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ORDINARY MEETING  
OF  
**PŪRORO TAHUA - FINANCE AND PERFORMANCE**  
COMMITTEE  
AGENDA

Time: 9:30am  
Date: Thursday, 19 August 2021  
Venue: Ngake (16.09)  
Level 16, Tahiwi  
113 The Terrace  
Wellington

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**MEMBERSHIP**

Mayor Foster  
Deputy Mayor Free  
Councillor Calvert (Chair)  
Councillor Condie  
Councillor Day  
Councillor Fitzsimons  
Councillor Foon (Deputy Chair)  
Liz Kelly  
Councillor Matthews  
Councillor O'Neill  
Councillor Pannett  
Councillor Paul  
Councillor Rush  
Councillor Sparrow  
Councillor Woolf  
Councillor Young

**Have your say!**

*You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-803-8334, emailing [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz) or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.*

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## **AREA OF FOCUS**

The Pūroro Tahua | Finance and Performance Committee has the following responsibilities:

- Financial oversight
- Procurement policy
- Financial and non-financial performance oversight in relation to the Long-term Plan and Annual Plan
- Health and Safety
- Non-strategic asset investment and divestment as provided for through the LongTerm Plan and recommending to Council for matters not provided for in the LongTerm Plan.
- Council Controlled Organisation oversight and performance, with the exception of Wellington Water Limited which sits with the Infrastructure Committee
- Council Controlled Organisation director review and appointments
- WellingtonNZ oversight and performance

The Committee has the responsibility to discuss and approve a forward agenda.

To read the full delegations of this committee, please visit [wellington.govt.nz/meetings](https://wellington.govt.nz/meetings).

**Quorum:** 9 members

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## 1. Meeting Conduct

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### 1.1 Karakia

The Chairperson will open the meeting with a karakia.

<b>Whakataka te hau ki te uru,</b>	Cease oh winds of the west
<b>Whakataka te hau ki te tonga.</b>	and of the south
<b>Kia mākinakina ki uta,</b>	Let the bracing breezes flow,
<b>Kia mātaratara ki tai.</b>	over the land and the sea.
<b>E hī ake ana te atākura.</b>	Let the red-tipped dawn come
<b>He tio, he huka, he hauhū.</b>	with a sharpened edge, a touch of frost,
<b>Tihei Mauri Ora!</b>	a promise of a glorious day

At the appropriate time, the following karakia will be read to close the meeting.

<b>Unuhia, unuhia, unuhia ki te uru tapu nui</b>	Draw on, draw on
<b>Kia wātea, kia māmā, te ngākau, te tinana,</b>	Draw on the supreme sacredness
<b>te wairua</b>	To clear, to free the heart, the body
<b>I te ara takatū</b>	and the spirit of mankind
<b>Koia rā e Rongo, whakairia ake ki runga</b>	Oh Rongo, above (symbol of peace)
<b>Kia wātea, kia wātea</b>	Let this all be done in unity
<b>Āe rā, kua wātea!</b>	

### 1.2 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

### 1.3 Conflict of Interest Declarations

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

### 1.4 Confirmation of Minutes

The minutes of the meeting held on 4 August 2021 will be put to the Pūroro Tahua | Finance and Performance Committee for confirmation.

### 1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows.

***Matters Requiring Urgent Attention as Determined by Resolution of the Pūroro Tahua | Finance and Performance Committee.***

The Chairperson shall state to the meeting:

- 
1. The reason why the item is not on the agenda; and
  2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Pūroro Tahua | Finance and Performance Committee.

***Minor Matters relating to the General Business of the Pūroro Tahua | Finance and Performance Committee.***

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Pūroro Tahua | Finance and Performance Committee for further discussion.

#### 1.6 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz), by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 803 8334, giving the requester's name, phone number and the issue to be raised.

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## 2. General Business

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# SUSTAINABLE (GREEN AND SOCIAL) FINANCING

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### Purpose

1. This report asks the Pūroro Tahua | Finance and Performance Committee to note the review of sustainable financing and the development of the Local Government Funding Agency Sustainable bond framework, and the imminent issuance of WCC green bond issuance

### Summary

2. The Wellington City Council (through the Financial Strategy and Revenue and Financing Policy) uses debt to fund its asset construction and purchasing programme (Capital expenditure)
3. Most debt is obtained by issuing bonds through the Local Government Funding Agency (LGFA) and some in the private placement market (through banks), and issuing short term debt through a Commercial Paper program
4. In November 2018 WCC started investigating sustainable and green financing options through banks and consultants after Auckland Council issued a \$200m green bond in June 2018 – The first retail green bond by a NZ borrower
5. The WCC City Strategy Committee resolved on 21 March 2019 to investigate securing bonds that are climate certified and on 21 June 2019 WCC adopted Te Atakura (first to Zero) carbon strategy with the implementation plan adopted in August 2020.
6. WCC has been reviewing the options and approach to issuing green bonds
7. While investor demand is increasing for sustainable/green/social bonds the markets are not providing more favourable pricing than vanilla (standard) bonds, but have potential to in the future
8. The extra demand benefits debt issuers (WCC) in providing greater access to funds, which can be beneficial in times of tight liquidity, especially increasing international investor funding.
9. There are Environmental and Social benefits from entering into sustainable financing. These include the ongoing measurement requirements (of certification/meeting standards) to give assurance of the outputs and outcomes from the proceeds of the funds. These measurements have shown to drive a cultural and strategic change throughout organisations that participate by creating a focus on the outcomes.

