK REPORTING.

- 6.1 Discussions to date have focussed on a Baseline Status Report which would look to summarise the RAG. As shown below.


WAIROA DISTRICT COUNCIL

GM Sponsor : Luke

Rubbish and Recycling							
Capex Project	Budget LTD	Spend LTD	Scope	Schedule	\$\$	Overall	Comments
Load Out Platform (S&D) New Externally Funded	206,000	85,000					construction started, awaiting fuel tank to be moved. Retrospective approval to direct appointment requested to be addressed with Council 1 April 2025
Open Top Hook Bins (4) (P10) New Externally Funded	127,600	127,600					Final 2 hook bins procured due to arrive 2nd April
New Weighbridge (P11) New Externally Funded	300,000	5,000					Procurement phase complete. require PO as above delegations. Ask Council for CE Delegation 1 April 2025 then place order granted.
Shredder (P12) New Externally Funded	650,000	3,000					Budget increase submitted to Misters Feb 2025 approval received March 2025. A Shredder is on site for trial. Require delegation to approve procurement to ensure delivery in June 2025. Explore with DIA if they will allow funding for contract signed before 30 June but paid afterwards. Note no installation required as mobile shredder
TOTAL	1,283,600						

- 6.2 The Framework includes “Project Status Reporting” for key projects that the Committee or Council wish to have a briefing on. A proposed example of this will be presented at the meeting.
- 6.3 In addition, there is also the objective to maintain an overview of the proposed three-year capital works programme incorporating current decisions of Council. There is more work to be done to determine how we might achieve this. Currently our latest LTP only looks forward two years.



Project sheet

To fill in the project sheet click or tab to enter text. Type over the guidance text it will delete when you start typing over it. Where it has chosen an item please select one of the options.

MagiQ Project ID:						
Project name						
Project location						
Project owner	Name and job title of person who will own the project. This generally would be the person who identified the need for the project.					
Project Description						
Total Cost	\$	Cost estimate (tick)	Choose an item.	Is a business case required?	Choose an item.	TKA will provide guidance if a business case is required
Project start (year)		Estimated completion year		Asset Expected life (years) if relevant for depreciation purposes		
New project, bringing forward or carryover?	Choose an item.	Primary reason for the project	Choose an item.			
Stakeholders (initial)	If relevant, note any groups or people with an interest in this project that might need to be consulted or involved when this project is initiated. Stakeholder mapping will be done in more detail.					
Engagement with Iwi	<p>When planning to engage with iwi, we need to factor in the capacity and capability of iwi to be able to engage with us in a meaningful way. Factors such as competing priorities, resourcing, time and cost can all have an effect on the success of meaningful engagement with iwi.</p> <p>Does this project include funding to support iwi engagement?</p> <p>What consideration has been given to iwis ability to engage?</p> <p>Is this reflected in the project value?</p>					
Strategic Context	What policies, strategies or plans of Council (if any) does this project need to take consideration of? (For example;alignment with the Zero Carbon Policy.)					
Supporting information	<p>Include details about funding arrangements including external funding if applicable.</p> <p>What is the risk to Council if not done?</p> <p>What options have already been considered?</p> <p>If indicated to be completed in Y1 please provide rationale</p> <p>Include any existing plans, quotes, scope request for proposals.</p>					



Notes	
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If known, please show on the following table the estimated expenditure in each year, for each purpose.

Capital impact	GL code	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	34/35
Renewal											
Level of service											
Demand (Growth)											
TOTAL											
	GL code	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	34/35
Operating impact											
Depreciation account											

Add extra operating impact lines if required. Add an extra line under operating if you need to show climate change related portion. Enter increase in expenses as positive values. Reduction of expenses should be entered as negative value.

Documents to be saved in folder [TBD](#)

8.2 HEALTH, SAFETY AND WELLBEING REPORT

Author: Michelle Warren, Health, Safety and Wellbeing Manager | Kaiwhakahaere Hauora, Haumaru me te Oranga

Authoriser: Gary Borg, Pouwhakarae - Putea Tautawhi Rangapu | Group Manager Finance and Corporate Support

Appendices: Nil

PURPOSE

This report provides information for Committee on Health, Safety and Wellbeing. No decisions are required by Committee at this stage.

This report is an information only report and is a standing agenda item as requested by the Committee.

RECOMMENDATION

The Health, Safety and Wellbeing Manager | Kaiwhakahaere Hauora, Haumaru me te Oranga RECOMMENDS that Committee receive the report.

1. BACKGROUND

Under the Health and Safety at Work Act 2015, the Wairoa District Council must ensure workplace safety, balancing risk management with practicality. It is essential for the Council to maintain a safe environment, actively manage hazards, and collaborate with stakeholders to uphold health and safety standards.

2. KEY HEALTH AND SAFETY INDICATORS**ORA Health and Safety Incident Report for 1 March to 30 April 2025**

Since the inception of the Ora Incident Psychosocial Risk Assessment (ORA), there has been a notable and continuous increase in the reporting of psychosocial events. This trend reflects a growing awareness and proactive approach towards addressing mental health and wellbeing in the workplace. The consistent rise in reported incidents underscores the importance of maintaining robust support systems and interventions to mitigate psychosocial risks. It is imperative for the council to recognise these developments and ensure that adequate resources and policies are in place to support affected individuals or groups and promote a healthier work environment.

Psychosocial risks in the workplace refer to factors that can negatively impact workers' mental health and wellbeing. These risks include stress, harassment, bullying, excessive workloads, lack of support, and poor work-life balance. Such conditions can lead to anxiety, depression, burnout, and other mental health issues, ultimately affecting productivity and overall job satisfaction. Addressing psychosocial risks is crucial for fostering a healthy, supportive, and productive work environment.

Since the inception of the Ora Incident Risk Assessment, there has been a notable and continuous increase individuals or groups and promote a healthier work environment.

Incident by type



Property Damage

A property damage incident occurred on April 14, 2025, at the Wairoa wastewater treatment ponds on Whakamahi Road, Wairoa. The main gate control box was broken into and damaged beyond repair. Key points:

- Incident was classified as minor severity (2/5 on severity scale)
- Police were called to investigate the incident
- Temporary repairs were made to secure the box
- Replacement has been priced as damage is beyond repair
- On-site contractors were notified
- No injuries or personnel were affected
- Incident was reported, investigated, and closed out within one day
- No ongoing risks were identified from the incident