10. WCC Treasury is working with the Local Government Funding Agency (LGFA) to set up a sustainable finance scheme which is due to be operational by October 2021
11. WCC will begin applying for 'green' lending for financing/refinancing Tākina when the LGFA scheme is operational, with a view to expanding applications into other areas of applicable capital expenditure and refinancing in the future.
12. WCC will be a pioneer and leader for the sector in terms of borrowing through LGFA sustainability framework – and others will follow. This is very similar to the support WCC provided as a foundation shareholder and early borrower in 2012

## **Recommendation/s**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note the background to the sustainable finance markets and certification/performance standard schemes
3. Note the WCC Treasury committee has chosen a preferred course of action to initiate sustainable finance debt program by engaging and assisting the LGFA in setting up a sustainable financing scheme using Green Bond Principles (GBP) and Climate Bond Initiative (CBI) performance standards
4. Note that the LGFA programme is expected to be begin by October 2021 and WCC will begin applying for green finance/refinancing initially through the Tākina project, with a view to expand the issuance to other applicable areas of financing WCC assets.
5. Note the cost of funds through the LGFA for sustainable linked lending is initially set 5 basis points lower (-0.05%) than conventional funding

## **Background**

13. In November 2018 WCC started investigating sustainable and green financing options through banks and consultants on the back of Auckland Council issuing a \$200m green bond in June 2018 – The first retail green bond by a NZ borrower
14. The WCC City Strategy Committee resolved to investigate securing bonds that are climate certified.
15. In May 2019 the Government introduced legislation to cut net emissions to zero by 2050
16. WCC Treasury (and GWRC Treasury) started working with LGFA in June 2020 to assist in the development of a sustainable finance lending program that all councils and CCO's could leverage
17. In June 2019 WCC adopted Te Atakura (first to Zero) which included investigating issuing climate certified bonds as part of the action plan.





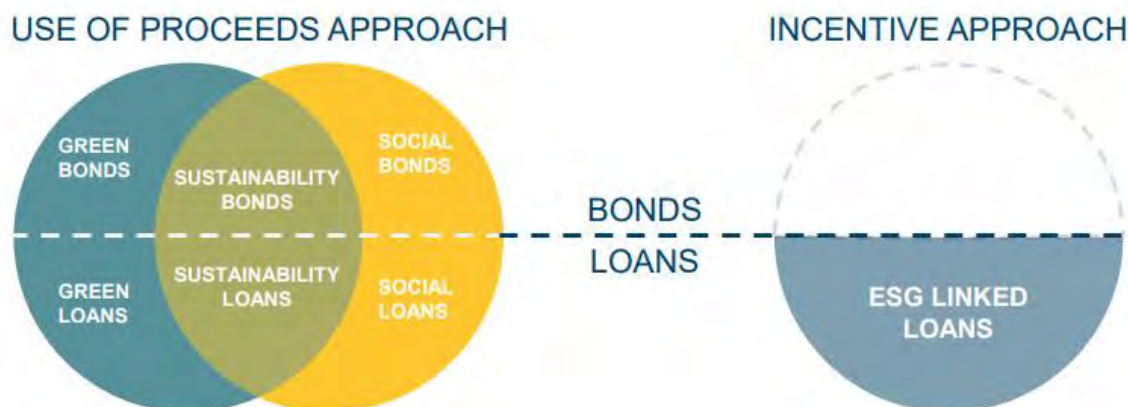
- ▶ *Sewage Sludge*
- > Procurement changes
- > Bylaw adjustments
- ▶ *Improve governance*
- > CDP and CEMARS
- > Landfill activities
- > What might be needed?
- > Climate resilience fund
- ▶ **Climate certified bonds**
- > Private cycle lanes
- ▶ *Circular economy study*
- > Water meters
- > Green building mandate
- > Green building refits
- > Flexible, carbon neutral gas replacement 2035
- > EV first fleet
- > Sustainable food events
- ▶ *CCO statements of intent*
- > CarbonZero council
- > Energy management KPIs
- > Climate budget
- > Connecting digitally
- > Energy saving investment
- > Green infrastructure
- > Assess embodied carbon
- > More sustainable building engineering/construction
- ▶ *Measurement framework*

- 18.
19. WCC declared a climate emergency in June 2020
20. In August 2020 Council adopted the implementation plan for Te Atakura
21. WCC has been reviewing the approach of issuing green bonds. There are a number of approaches to this:
- type of bonds (issued to investors) and loans (bank debt)
  - the standards and certification or assurance programme
  - and in the facilitator of the debt.

These are explained below

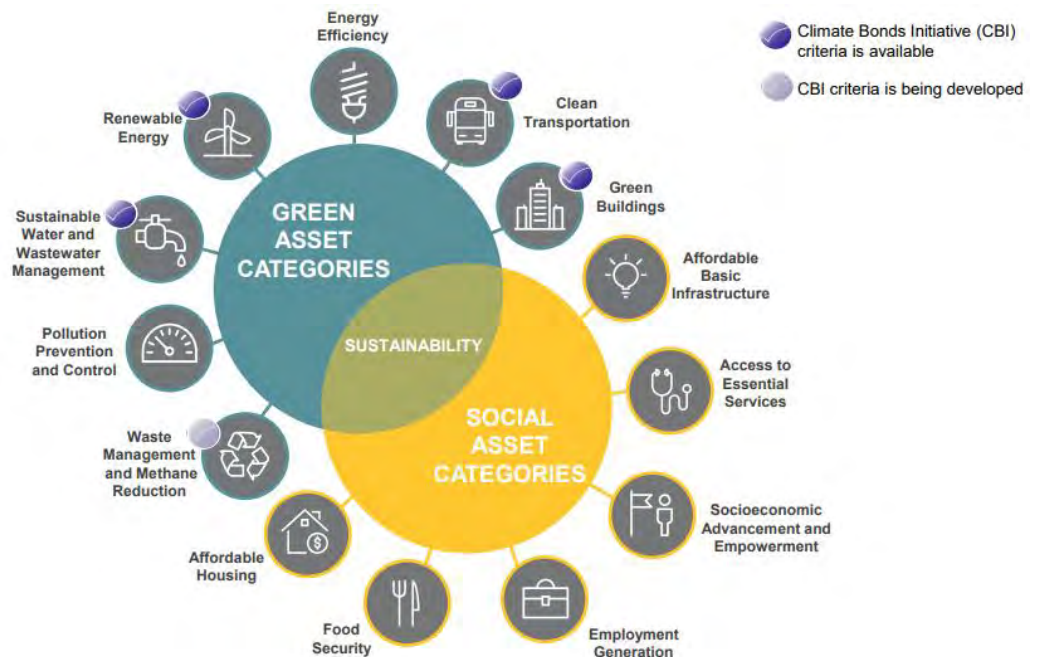
22. **Approaches to Lending/Issuing**
23. There are 2 approaches that can be used, being 'use of proceeds' and 'Incentive'
24. Source: ANZ

25.



26. The 'use of proceeds' approach means the proceeds of the bond or loan are tied into financing or refinancing certain underlying assets (which are classified as either green, social or sustainable) e.g. a 5 star green rated building like Takina could qualify for a green bond or loan, or affordable housing capital could qualify for a social bond/loan
27. The 'Incentive' approach means the loan (or potentially a bond) are used for general corporate purposes, and the margin (interest cost of the loan) is tied to the issuer achieving a certain Environmental, Social, Governance (ESG) score across a number of targets. e.g. Bank revolving credit could have more than 50 criteria including carbon intensity, responsible sourcing and marketing, board diversity and independence. If pre-set improvement targets are met interest rates will be reduced. These are mainly used in Europe and Asia to date and are relatively new to the Australian and NZ markets.
28. The 'use of proceeds' approach is the most applicable to Wellington City Council at this time, primarily as the market for 'incentives' is still developing, and the maturity of the organisation is still developing - in that the combination of the measurement of the required outputs (criteria) and the ability to effect the changes to improve to meet incentive thresholds requires further development
29. The types of capital expenditure and assets that apply to the types of sustainable bonds can be seen below

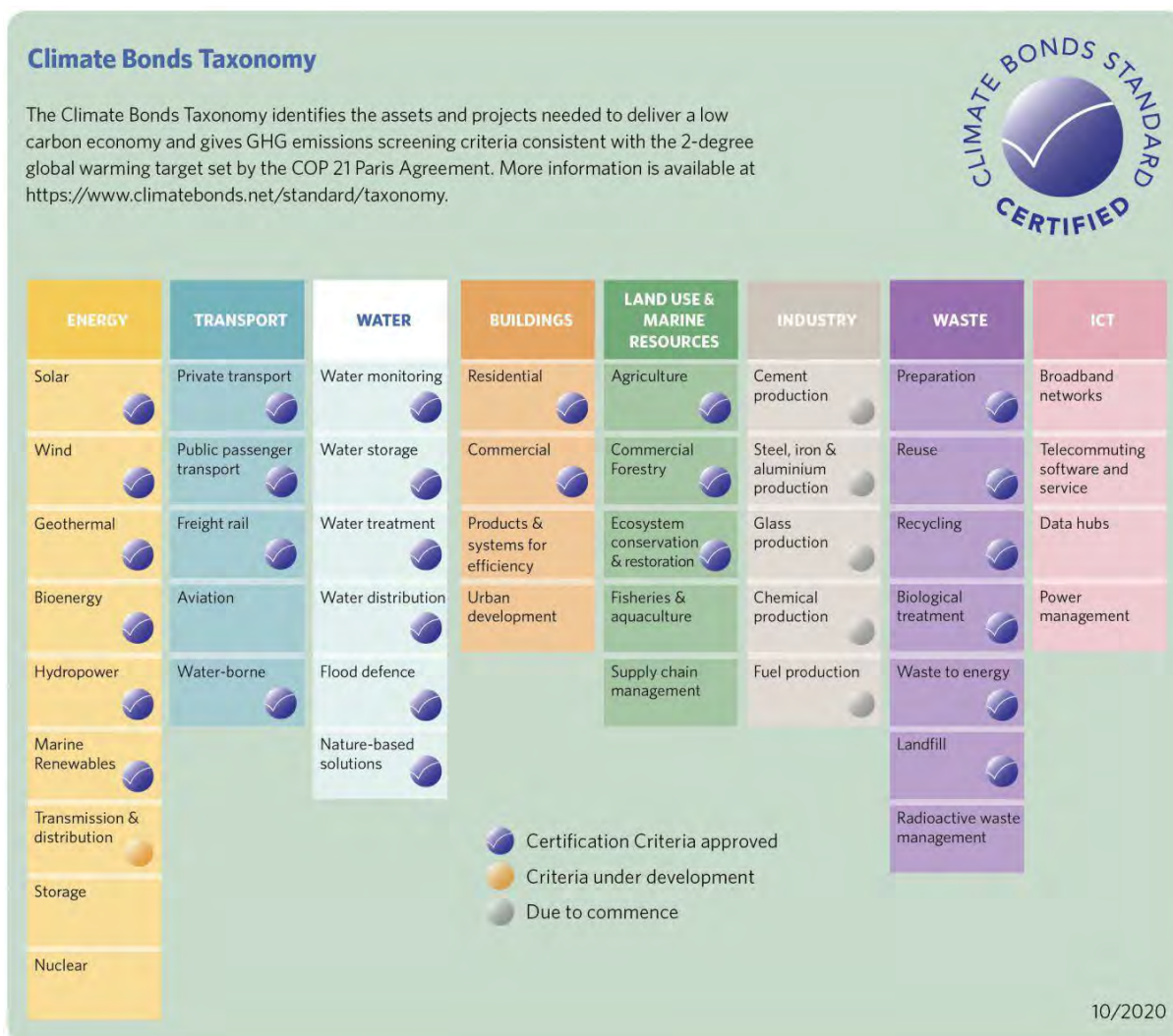
30.



31. **Standards (certification/assurance)**

32. Within these approaches is the requirement to meet standards. There is not one universal/international standard. The main ones being used are Climate Bonds Initiative (CBI) and Green Bond Principles (GBP). Another framework is being developed based on the European Union taxonomy which is expected to be more specific in its environmental credentials.
33. The Climate Bonds Standard and Certification Scheme (CBI) is a labelling scheme for bonds and loans. Rigorous scientific criteria ensure that bonds and loans with Certification, are consistent with the 2 degrees Celsius warming limit in the Paris Agreement. The Scheme is used globally by bond issuers, governments, investors and the financial markets to prioritise investments which genuinely contribute to addressing climate change.

34.