Significant Risk at Airport

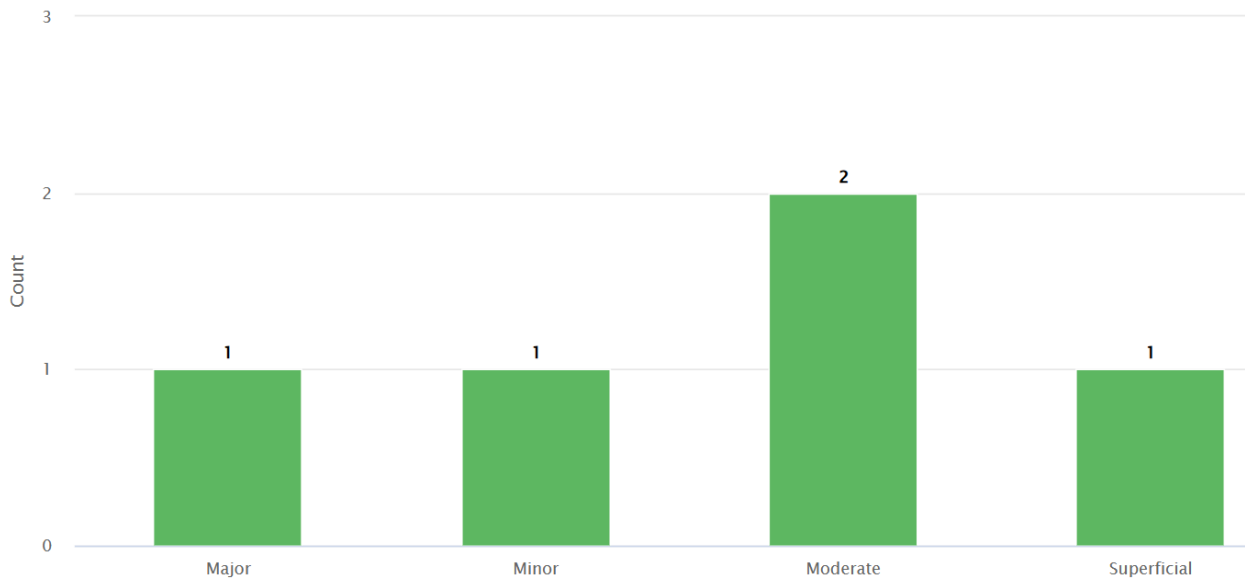
On April 5, 2025, at 16:00, a foreign object debris (FOD) was discovered on Wairoa Airport runway. During backtracking to line up on runway 16, a long threaded metal bar was spotted slightly right of the centreline on the 34 threshold. The aircraft's left engine was shut down while the FOD was retrieved by Ryley Flemming.

Key Details:

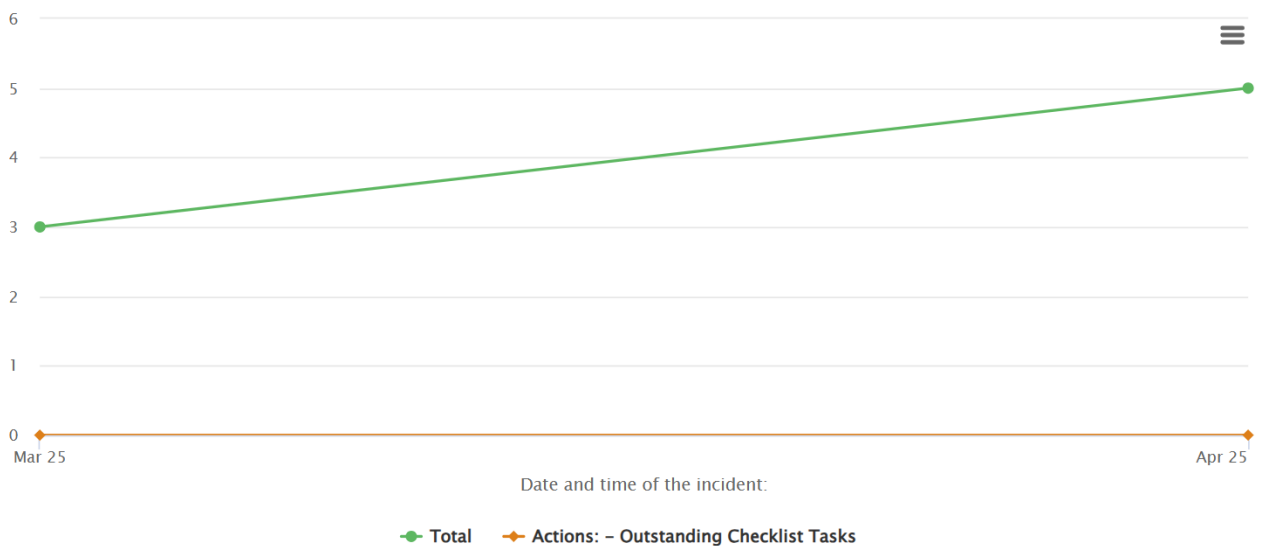
- Location: Airport Road, Wairoa 4108, New Zealand
- Contractor Involved: Skyline Aviation (Shaun Seddon - Pilot)

- Potential Severity: Major (rated 4.0 out of 5.0)
- Last Runway Sweep: March 11, 2025
- Investigation Type: ICAM
- Current Status: Under Investigation by Property Team.

Severity of Incident



Incidents recorded over time



Incident by person involved

Type of incident:	Psychosocial	2	1	1	0
	Security	1	1	0	0
	Near Miss	0	0	1	0
	Property Damage	0	1	0	0
	Chemical	0	0	0	0
	Fire/Smoke	0	0	0	0
	Illness	0	0	0	0
	Injury	0	0	0	0
	Transport	0	0	0	0
		Team member	Visitor	Contractor	Other
People involved or affected:					

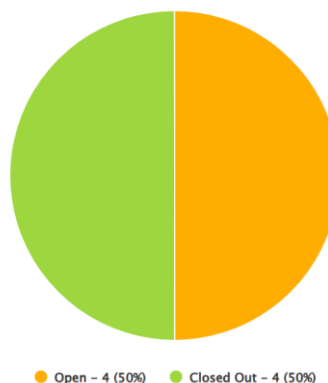
Incident Reporting

Incident reporting is effective in some of our business units, but we need to make it a daily practice to ensure all reports are captured. We'll use newsletters, team talks, and committees to promote this more.

Our Wellbeing (HSW) strategy emphasises near miss reporting to identify and mitigate hazards before they cause incidents. We've shared information through the HSW newsletter and conducted training for Health and Safety Representatives (HS Reps) to enhance their ability to recognise and report near misses. This initiative aims to foster a culture of safety and prevention, reducing workplace accidents and injuries.

Four incidents are under investigation, and 4 have been closed out.

Incident status



Severity by location

Potential severity of incident:	Major	1	0	1	0	0	0	0
	Minor	1	1	0	0	0	0	0
	Moderate	1	1	0	0	0	0	0
	Catastrophic	0	0	0	0	0	0	0
	Superficial	0	0	0	0	0	0	0
		WDCASSET	WDCCOMM	WDCHSW	WDCFINANCE	WDCPEO	WDCPLAN	WDCREC

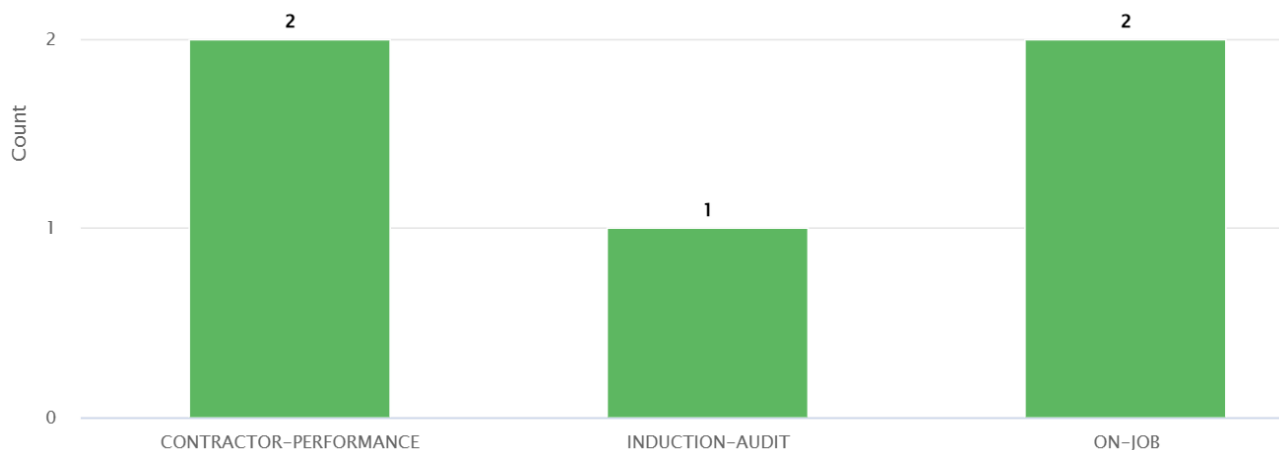
0 0.25 0.5 0.75 1

3. Ora Organisational Risk

The implementation of the ORA Organisational Risk module has been delayed, missing the scheduled go-live date of April 10th.