35. The Green Bond Principles standards seek to support issuers (like WCC) in financing environmentally sound and sustainable projects that foster a net-zero emissions economy and protect the environment. GBP-aligned issuance should provide transparent green credentials alongside an investment opportunity. By recommending that issuers report on the use of Green Bond proceeds, the GBP promote a step change in transparency that facilitates the tracking of funds to environmental projects, while simultaneously aiming to improve insight into their estimated impact. Bond issuance against the Green Bond Principles framework is not certified as such and assurance must be obtained from a 3<sup>rd</sup> Party e.g Ernst and Young or Sustainalytics etc
36. The four core components for alignment with the GBP are:
- Use of Proceeds
  - Process for Project Evaluation and Selection
  - Management of Proceeds
  - Reporting



The key recommendations for heightened transparency are:

- a. Green Bond Frameworks
- b. External Reviews

37. A general comparative of the different frameworks' taxonomies is included below

38.

GBP-project categories	<u>China Green Bond Endorsed Project Catalogue 2020</u>	<u>CBI</u>	<u>MDB-IDFC (climate change mitigation only)</u>	<u>EU Taxonomy (economic activities below may contribute significantly to one or more of 6 EU environmental objectives)</u>
Renewable energy	Clean energy	Energy generation, transmission and storage	Renewable energy	Energy
Energy efficiency	Energy efficiency improvement		Energy efficient transmission and distribution systems	Various activities, including information and communication and professional, scientific and technical activities
Pollution prevention and control	Pollution prevention and treatment Integrated utilisation of resources	Waste management	Waste	Water supply, sewerage, waste management and remediation
Environmentally sustainable management of living natural resources and land use	Green agriculture Ecological agriculture	Agriculture forestry land conservation and restoration	Agriculture, forestry and land use	Forestry
Terrestrial and aquatic biodiversity conservation	Ecological protection and construction		Afforestation and reforestation, and biosphere conservation	Environmental protection and restoration activities
Clean transportation	Green transportation	Land transport shipping	Transport	Transport
Sustainable water and wastewater management	Water saving and non-conventional water resources	Water infrastructure	Wastewater	Water supply, sewerage, waste management and remediation
Climate change adaptation	n/a	Not an activity but one of the environmental objectives*	n/a	Not an activity but one of the EU environmental objectives*
Circular economy adapted products, production technologies and processes and/ or certified eco-efficient products	Integrated utilisation of resources Services applicable to various categories: consultancy/operation management service/audit, inspection and evaluation of projects/monitoring and detection/promotion and certification of technical products	Industry and energy intensive commercial	Low carbon technologies, energy efficiency in industry	Manufacturing
Green buildings	Sustainable buildings	Buildings	Energy efficiency in buildings	Construction and real estate activities, professional services related to energy performance of buildings

### 39. Current Scale of the NZ sustainable bond market

There are 22 green or sustainable bonds in a retail format listed on NZX Debt Market totaling \$3.3 billion, which began in June 2018.

- ❑ Auckland Council – three issues = NZ\$850 million
- ❑ Argosy Property – three issues = NZ\$325 million
- ❑ Contact Energy – three issues = NZ\$350 million
- ❑ Mercury NZ – four issues = NZ\$550 million
- ❑ Meridian Energy– three issues = NZ\$500 million
- ❑ Precinct Properties – three issues = NZ\$325 million
- ❑ Kiwi Property Group – three issues = NZ\$400 million

In total there are 148 retail bonds listed on NZX Debt Market at a value of \$41 billion.

Globally the Climate Bonds Initiative ("CBI") is reporting US\$252 billion of Green Bond issuance for the year to date with US\$22 billion of certified climate bonds and US\$230 billion of labelled bonds aligned with CBI definitions of 'Green'.

#### **40. Auckland Council's own green bond framework**

When Auckland Council issued their inaugural Green Bonds in June 2018, they were obliged to prepare a new Product Disclosure Statement (PDS) under the Financial Markets Authority directions (as it not viewed as the same asset class as other bonds at the time).

Auckland Council have set up a program and issued two NZ\$ denominated Green Bonds (NZ\$350m) backed by NZ\$663.7m of assets. These are broken down into two categories (NZ\$587.2m of Electric Trains (53 trains) and NZ\$76.5m of Public Walkways and Cycleways).

Auckland Council put their documentation together with the assistance of ANZ. It was then reviewed by EY before finally being reviewed by CBI (Climate Bonds Initiative). Auckland Council did not seek an external second opinion (eg Cicero or Sustainalytics). Auckland Council believe the criteria for CBI certification are quite rigorous and do not cover all asset classes. The biggest hurdle to overcome is the treatment of potential assets sitting within Watercare.

Auckland Council is now committed to the following:

- Maintaining its Bond Issuance Bond Framework document (last updated September 2020).
- They formed an internal Green Bond Steering Group to approve any assets to be added into the Eligible Asset pool once the new asset has been reviewed by EY.
- Obtaining from EY pre and post issuance assurance report each time it issues a green bond.
- Maintenance of Green Bonds Eligible Assets Schedule. Auckland Council confirms the asset register on a monthly basis.
- Requires Obtaining CBI certification for each issue.
- Producing an annual Green Bond Report. (Includes GHG impact reporting).

## **Discussion**

#### **41. Purpose**

42. Given there is not a lot of evidence to suggest that the markets are currently providing beneficial pricing for sustainable bonds, it is worth outlining how issuing debt will improve WCC operations to better meets its strategic intent – whether directly to the market or through the LGFA

43. While there are no direct market financial benefits in terms of debt pricing right now, in the future there may be a lower cost of funds and greater access to funds e.g. better access to international investors looking for green investments. The LGFA sustainable lending pricing has been set by the Board at 5 basis points lower than standard bonds providing a lower cost of debt for those that subscribe.

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44. Strategic outcome for WCC include being a responsible local government leader and role model, for other Councils and for other Wellington businesses in targeting measures to get to net carbon zero, through a monitoring and reporting framework to meet these outcomes.
45. The framework not only supports WCC meeting its Te Atakura strategy, it will enable the organisation to drive a culture focused on sustainable outcomes, with measurements to track its success. The measurement requirements (of certification/meeting standards) give assurance of the outputs and outcomes from the use of which the funds are put.
46. This will help embed Te Atakura outcomes in many of our operations and services
47. This has been the experience of many organisations that have gone down this path, and lead the way on sustainability funding e.g. Meridian Energy, Synlait, Kathmandu
48. **Future Direction**
49. If WCC was to set up its own sustainable finance framework and issue bonds in its own name in the market (per the Auckland Council model), this would require it setting up the framework using an external consultant at a cost of around \$25-30k, and keeping it up to date to keep certification. Annual verification costs around \$15-20k. To be attractive to investors and worthwhile for facilitators (e.g banks), and ensure costs are leveraged, issuance needs to be at a minimum of \$50m but preferably over \$80m. We very rarely would issue a bond for \$80m let alone on a single project.
50. In addition for example if WCC was to set up its own framework using CBI, each bond is linked to the asset(s) the proceeds are used for. This means each bond needs to be certified. There are annual reporting requirements against each of these issuances to ensure the environmental outcomes are being met and the investors are seeing the social/environmental as well as the financial return from the investment.
51. These requirements will add significant workload to the treasury team of 1 full time equivalent (FTE) however the benefits to the organisation and the city etc outweigh the required costs.
52. The Treasury Management Committee considered these factors when looking at approaches to green and sustainable financing.
53. On the 14<sup>th</sup> February 2020 the Treasury Mangement Committee agreed that:
- Green bonds should be considered as a funding mechanism
  - Green bonds currently do not offer financial benefits however there is potential for political benefits

- A position statement is to be incorporated into the policy guidelines to clarify the Council's stance on issuing Green Bonds and specific scenarios which would justify it (i.e. favourable rates, promotion of an initiative).
- That Council should signal interest to LGFA to encourage developments / open discussions.

54. Through the LGFA Shareholders Council the WCC representative began requesting (in late 2019) that the LGFA investigate lending green and sustainable financing through the LGFA.
55. WCC Treasury (and GWRC Treasury) started working with LGFA in June 2020 to assist in the development of a sustainable finance lending program.
56. The LGFA Program is now near completion and the committee is being set up and populated (to assess lending on the criteria and advise the LGFA Board) and is expected to be completed by October 2020.
57. The LGFA program update was outlined to shareholders in August 2021 and is attached in appendix 1
58. WCC is expecting to apply, and if accepted, to issue debt through the program in October 2021 to fund (and potentially refinance) the ongoing development of Tākina (Convention Centre). As this is being built to a 5 star green star rated building

**Sustainability funding from a central LGFA**<sup>59</sup>. Green, Social or Sustainability funding from a central LGFA is a well proven international model for funding local councils/municipalities

60. The NZ LGFA structure paid close attention to the structures of the long established Nordic LGFAs.
61. These entities have also been hugely successful in funding their members for environmental and social projects over the past 10 years as well as issuing Green and Social Bonds in their own names. (Please see slide 10 of attached presentation).
62. KBN, Norway. Established in 1926 (Aaa/AAA rated 100% owned by Norway). Started green lending in 2010 to its 356 municipalities and 11 counties. They issued their first Green Bond in 2013 and now have NOK16bn of Green bonds (US2bn) against NOK26bn of Green loans to members (US\$3.1bn).
63. Kommuninvest, Sweden. Established in 1986 (Aaa/AAA rated). Started green lending in 2015 to its 278 municipalities and 14 counties/regions. They issued their first Green Bond in 2016 and now have SEK43bn of Green bonds against SEK51bn of Green loans to members and a total of SEK75bn in committed green loans to members.



64. The LGFA framework will apply the following categories:



#### **Advantages of accessing Green, Social or Sustainability funding from NZ LGFA**

65. Cheaper cost of borrowing to members especially with additional 5 bps discount for GSS Loans – note that while the banks will tell you there is a “Greenium pricing benefit” to issuing Green bonds this is not the case in the NZ market e.g. Precinct Properties issued a green bond only 15 bps below Sky City recently even though Precinct Properties is a better credit. At a recent KangaNews Conference the investors on a panel said they are not prepared to pay tighter spreads for Sustainable Bonds.
66. LGFA bears all the establishment costs for GSS funding for setting up Framework, independent verification, and legal costs of programme establishment
67. Less administration with regard to interest payments with only one lender (LGFA)
68. Initial and ongoing reporting less onerous with LGFA compared to a council setting up a stand-alone programme via a bank and the bonds being placed to investors
69. LGFA offers flexibility – WCC can choose volume and tenor to match WCC needs against individual or multiple projects for different amounts (both large and small)
70. The scheme gives access to green etc lending to most Councils (including WCC) that would not otherwise be able to participate due to the minimum size of the issuance in the market

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71. WCC can repay a GSS Loan prior to maturity if need be – LGFA will allow this while other investors wouldn't guarantee it
  72. WCC will receive public acknowledgement for borrowing on a sustainable basis from LGFA
  73. WCC will be a pioneer and leader for the sector in terms of borrowing through LGFA – others will follow. Very similar to the support they provided as a foundation shareholder and early borrower in 2012.

## Options

74. Options that have been considered and the reasoning are included in the paper's background – they included not investing in sustainable financing, or investing with the options of which approach and standards to apply, and whether to use the LGFA framework or develop our own.

## Next Actions

75. Next steps are noted in the recommendations – That WCC will apply for sustainable lending from the LGFA when the framework becomes operational in October

## Attachments

Attachment 1. Appendix 1 - LGFA Sustainability update [!\[\]\(3211b5d1d968fc1665909b34f9f16010\_img.jpg\)](#) 

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Author	Martin Read, Manager Financial Strategy & Treasury
Authoriser	Sara Hay, Chief Financial Officer

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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

As treasury funding is a management practice this does not require public consultation and engagement

### **Treaty of Waitangi considerations**

N/A

### **Financial implications**

The main impact is a cheaper cost of funds – other impacts are discussed in the report

### **Policy and legislative implications**

Consistent with The Financial Strategy and Te Atakura Strategy

### **Risks / legal**

N/A

### **Climate Change impact and considerations**

Significantly positive impacts on climate change and mitigation as discussed in the paper

### **Communications Plan**

<insert text here>

### **Health and Safety Impact considered**

N/A





# Sustainability Update

22 July 2021



## **Statement of Intent 2021/22:**

LGFA has eight measurable and achievable additional objectives which complement the primary objectives. Performance against these objectives is reported annually. The eighth objective was added for the current financial year:

“Improve sustainability outcomes within LGFA and assist the local government sector in achieving their sustainability and climate change objectives”.