4. Audits

Inspections Completed



Contractor Audits

Contractor achieved 100% compliance in their 10 April 2025, safety inspection. Site was well-managed, workers were professional, and all safety requirements were met. Highly commended for excellent safety practices and job execution.

No issues with the contractor audits.

Induction Audit

An induction audit for Bluebay treatment plant conducted in April 2025 achieved 86% compliance, with 12 compliant items and 2 non-compliant items. Key issues identified were lack of first aid person identification and chemical hazards not being properly shown. An action has been created for first aid training.

On-Site Audit

Based on the audit content, while there are several non-compliant areas, there are two issues that could be considered moderate from a safety perspective:

- Safety data sheets need upgrading (critical for emergency response and hazardous material handling)
- Fire extinguisher requires checking (critical safety equipment)

While other issues were identified (signage, storage, fencing), these appear to be more operational improvements rather than immediate safety concerns. The audit shows that essential safety elements like PPE usage and operator qualifications are compliant

No other issues on audits.

Conclusion

The Committee is asked to consider the content of this report and its attachments and advise of any practice or process changes.

Further Information**References (to or from other Committees)**

8.3 Q3 2024/25 FINANCIAL RESULTS

Author: Madhan Joga Nageswararao, Kaiwhakahaere Pūtea | Finance Manager

Authoriser: Gary Borg, Pouwhakarae - Putea Tautawhi Rangapu | Group Manager
Finance and Corporate Support

Appendices: 1. Q3 2024/25 Financial Report [↓](#)

1. PURPOSE

- 1.1 This report provides information for Committee on the Quarter 3 2024/25 Financial Results. No decisions are required by Committee at this stage.

RECOMMENDATION

The Kaiwhakahaere Pūtea | Finance Manager RECOMMENDS that Committee receive the report.

2. BACKGROUND

- 2.1 The Financial Reports attached cover the period from 1 July 2024 to 31 March 2025.
- 2.2 Non-Financial results (Statement of Service Performance results) are not available at agenda cut off time as not all results have been provided from council departments.
- 2.3 Council Department performance stories and outstanding performance measure results will continue to be chased up with the intention of providing a full Quarter 3 report to the committee at the next meeting.
- 2.4 Council Departments are reminded to ensure their quarterly performance measure reporting and highlights from their areas are provided in a timely manner.

3. STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

- 3.1 Financial Results for quarter 3 2024/25 show Council to have received subsidies and grants to the value of \$33.2 Million, at the end of the third quarter, this reflects a shortfall of \$4.8 million.
- 3.2 Revenue from Fees and Charges is currently tracking at 37% above budget driven primarily from the increased landfill charges and increased usage. This favourable variance is expected to offset the related expenses outlined below.
- 3.3 Additional contributing factors to the increased Fees and Charges revenue include higher-than-expected income from Building Consent Fees (\$113k) and TY TAS-related funding received from MBIE (\$97K). A further positive variance is attributable to the sale of water.
- 3.4 The increased revenue noted above has had flow on impacts with an unfavourable variance of \$449K in the Management of Solid Waste. Higher usage has driven up costs, including Waste and Emissions Trading Scheme (ETS) levies (\$394k) and additional expenditure for landfill monitoring.

4. STATEMENT OF FINANCIAL POSITION

- 4.1 A \$3.5 million external loan from LGFA scheduled to mature in April 2025 was not accounted for in the budget. This caused a negative working capital of \$2 million; this has been addressed by the raising of a further loan to cover the deficit.
- 4.2 Delays across several major capital projects have contributed to a variance of \$20 million. Notable examples include Wairoa Pipeline Renewals (\$1.1M), and the Te Reinga Bridge rebuild, which is \$2.2M behind the budgeted year-to-date progress. Additionally, \$8.5 million of the variance relates to road and drainage improvements, kerbside collection, and wastewater infrastructure projects.

2024/25

QUARTER 3 FINANCIAL REPORT

TO 31 MARCH 2025



WAIROA
DISTRICT COUNCIL

HE TAUĀKĪ PŪTEA WHIWHI ME TE PŪTEA WHAKAHAERE

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the period ended 31 March 2025

	31 Mar 25	31 Mar 25	Variance			2024
	Actual YTD	AP YTD	\$000	%		Actual
	\$000	\$000	\$000	%		\$000
Revenue						
Rates	17,183	16,586	597	4%		19,141
Subsidies and grants	33,217	38,054	(4,837)	-13%	A	58,491
Petrol tax	40	40	(0)	-1%		82
Fees and charges	3,729	2,721	1,008	37%	B	3,324
Investment revenue	1,388	1,361	27	2%		1,077
Miscellaneous revenue	163	163	-	0%		163
Total revenue	55,720	58,925	(3,205)	-5%		82,278
Expense						
Water supply	2,586	2,532	54	2%		3,187
Stormwater	585	641	(56)	-9%		1,090
Wastewater	2,845	2,987	(142)	-5%		3,107
Solid waste	2,597	2,148	449	21%	C	3,173
Transport	24,402	17,288	7,113	41%	D	48,543
Community facilities	2,937	2,847	90	3%		3,459
Planning and regulatory	2,853	3,161	(308)	-10%		2,097
Recovery	3,850	277	3,573	1289%	E	5,349
Leadership and governance	1,898	1,854	44	2%		4,423
Corporate	1,369	965	404	42%	F	1,403
Total expense	45,923	34,701	11,222	32%		75,831
Net surplus (deficit) on operations	9,797	24,224	(14,427)			6,447
Subvention income	-	-	-	0%		-
Net surplus / (deficit) for the period	9,797	24,224	(14,427)			6,447
Other comprehensive revenue and expense						
Fair value movement PP&E						39,789
Total comprehensive revenue and expense for the period	9,797	24,224				46,236