## **Sustainability Policy:**

LGFA’s sustainability policy is being developed to focus on taking financial, social and environmental sustainability in the entire business into consideration.

The Local Government Act 2002 also places a legal imperative on adopting a “sustainability approach”, accordingly the sustainability policy recognises that all four well-beings – social, cultural, economic and environmental well-being must be considered and integrated when thinking about sustainability.

## **Sustainability Committee:**

LGFA is currently establishing a Sustainability Committee to provide advice and recommendations on sustainability issues to the LGFA board and management.

## Global Reporting Initiative:

The 2021 LGFA annual report has been prepared under the GRI Global Reporting Initiative sustainability reporting standards, in accordance with the GRI Standards: Core option. LGFA's ten materiality sustainability topics remain unchanged from 2020 and are grouped under the three overarching principles of:

- Our organisation;
- Sustainable finance; and
- Our people.



## Task Force on Climate-related Financial Disclosures:

LGFA will be required to report under the proposed regime as disclosure requirements will be mandatory for all NZX-listed debt issuers from 2022.

The TCFD recommendations are structured around four thematic areas (and 11 recommended disclosures) that represent core elements of how organisations operate. LGFA will be well-placed to transition to the required reporting when required:

- Governance
- Strategy
- Risk management
- Metrics and targets



- Indirectly the most important contribution that will be made by LGFA in achieving climate change goals will be through the Sustainability Loan program for projects undertaken by the local government sector that reduce energy consumption, cut greenhouse gas emissions and/or contribute to local climate change adaptation.
- LGFA also has a target of cutting its own greenhouse gas emissions by at least 30% by 2030 (relative to 2018/2019).
- The carbon reduction target has been formally endorsed by the LGFA Board at the June 2021 Board meeting.
- LGFA has made significant progress with moving to a paperless environment and has achieved a 60% reduction in paper use in the three years to June 2021.
- LGFA donates annually to the Kauri 2000 Trust an amount in excess of the value of its calculated carbon footprint. Kauri 2000 was established in 1999 as a project to celebrate the start of the new millennium by planting 2000 kauri on the Coromandel Peninsula. To date the Trust has planted over 50,000 trees and continues to plant kauri throughout the Coromandel.



LGFA has achieved Toitū carbonzero certification. The Toitū certification recognises the processes LGFA has put in place to measure our greenhouse gas (GHG) emissions, as well as management plans to reduce our company’s emissions.

Where LGFA are unable to eliminate emissions, these are offset through the purchase of high-impact carbon credits from a Gold Standard-certified international project.

LGFA measured its greenhouse gas emissions in accordance with ISO 14064-1:2006 which ensures that our certification meets international best practice.

As part of the certification process, LGFA has measured and assessed GHG emissions for the years 2018-19, 2019-20 and 2020-21.

Table of Calculated Emissions\*

tCO <sub>2</sub> e (1 July to 30 June)	2018/2019	2019/2020	2020/2021
Scope 1	1.22	0.96	1.12
Scope 2	2.33	2.68	2.87
Scope 3 Mandatory	134.19	63.71	26.94
Scope 3 Additional	0.01	0.01	0.00
Scope 3 One Time	0.00	0.00	0.00
Total gross emissions	137.75	67.35	30.93



\*Note: Over 80% of LGFA’s emissions are from travel



## Drivers for Sustainable Finance

- The dialogue around environmental and societal risks is evolving fast.
- G7 and Australian regulators all support climate risk disclosure.
- Election of Joe Biden, the new EU Climate Law and the upcoming 2021 United Nations Climate Change Conference in Glasgow in November 2021 are all elevating climate on major political agendas.
- In New Zealand, the policy pathways are shaping up and climate risk is becoming business risk.
  - Climate Change Commission's final report
  - Mandated disclosure of climate-related financial risks
- Business leadership and sustainable finance markets are responding.

## What is sustainable finance?

- Sustainable finance is bonds and loans raised with environmental and social purposes and/or and outcomes in mind i.e. a borrower which is committed to sustainability, agrees to do certain things with the funds they are borrowing in order to deliver on their sustainability commitments.