Variance explanations (actual YTD compared to YTD annual plan)	
A	<p>Subsidies and grants</p> <p>1.It is important to note that the capital subsidy for the reporting period was budgeted at \$28.5 million. However, only \$13.68 million has been received to date, resulting in an unfavourable variance of \$14.82 million, representing a 52% shortfall against the budget.</p> <p>2.Conversely, non-capital subsidies have exceeded expectations. The Long-Term Plan (LTP) projected receipts of \$9.5 million, while actual receipts totalled \$19.5 million—an increase of \$10 million above budget.</p> <p>Despite this favourable movement in non-capital subsidies, the net overall variance remains still unfavourable at 13%, primarily due to the significant under-receipt of capital subsidy.</p>
B	<p>Fees and Charges</p> <p>The favourable variance of 37% \$1M is primarily driven by increased landfill fee revenue amounting to \$657K, largely because of the June rain event. Additional contributing factors include higher-than-expected income Building Consent Fees and Research levy(\$113k) and TY TAS-related funding received from MBIE (\$97K). A further positive variance is attributable to sale of water.</p>
C	<p>Solid Waste</p> <p>An unfavourable variance of \$449K is reported in Solid Waste, primarily driven by higher-than-anticipated usage. This has led to increased costs associated with Waste and Emissions Trading Scheme (ETS) levies (\$394K), as well as additional expenditure on landfill monitoring, consultant fees related to kerbside expansion (\$151k). These cost pressures have been offset by increased income from fees and charges, as previously outlined.</p>
D	<p>Transport</p> <p>Overall 7.1M variance in that\$6.1M variance is primarily driven by costs incurred for emergency work caused by the 2 major weather event and the differences of \$1M covers the Sealed Pavement, Environment, Drainage Maintenance and Depreciation.</p>
E	<p>Recovery</p> <p>An amount of \$3.5 million was not included in the budget during the preparation of the Long-Term Plan (LTP). This variance is attributable to the impacts of Cyclone Gabrielle and the June weather event. However, these recovery costs have been fully offset by subsidies.</p>
F	<p>Corporate expenses</p> <p>There is a variance of (\$404K), primarily driven by major costs at overall Depreciation variance (\$182k), audit fees (\$103K), and Gemmells shared costs (\$81K).</p>

HE TAUĀKĪ TŪ PŪTEA

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	YTD 31 Mar 25 \$000	Annual Plan 31 Mar 25 \$000	Variance		2024 Actual \$000
			\$000	%	
Current Assets					
Cash and cash equivalents	6,417	7,479	(1,062)	-17%	2,307
Inventories	51	77	(26)	-51%	53
Assets held for sale	18	18	(0)	0%	-
Trade and other receivables	7,111	11,830	(4,719)	-66%	17,161
Financial assets at fair value	1,831	2,554	(723)	-40%	-
Total current assets	15,428	21,958	(6,530)	-42%	19,521
Current liabilities					
Trade and other payables	13,961	15,733	(1,772)	-13%	20,702
Borrowings	3,500	-	3,500	100%	3,500
Total current liabilities	17,461	15,733	1,728	10%	24,202
Working Capital	(2,033)	6,225	(8,258)		(4,681)
Non-current assets					
Property, plant and equipment	492,128	482,159	9,969	2%	499,886
Work in progress	22,005	42,440	(20,435)	-93%	4,568
Investment in subsidiary	1,250	1,250	-	0%	1,250
Loan to related party	-	-	-	0%	1,037
Investment property	8,151	2,342	5,809	71%	8,332
Biological asset - forestry	115	115	-	0%	115
Intangible assets	14	129	(115)	-840%	373
Assets held for sale	-	-	-	0%	18
Financial assets at fair value	-	-	-	0%	781
Total non-current assets	523,662	528,434	(4,772)	-1%	516,361
Non-current liabilities					
Trade and other payables	-	-	-	0%	-
Employee entitlements (Trade payables)	-	-	-	0%	56
Landfill aftercare	2,032	1,542	490	24%	2,032
Borrowings	7,739	8,028	(290)	-4%	7,526
Total non-current liabilities	9,770	9,570	200	2%	9,614
Net assets	511,859	525,089	(13,230)	-3%	502,066
Represented by					
Equity	511,859	525,089	(13,230)	-3%	502,066

Variance explanations (actual YTD compared to YTD annual plan)	
A	Trade and other receivables The impact of Subsidies and Grants \$4.8M will reflect is reflect in the Trade and Other Receivables which is the cause for 66% (\$4.7M) Deficit
B	Borrowings In the current financial year, a \$3.5 million external loan from LGFA is scheduled to mature in April 2025. This maturity was not accounted for in the budget, resulting in a 100% variance. Additionally, this cause negative working capital variance of \$2 million which explains the deficit of said variance will be recovered through LGFA borrowing roll over of 2 Million.
C	Work in Progress Delays across several major capital projects have contributed to a variance of \$20 million. Notable examples include the Recycling Centre Upgrade (\$1.7M), Marine Parade Replacement (\$1.3M), Wairoa Pipeline Renewals (\$1.1M), and the Te Reinga Bridge rebuild, which is \$2.2M behind the budgeted year-to-date progress. Additionally, \$8.5 million of the variance relates to road and drainage improvements, kerbside collection, and wastewater infrastructure projects.

HE TAUĀKĪ MANA TAURITE

STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2025


	YTD 31 Mar 25 \$000	Annual Plan 31 Mar 25 \$000	2024 Actual \$000
Total equity - opening balance	502,065	502,065	455,992
Net surplus (deficit) for period	9,794	24,224	6,284
Other comprehensive income	-	-	39,789
Total comprehensive income	9,794	24,224	46,073
Total equity - closing balance	511,859	526,289	502,065
Components of equity			
Ratepayer's equity			
Ratepayer's equity - opening balance	172,032	172,032	163,798
Net surplus/(deficit) for period	9,794	24,224	6,284
Transfers to special reserves	-	-	(3,691)
Transfers from special reserves	-	-	5,641
Transfer from revaluation reserve	-	-	-
Ratepayer's equity - closing balance	181,826	196,256	172,032
Special reserves			
Special reserves - opening balance	22,706	22,706	24,656
Transfer to ratepayer's equity	-	-	(5,641)
Transfer from ratepayer's equity	-	-	3,691
Special reserves - closing balance	22,706	22,706	22,706
Revaluation reserves			
Revaluation reserves - opening balance	307,327	307,327	267,538
Net transfer to ratepayer's equity	-	-	-
Revaluation recognised in other comprehensive revenue and expense	-	-	39,789
Revaluation reserves - closing balance	307,327	307,327	307,327
Total equity - closing balance	511,859	526,289	502,065

HE TAUĀKĪ KAPEWHITI

STATEMENT OF CASHFLOWS

For the period ended 31 March 2025

		YTD	
		31 Mar 25	2024 Actual
		\$000	\$000
Cash flows from operating activities			
<i>Cash was provided from:</i>	Rates received	17,628	18,866
	Other revenue	46,753	58,818
	Investment income	1,388	1,077
	Subvention income	-	1,050
<i>Cash was applied to:</i>	Payments to suppliers and employees	(44,336)	(61,211)
	Interest paid	(385)	(742)
Net cash flows from operating activities		21,048	17,858
Cash flows from investing activities			
<i>Cash was provided from:</i>	Sale of property, plant, and equipment	-	823
	Insurance proceeds	-	-
	Sale of financial assets	-	406
<i>Cash was applied to:</i>	Purchase of financial assets	291	(87)
	Purchase of property, plant, and equipment	(17,437)	(14,662)
	Purchase of intangibles	-	195
	Loans made to subsidiary	-	(1)
	Purchase of investment properties	-	(7,923)
Net cash flows from investing activities		(17,147)	(21,249)
Cash flows from financing activities			
<i>Cash was provided from:</i>	Loans raised	-	(6,500)
<i>Cash was applied to:</i>	Borrowings repaid	213	(1,500)
Net cash flows from financing activities		213	(8,000)
Net increase/(decrease) in cash and cash equivalents		4,113	(11,381)
Cash and cash equivalents at beginning of year		2,307	13,688
Cash and cash equivalents at end of period		6,420	2,307
Made up of:			
Cash		6,417	2,307
Short term deposits		-	-
Cash and cash equivalents at end of period		6,417	2,307



HE TAUĀKĪ WHAKAAWEAWE PŪTEA

FUNDING IMPACT STATEMENTS

Understanding Funding Impact Statements

These statements set out Council's sources of operating and capital funding to be used for the 2024/25 financial year, and how this funding is to be applied. Council's sources of operating funding include items such as fees and charges, and its applications of operating funding include items such as payments to staff and suppliers. Council's sources of capital funding include items such as subsidies and grants for capital expenditure, and its applications of capital funding include capital expenditure to improve levels of service or replace existing assets. The difference between the value of total capital funding and application of this funding is the amount that Council needs to fund from rating for depreciation, both in the current year and from reserves which have built up over several years. These statements do not include depreciation. This is because it is a non-cash item. The Whole of Council Funding Impact Statement provides combined totals of all Council's sources of operating and capital sources of funding and application, and activity-level funding impact statements which separates this information into Council's key activity groups such as water supply and waste management.

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 (WHOLE OF COUNCIL)

	2023/24 LTP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	12,726	13,155	14,823	10,979	11,767
Targeted rates (other than a targeted rate for water supply)	5,311	5,986	7,475	5,607	5,416
Subsidies and grants for operating purposes	6,030	44,351	12,423	9,501	19,541
Fees and charges	2,441	3,324	3,532	2,721	3,729
Interest and dividends from investments	698	1,077	1,398	1,361	1,388
Local authorities fuel tax, fines, infringement fees, and other receipts	90	82	80	60	203
Total operating funding (A)	27,296	67,975	39,731	30,229	42,045
Applications of operating funding					
Payments to staff and suppliers	23,551	64,756	34,678	26,251	37,575
Finance costs	1,436	1,141	1,137	853	419
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	24,987	65,897	35,815	27,103	37,994
Surplus (deficit) of operating funding (A - B)	2,309	2,078	3,916	3,126	4,051
Sources of capital funding					
Subsidies and grants for capital expenditure	6,948	14,142	38,071	28,553	13,676
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(440)	7,655	9,702	7,151	(2,576)
Gross proceeds from sale of assets	47	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	6,555	21,797	47,773	35,704	11,100
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	3,898	15,758	10,684	8,245	3,157
- to replace existing assets	8,732	5,913	45,818	34,195	14,002
Increase (decrease) in reserves	(3,766)	2,204	(4,814)	(3,610)	(2,009)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	8,864	23,875	51,688	38,830	15,151
Surplus (deficit) of capital funding (C-D)	(2,309)	(2,078)	(3,916)	(3,126)	(4,051)
Funding balance ((A-B) + (C-D))	-	-	0	(1)	(0)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR WATER SUPPLY

	2023/24 AP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	165	185	260	195	189
Targeted rates (other than a targeted rate for water supply)	1,481	1,667	2,342	1,757	1,697
Subsidies and grants for operating purposes	-	13	-	-	27
Fees and charges	365	415	331	248	375
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	-	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	2,011	2,280	2,933	2,200	2,287
Applications of operating funding					
Payments to staff and suppliers	1,190	1,571	1,572	1,229	1,434
Finance costs	-	-	-	-	-
Internal charges and overheads applied	413	421	368	276	236
Internal interest charged	43	67	147	110	53
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	1,646	2,059	2,087	1,615	1,723
Surplus (deficit) of operating funding (A - B)	365	221	846	585	564
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(364)	(222)	2,337	1,802	(34)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	(364)	(222)	2,337	1,802	(34)
Application of capital funding					
Capital expenditure					
- to meet additional demand				-	-
- to improve the level of service	-	-	-	212	10
- to replace existing assets	11	5	283	3,986	949
Increase (decrease) in reserves	1,072	301	5,315	(1,812)	(428)
Increase (decrease) of investments	(1,082)	(307)	(2,415)	-	-
Total applications of capital funding (D)	1	(1)	3,183	2,387	530
Surplus (deficit) of capital funding (C-D)	(365)	(221)	(846)	(585)	(564)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(275)	(917)	(863)

FUNDING IMPACT STATEMENT FOR 1 JULY 202 TO 31 MARCH 2025 FOR STORMWATER

	2023/24 AP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	30	41	71	53	51
Targeted rates (other than a targeted rate for water supply)	267	366	637	478	462
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	-	2	-	-	-
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	71	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	368	409	708	531	513
Applications of operating funding					
Payments to staff and suppliers	122	497	264	209	201
Finance costs	59	-	-	-	-
Internal charges and overheads applied	176	165	68	51	48
Internal interest charged	-	34	114	85	27
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	357	696	446	345	276
Surplus (deficit) of operating funding (A - B)	11	(287)	262	186	237
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	42	778	1,125	854	(134)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	42	778	1,125	854	(134)
Application of capital funding					
Capital expenditure	-	594	511	-	-
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	594	511	383	10
- to replace existing assets	53	4	965	724	104
Increase (decrease) in reserves	-	(107)	(89)	(67)	(11)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	53	491	1,387	1,040	102
Surplus (deficit) of capital funding (C-D)	(11)	287	(262)	(186)	(237)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(103)	(296)	(309)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR WASTEWATER

	2023/24 AP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	238	256	364	273	264
Targeted rates (other than a targeted rate for water supply)	2,145	2,305	3,277	2,458	2,374
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	-	16	25	19	-
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	43	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	2,426	2,577	3,666	2,749	2,638
Applications of operating funding					
Payments to staff and suppliers	1,297	1,695	2,226	1,710	1,554
Finance costs	200	-	-	-	-
Internal charges and overheads applied	340	317	562	421	396
Internal interest charged	-	304	351	263	240
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	1,837	2,316	3,139	2,394	2,190
Surplus (deficit) of operating funding (A - B)	589	261	527	355	448
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	4
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(486)	(710)	1,708	1,321	(413)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	(486)	(710)	1,708	1,321	(409)
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	1,369	41	200	150	34
- to replace existing assets	140	49	2,710	2,032	364
Increase (decrease) in reserves	(1,406)	(539)	(675)	(507)	(360)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	103	(449)	2,235	1,676	38
Surplus (deficit) of capital funding (C-D)	(589)	(261)	(527)	(355)	(448)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(203)	(593)	(655)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR WASTE MANAGEMENT