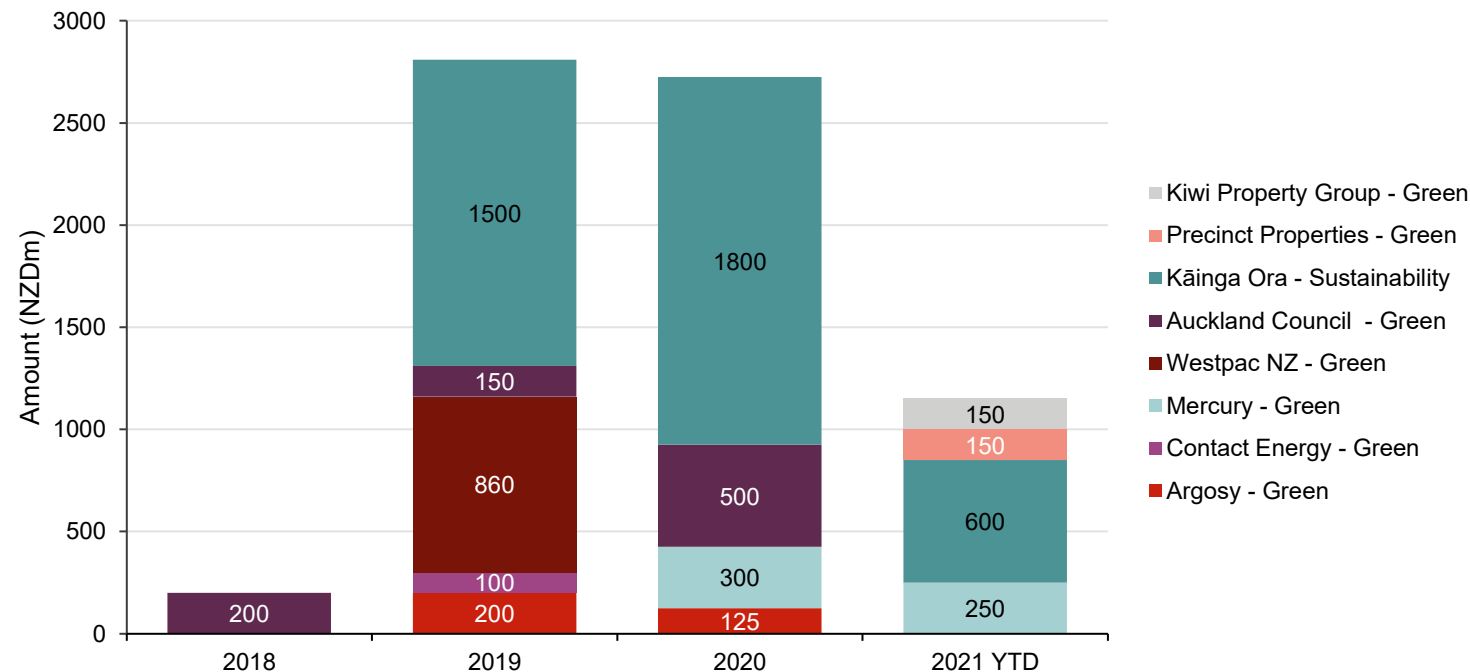
# NZ Sustainable Debt market is growing

**The New Zealand Sustainable Bond market is growing, and represents 93% of total sustainable debt (\$11.7bn).**

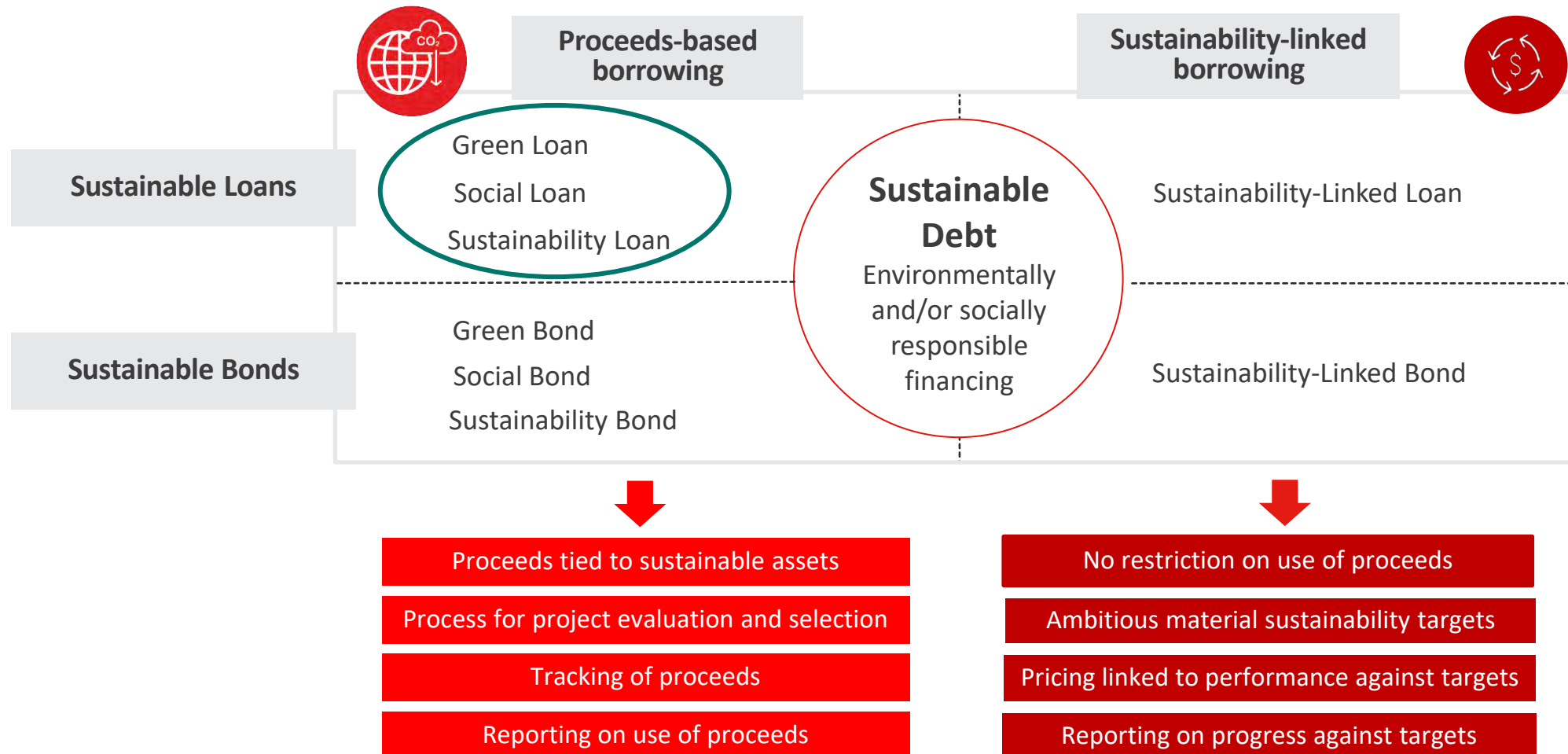
## Local Sustainable Market insights

- NZ borrowers have issued NZ\$6.9bn in proceeds-based sustainable bonds to date.
- Sustainability Bonds represent the largest sustainable finance structure in the NZ market.
- The energy and property sectors have dominated issuance.
- Loans have accounted for only 7% of issued sustainable debt in New Zealand.
- Four companies have Sustainability-Linked Loans (totalling NZD \$686m) and one Social Loan (NZD \$125m) has been arranged in NZ to date, including Contact Energy and Te Pūkenga by Westpac NZ respectively.

## New Zealand Sustainable Bond issuers and volumes to date



There are a range of sustainable debt structures, defined by widely adopted international principles.