	2023/24 AP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	157	183	135	102	98
Targeted rates (other than a targeted rate for water supply)	1,413	1,648	1,219	915	884
Subsidies and grants for operating purposes	-	415	-	-	62
Fees and charges	758	1,514	1,288	966	1,686
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	15	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	2,343	3,760	2,642	1,982	2,730
Applications of operating funding					
Payments to staff and suppliers	1,875	2,602	2,276	1,709	2,367
Finance costs	84	-	-	-	-
Internal charges and overheads applied	248	232	198	148	112
Internal interest charged	-	22	122	92	17
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	2,207	2,856	2,596	1,949	2,496
Surplus (deficit) of operating funding (A - B)	136	904	46	33	234
Sources of capital funding					
Subsidies and grants for capital expenditure	-	(11)	1,657	1,243	19
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	96	(914)	1,701	1,277	(229)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	96	(925)	3,358	2,520	(211)
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	25	-	-	-
- to replace existing assets	380	-	3,423	2,568	24
Increase (decrease) in reserves	(148)	(46)	(20)	(15)	-
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	232	(21)	3,403	2,553	24
Surplus (deficit) of capital funding (C-D)	(136)	(904)	(46)	(33)	(234)
Funding balance ((A-B) + (C-D))	-	-	-	0	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(66)	(199)	(101)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR TRANSPORT

	2023/24 LTP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	4,568	4,963	5,352	3,901	3,768
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-
Subsidies and grants for operating purposes	5,949	37,894	12,223	9,351	15,463
Fees and charges	54	32	59	44	91
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	45	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	10,616	42,889	17,635	13,296	19,322
Applications of operating funding					
Payments to staff and suppliers	7,609	40,507	14,073	10,627	17,612
Finance costs	105	-	-	-	-
Internal charges and overheads applied	1,805	1,674	1,939	1,454	1,365
Internal interest charged	-	305	148	111	140
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	9,519	42,486	16,160	12,192	19,118
Surplus (deficit) of operating funding (A - B)	1,097	403	1,475	1,105	204
Sources of capital funding					
Subsidies and grants for capital expenditure	6,895	11,401	27,309	20,482	10,984
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	307	4,830	1,578	1,106	12
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	7,202	16,231	28,887	21,588	10,995
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	2,408	10,176	3,552	2,664	240
- to replace existing assets	6,720	3,868	27,264	20,369	11,381
Increase (decrease) in reserves	(829)	2,590	(455)	(341)	(422)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	8,299	16,634	30,362	22,692	11,199
Surplus (deficit) of capital funding (C-D)	(1,097)	(403)	(1,475)	(1,105)	(204)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(1,759)	(5,097)	(5,284)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR COMMUNITY FACILITIES

	2023/24 LTP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	3,220	3,732	3,561	2,669	2,578
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-
Subsidies and grants for operating purposes	26	33	25	18	199
Fees and charges	73	76	191	143	220
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	11	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	3,330	3,841	3,777	2,830	2,997
Applications of operating funding					
Payments to staff and suppliers	2,635	2,573	2,878	2,179	2,308
Finance costs	47	2	1	0	-
Internal charges and overheads applied	379	315	634	476	441
Internal interest charged	-	11	46	34	(12)
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	3,061	2,901	3,558	2,690	2,737
Surplus (deficit) of operating funding (A - B)	269	940	219	141	261
Sources of capital funding					
Subsidies and grants for capital expenditure	-	628	5,880	4,410	737
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(234)	(862)	884	687	(419)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	(234)	(234)	6,764	5,097	318
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	85	-	-	-
- to improve the level of service	16	20	2,513	1,884	206
- to replace existing assets	214	1,222	4,907	3,680	1,018
Increase (decrease) in reserves	(195)	(621)	(437)	(327)	(645)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	35	706	6,983	5,237	579
Surplus (deficit) of capital funding (C-D)	(269)	(940)	(219)	(141)	(261)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(57)	(157)	(200)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR PLANNING AND REGULATORY

	2023/24 LTP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	1,148	1,095	3,073	2,137	2,064
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-
Subsidies and grants for operating purposes	-	4,970	175	-	-
Fees and charges	762	930	1,329	1,068	1,073
Internal charges and overheads recovered	-	-	215	161	151
Internal interest income	-	(92)	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	1,910	6,903	4,792	3,366	3,288
Applications of operating funding					
Payments to staff and suppliers	1,483	6,914	2,624	1,669	1,714
Finance costs	12	14	-	-	10
Internal charges and overheads applied	684	532	2,176	1,632	1,187
Internal interest charged	-	-	(4)	(3)	72
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	2,179	7,460	4,795	3,297	2,983
Surplus (deficit) of operating funding (A - B)	(269)	(557)	(3)	69	305
Sources of capital funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	269	545	157	4	(301)
Gross proceeds from sale of assets	25	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	294	545	157	4	(301)
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	84	-	180	93	4
Increase (decrease) in reserves	(59)	(12)	(26)	(20)	-
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	25	(12)	154	73	4
Surplus (deficit) of capital funding (C-D)	269	557	3	(69)	(305)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(8)	(25)	(22)

FUNDING IMPACT STATEMENT FOR 1 JULY 204 TO 31 MARCH 2025 FOR LEADERSHIP AND GOVERNANCE

	2023/24 LTP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	2,843	4,003	2,456	1,842	1,779
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-
Subsidies and grants for operating purposes	56	560	-	-	271
Fees and charges	249	(42)	34	25	17
Internal charges and overheads recovered	-	-	-	-	-
Internal interest income	-	-	-	-	-
Interest and dividends from investments	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-
Total operating funding (A)	3,148	4,521	2,490	1,867	2,067
Applications of operating funding					
Payments to staff and suppliers	1,209	2,214	1,622	1,217	1,451
Finance costs	12	-	1	0	0
Internal charges and overheads applied	1,839	1,732	840	630	420
Internal interest charged	-	27	5	4	22
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	3,060	3,973	2,468	1,851	1,893
Surplus (deficit) of operating funding (A - B)	88	548	22	17	173
Sources of capital funding					
Subsidies and grants for capital expenditure	53	1,442	1,450	1,087	1,571
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(88)	2,207	(22)	182	222
Gross proceeds from sale of assets	21	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	(14)	3,649	1,428	1,270	1,793
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	53	4,197	1,450	1,320	1,959
- to replace existing assets	77	-	205	120	8
Increase (decrease) in reserves	(56)	-	(205)	(154)	-
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	74	4,197	1,450	1,286	1,966
Surplus (deficit) of capital funding (C-D)	(88)	(548)	(22)	(17)	(173)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(1)	(3)	(4)

FUNDING IMPACT STATEMENT FOR 1 JULY 2024 TO 31 MARCH 2025 FOR CORPORATE FUNCTIONS

	2023/24 LTP \$000	2023/24 Actual \$000	2024/25 AP \$000	2024/25 AP YTD \$000	2024/25 YTD \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	357	(846)	(450)	(338)	835
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-
Subsidies and grants for operating purposes	-	73	-	-	38
Fees and charges	179	220	275	206	268
Internal charges and overheads recovered	6,168	5,591	7,368	5,526	4,263
Internal interest income	84	1,075	(20)	(15)	752
Interest and dividends from investments	698	1,077	1,398	1,361	1,388
Local authorities fuel tax, fines, infringement fees, and other receipts	90	82	80	60	203
Total operating funding (A)	7,576	7,272	8,651	6,800	7,746
Applications of operating funding					
Payments to staff and suppliers	6,098	6,082	7,143	5,425	5,083
Finance costs	862	1,127	1,136	852	409
Internal charges and overheads applied	248	209	799	598	208
Internal interest charged	391	238	(949)	(712)	193
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	7,599	7,656	8,129	6,164	5,892
Surplus (deficit) of operating funding (A - B)	(23)	(384)	523	637	1,854
Sources of capital funding					
Subsidies and grants for capital expenditure	-	241	1,775	1,331	361
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	23	1,855	235	(83)	(1,508)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	23	2,096	2,010	1,249	(1,146)
Application of capital funding					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	229	2,175	1,631	699
- to replace existing assets	214	874	849	622	150
Increase (decrease) in reserves	(214)	609	(491)	(368)	(142)
Increase (decrease) of investments	-	-	-	-	-
Total applications of capital funding (D)	-	1,712	2,533	1,885	707
Surplus (deficit) of capital funding (C-D)	23	384	(523)	(637)	(1,854)
Funding balance ((A-B) + (C-D))	-	-	-	-	-
Expenses for this activity grouping include the following depreciation/amortisation charge			(104)	(312)	(495)



8.4 PROGRESS ON OUTSTANDING MANAGEMENT LETTER POINTS AND OBSERVATIONS FROM INTERIM AUDIT.

Author: Madhan Joga Nageswararao, Kaiwhakahaere Pūtea | Finance Manager

Authoriser: Gary Borg, Pouwhakarae - Putea Tautawhi Rangapu | Group Manager Finance and Corporate Support

Appendices: Nil

1. PURPOSE

- 1.1 This report provides information for Committee on progress made with management letter points raised in the Audit Closing Report for the year ended 30 June 2024. No decisions are required by Committee at this stage.
- 1.2 This report supports the Committee in fulfilling its monitoring role of financial controls on behalf of Council.

RECOMMENDATION

The Kaiwhakahaere Pūtea | Finance Manager RECOMMENDS that Committee receive the report.

2. BACKGROUND

- 2.1 As part of their assurance obligations Council's auditor delivers an Audit Closing Report at the conclusion of the audit of the Annual Report and financial statements, in advance of formalising their opinion on the final document.
- 2.2 The Audit Closing Report for the year ended 30 June 2024 was delivered to the Committee on 29 October 2024, ahead of Council adopted the Annual Report on 31 October 2024.
- 2.3 The report contains a section entitled '*Assessment of Control Environment*' in which the auditor highlights areas for improvement and management provides a response. This is then used as a continuous improvement tool with the expectation that actions can be seen to have been addressed during the following financial year.
- 2.4 The Audit Closing Report for the year ended 30 June 2024 contained only 4 such observations. These have been expanded below to give further depth.

3. FINANCIAL STATEMENT CLOSE PROCESS

- 3.1 Observation: overall
 - 3.1.1. EY noted that the 2024 financial statement close process and Annual Report preparation presented challenges, primarily due to the concurrent Long-Term Plan (LTP) process. The significant resources required for the LTP and the timing of its finalisation impacted the efficiency of the financial reporting activities.
- 3.2 Response and Action taken:
 - 3.2.1. At the time of the 2024 audit all key staff involved in the preparation of the annual report were new and learning on the job. Since then the team has developed,

training has been provided and processes documented. All of this will contribute to a smoother year end in 2025.

3.3 Observation: Alignment of Council and its contractor in Infrastructure Asset Management

3.3.1. Discrepancies were identified between the infrastructure asset balances reported by Council and its Infrastructure Valuer

3.4 Response and Action taken: the WDC Finance team implemented a comprehensive action plan: [this item is also discussed in the update from Interim Audit below]

3.4.1. Variance Reconciliation: A thorough reconciliation process was undertaken to identify and rectify the discrepancies, ensuring alignment between records.

3.4.2. Process Integration: The reconciliation procedure has been incorporated into WDC's monthly financial processes to proactively detect and resolve any future variances.

3.4.3. Valuation Report: WDC now anticipated by requesting valuation reports before the end of financial year. This allows sufficient time to review work papers and implement necessary adjustments, thereby minimizing the risk of variances prior to submission to EY for audit purposes.

3.5 Observation: Timing of preparation of complete / full financial statements, underlying reconciliations and work papers

3.5.1. In the previous Financial Year, our monthly and quarterly financial reports were not consistently up to date due to multiple reasons. This led to complications in aligning data and preparing accurate financial statements.

3.6 Response and Action taken: Timely Report Preparation:

3.6.1. We now ensure that monthly and quarterly reports are prepared promptly, reducing the risk of accumulating discrepancies.

3.6.2. Enhanced Checklists: Our reporting checklists are continuously reviewed and improved each month to capture all necessary tasks and validations. This structured approach minimizes the risk of overlooking critical tasks, thereby reducing errors and improving the overall quality of the financial reports.

3.6.3. Streamlined Annual Reporting: By maintaining up-to-date reports throughout the year, the process of compiling the annual report has become more straightforward and less time-consuming. These steps have significantly improved our financial reporting accuracy and efficiency, aligning with best practices for timely financial reporting.

4. RECONCILIATION OF INFRASTRUCTURE ASSETS VALUED TO FIXED ASSETS REGISTER

4.1 Observation and recommendation: We note that management did not perform a reconciliation between the FAR and the data provided to WSP to undertake the valuation.

4.1.1. In addition, the report provided by WSP initially excluded certain asset classes which were subsequently identified and included.

4.1.2. We recommend the valuation report should be obtained with sufficient time available for WDC to review and to enable the correction of any identified errors ahead of the preparation of the financial statements. A reconciliation should be

conducted between the FAR and the data provided to the valuer to ensure the valuation is undertaken based on complete and accurate information.

- 4.2 Response and Action taken: we encountered challenges due to the late receipt of the valuation report, which arrived after the commencement of the audit process. This delay impeded our ability to reconcile valuation data with our general ledger in a timely manner.

4.2.1. To mitigate this issue, we have proactively requested WSP to provide the valuation report prior to the end of the financial year. Receiving the report earlier will enable the WDC Finance team to perform necessary reconciliations and ensure that all asset valuations are accurately reflected in our records before submission to external auditors.

4.2.2. Additionally, as part of our monthly reporting process, we are diligently ensuring that all asset depreciation entries are processed promptly. This practice maintains the accuracy of asset values and supports the integrity of our financial statements.

5. NON-COMPLIANCE WITH COUNCIL'S CREDIT CARD POLICY

- 5.1 Observation and recommendation: Council has five active credit cards used for carrying out Council business.

5.1.1. We identified one registered cardholder is the departed Finance Manager. However; their card continues to be used for Council business.

5.1.2. Council's Credit Card Policy deems the cardholder to be responsible for the use of the card and all purchases to be approved by their manager. The policy enables Council to recover any monies from the cardholder, if found to have been used for personal expenditure or cash advances.

5.1.3. We recommend management should notify the bank to cancel the credit card and apply for a new card if there is a business need.

- 5.2 Response and Action taken: We have identified that one of our corporate cardholders has departed the organisation. However, due to several essential subscriptions linked to this card, immediate deactivation is not feasible until a replacement card is issued and the associated services are transitioned accordingly.

5.2.1. Currently, we have submitted a list of pending requests to our banking partner to facilitate this transition. Unfortunately, we are experiencing delays in their response, which is impacting our ability to promptly resolve this matter.

5.2.2. To address this, the responsibility for managing this task has been assigned to the current Finance Manager. We are committed to ensuring that all necessary actions are completed with tight followups and we expected before the end of this financial year to maintain the integrity of our Credit Card Policy.

6. APPROVAL OF MANUAL JOURNAL ENTRIES

- 6.1 Observation and recommendation: Not all manual journal entries are reviewed and approved prior to being posted in the general ledger.

6.1.1. Journal entries should be reviewed and approved prior to posting to ensure that only entries with a valid business purpose are recorded or any errors are identified and corrected prior to posting.

- 6.1.2. We recommend manual journal entries are reviewed and approved by an individual with the appropriate skills to complete such a review. This could be done on a journal by journal basis or as a review of batches of manual journals on a periodic basis.
- 6.2 Response and Action taken: During the audit it was identified that not all manual journal entries were reviewed and approved prior to being posted in the General Ledger (GL). This issue was attributed to the limited number of personnel—specifically, only one or two individuals—who were familiar with the journal posting process.
- 6.2.1. To address this, the current Finance Manager is advocating for broader access and understanding of the journal posting procedures among all finance team members. A comprehensive training program is scheduled for May 2025, aimed at equipping the team with the necessary skills to prepare and submit journal entries effectively.
- 6.2.2. This initiative will also facilitate the development of a structured approval matrix, delineating clear roles and responsibilities for journal entry approvals. Implementing such approval matrix is crucial for enhancing internal controls, ensuring compliance, and reducing the risk of errors in financial reporting.
- 6.2.3. By expanding the knowledge base within the finance team and establishing a robust approval framework, WDC Finance is committed to strengthening its financial governance and operational efficiency.

7. INTERIM AUDIT 2025

- 7.1 In March and April 2025, we successfully completed the interim audit process walkthrough for all activities, including those within the finance department, were reviewed and confirmed. Our external auditors have acknowledged that the interim process walkthrough has been completed in full.
- 7.2 Additionally, for the current financial year, we initiated a half-yearly audit as part of the interim audit process. This proactive approach resulted in the receipt of 51 audit requests, excluding the process walkthrough. These requests encompassed transactional sample reviews, current employee listings, contract evaluations, procurement process and other pertinent documentation covering the period from July 2024 to January 2025.
- 7.3 Implementing this strategy has significantly reduced the volume of requirements and pressure typically associated with year-end audits. By addressing these elements earlier in the current year, we have streamlined our audit processes and enhanced overall efficiency.
- 7.4 One item currently outstanding is the fair value assessment / valuation of 3 Waters assets. During February 2025, as part of the Hawke's Bay Regional Collaboration towards a Water Services Delivery Plan, the Hawke's Bay councils undertook a joint water services infrastructure valuation exercise to ensure a common approach and basis for valuation should combination eventuate.
- 7.5 Wairoa District Council intends to use the output from this as the basis for its Fair Value Assessment of Water Services Infrastructure as at 30 June 2025. A draft report was received in March 2025 which showed significant discrepancies in material asset classes. This is being investigated and will be cleared by year end.

8.5 COMMITTEE WORK PLAN 2025

Author: Gary Borg, Pouwhakarae - Putea Tautawhi Rangapu | Group Manager Finance and Corporate Support

Authoriser: Juanita Savage, Chief of Operations

Appendices: 1. Updated Workplan 2025 [↓](#)

1. PURPOSE

- 1.1 The purpose of this report is to advise on progress against the Committee's work plan and consider updates to the forward plan.

RECOMMENDATION

The Pouwhakarae - Putea Tautawhi Rangapu | Group Manager Finance and Corporate Support RECOMMENDS that Committee approves the Work Plan.

2. BACKGROUND

- 2.1 A work plan helps to ensure the Committee meets its obligations as prescribed in its Terms of Reference and helps schedule activity so that it aligns with key dates in the overall Council timetable.
- 2.2 The Committee approved its work plan for 2025 at its February meeting.
- 2.3 A proposed update to the plan, based on progress to date and other matters arising is attached as **Appendix 1**. Other matters arising will be reported on an ad hoc basis as required and updated within the relevant focus areas as appropriate.
- 2.4 Updates to the work plan are elaborated below.

3. CURRENT SITUATION

3.1 Performance Reporting

- 3.1.1. March financials on target and included in the May Agenda. Insufficient non-financial information was gathered to complete the full Quarter 3 Performance Report and this will now be presented in June.
- 3.1.2. Treasury reporting will be included in the 3rd Quarter report.

3.2 Annual Report

- 3.2.1. Nothing to report, interim audit is references below.

3.3 Risk Management

- 3.3.1. The Health and Safety system is operational, and reporting included this meeting.
- 3.3.2. Implementation of the corporate risk management system is on track.
- 3.3.2.1. A focussed report on cybersecurity is planned for June.

3.3.3. Strategic Risk workshop has not yet been scheduled, due primarily to the transitioning of the Chief Executive. This is nominally now proposed for June, subject to discussion with the Committee.

3.3.3.1. It should be noted that there is a significant and immediate strategic risk concerning the preparation of a Water Services Delivery Plan. This has been the main focus of attention for the organisation since the appointment of the interim Chief Executive.

3.4 External audit

3.4.1. Interim audit was completed and is included in a report on this Agenda.

3.5 Internal audit

3.5.1. Recommendations from the internal audit of procurement and contract management have been delivered to the Executive Team.

3.5.2. Systems and processes – no updates this month.

3.5.3. Recovery – an update on the Silt and Debris fund is included in this Agenda.

4. SIGNIFICANCE

4.1 This matter is considered to be of low significance.

Who has been consulted?

No consultation is required.

Finance Assurance and Risk Committee Workplan 2025

Focus Areas		January	February	March	April	May	June
MEETING			11	25		6	27
Performance Report			Full Quarter 2 Report Full year forecast	January Financials Capital Works Projects Report	February and March Financials distributed	Full Quarter 3 Report March Financials	April and May Financials Full Quarter 3 Report
Annual Report			2024 Debrief	Reporting timetable 2025 Audit timetable 2025			Outcomes from interim audit
Risk Management	Strategic Health and Safety			Workshop System Implementation Update		Deep dive 1 - TBC Exceptions and Update	Deep dive 2 - TBC Workshop Exceptions and Update
	Corporate			Emerging		Emerging	Focus area - cyber security Insurance renewals preliminary
External Audit				Progress on outstanding Management letter points Interim audit		Progress on outstanding Management letter points and exceptions from interim audit.	Outcomes from interim audit
Internal Audit	Internal and Operational						
	System and Process Recovery		Update	Contractors Update		Update	Update
Focus Areas		July	August	September	October	November	December
MEETING		29	26	30			2
Performance Report		June exceptions report Projects update	Exceptions report if required		Extraordinary Q1 Full Report published		October Financials Projects update
Annual Report		Risks and exceptions	Draft financials	Draft report	Final Report for endorsement		
Risk Management	Strategic Health and Safety	Deep dive 1 - TBC Exceptions and Update	Deep dive 2 - TBC Exceptions and Update	Deep dive 3 - TBC Exceptions and Update			Deep dive 4 - TBC Exceptions and Update
	Corporate	Emerging Risk Management System implementation update	Emerging	Emerging First Status Report	Insurance renewals final		Emerging Status Report
External Audit		Progress on outstanding Management letter points			Audit Close		Progress on outstanding Management letter points
Internal Audit	Internal and Operational System and Process Recovery	Exceptions Update		Exceptions Update			Update

9 PUBLIC EXCLUDED ITEMS

RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
9.1 - Silt and Debris Fund Update 30 April 2025	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7