## Green Borrowing Categories: Address environmental challenges

*Energy  
Efficiency*

*Green Buildings*

*Clean Transport*

*Sustainable  
Water &  
Wastewater  
Management*

*Renewable  
Energy*

*Emissions  
reduction,  
waste  
prevention,  
recycling, waste  
to energy*

*Sustainable  
management  
of living natural  
resources &  
land use*

*Climate Change  
Adaptation*

*Terrestrial &  
Aquatic  
Biodiversity  
Conservation*

*Circular  
Economy and  
Eco-efficient  
products*



## Social Borrowing Categories: Address social issues for target populations

*Basic  
Infrastructure  
(clean water,  
sewer,  
transport)*

*Affordable  
Housing*

*Essential  
Services  
(education,  
healthcare)*

*Employment  
Generation*

*Food Security*

*Socioeconomic  
Advancement  
and  
Empowerment*



**Global market precedent: Sustainable Bonds issued by local government funding agencies have primarily funded sustainable buildings, low carbon transport and sustainable water and wastewater**

	Green / Sustainability Bonds		
	KBN – Norwegian Agency for Local Governments (Norway)	MuniFin – Municipality Finance Plc (Finland)	Kommuninvest - Swedish Local Govt Funding Agency (Sweden)
<b>Date</b>	2010	2016	2015
<b>Size</b>	NOK26.1 bn (~NZD4.5 bn)	EUR1.8 bn (Green), 589m (Social)	SEK51.1 billion (~NZD 8.3bn)
<b>Number of projects financed</b>	267 environmental projects	147 environmental and 27 social projects	431 environmental projects
<b>Use of Proceeds</b>	Proceeds to finance <b>Green Projects:</b> <ul style="list-style-type: none"> <li>• Construction</li> <li>• Water and Wastewater</li> <li>• Transport</li> <li>• Waste management</li> <li>• Renewable Energy</li> <li>• Sustainable Land Use</li> <li>• Climate adjustment</li> </ul>	Proceeds to finance <b>Green Projects:</b> <ul style="list-style-type: none"> <li>• Sustainable buildings</li> <li>• Public transport</li> <li>• Water and wastewater</li> <li>• Renewable energy</li> <li>• Energy efficiency</li> </ul> Proceeds to finance <b>Social Projects:</b> <ul style="list-style-type: none"> <li>• Welfare</li> <li>• Social housing</li> <li>• Education</li> </ul>	Proceeds to (re)finance <b>Green Projects:</b> <ul style="list-style-type: none"> <li>• Green buildings</li> <li>• Water management</li> <li>• Clean transportation</li> <li>• Adaptation measures</li> <li>• Waste management</li> </ul>



- New product for 2021-22 financial year.
- Will be looking at council borrowing that aligns to green and/or social categories.
- By mapping this borrowing specifically to the categories in Sustainable Finance Principles, these loans can be categorised as Green, Social or Sustainability Loans.
- GSS Loans will:
  - Offer 5 bps reduction in LGFA base margin on eligible Sustainability Loans
  - Apply to new borrowing and subsequent refinancing of existing project loans
  - Some additional documentation would be required

## **Benefits to Councils of Sustainability Loans:**

- Profile sustainable asset base.
- Build stronger, values-based relationships with broader stakeholders.
- Increase ability to attract and retain staff who value sustainability.
- Reduction in cost of borrowing from LGFA.
- Mainstream sustainability into risk management, corporate strategy and governance processes.

## **Benefits to LGFA:**

- Access a wider and more diverse pool of investors seeking sustainable investments.
- Foster transparency and long-term strategic focus on sustainability.
- Create new investment opportunities and increase competitive advantage.
- Mainstream sustainability into risk management, corporate strategy and governance processes.

# Sustainability Loan Approval Process



Identify the green or social assets to be funded by your project (**Eligible Project**).



Complete an LGFA loan application form to fund the Eligible Project.



Attach the required documentation where applicable.



Submit the completed loan application form for LGFA to process the Sustainability Loan.



LGFA processes the loan application and if eligible, registers it as a Sustainability Loan.

⇒ Submit annual attestation that loan proceeds continue to be used for the Eligible Project.

⇒ Report using agreed metrics on the environmental/social impacts of the Eligible Project.





## Green, Social and Sustainability Lending Program – Criteria



## Green, Social and Sustainability Lending Program – Criteria Summary



## Green, Social and Sustainability Lending Program – Asset Assessment Summary



## Green, Social and Sustainability Lending Program – Energy Efficiency Loan Application Form





- ☐ Appointment of Head of Sustainability in April 2021
- ☐ Currently in the process of establishing a Sustainability Committee
- ☐ Currently implementing a Sustainability lending program to member councils with 0.05% discount to LGFA vanilla rates
- ☐ LGFA committed to reducing its carbon footprint
- ☐ Carbon zero certification obtained in late June 2021
- ☐ Offsets existing carbon footprint
- ☐ Once councils have borrowed under the Sustainability lending program, LGFA can then consider issuing Sustainability bonds against the pool of those assets

# Website and Contacts



## Market Announcements

LGFA Capital Change Notice – May 2021 Syndication »	18 May 2021
LGFA confirms Issue Price, Interest Rate and Issuance Yield »	12 May 2021
LGFA fixed rate bond offer closes »	12 May 2021
LGFA fixed rate bond offer: Bookbuild update 3 »	12 May 2021
LGFA fixed rate bond offer: Bookbuild update 2 »	12 May 2021

## News

LGFA Quarterly Report to Stakeholders for March 2021 has been released »	30 Apr 2021
LGFA Draft Statement of Intent 2021-2022 »	26 Feb 2021

## Securities Issuance

Next tender date  
**9 Jun 2021**

### LGFA Bonds

Results of LGFA Tender 80 have been published [View Here >>](#)

[View full bond tender schedule »](#)  
[View tender results »](#)

Next tender date  
**9 Jun 2021**

### LGFA Bills

Results of LGFA Tender 68 have been published [View Here >>](#)

[View full bill tender schedule »](#)  
[View tender results »](#)



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Bloomberg Ticker: NZLGFA

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## **OVERVIEW OF STRUCTURE AND PROCESS FOR THE ANNUAL REPORT 2020/21**

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### **Purpose**

1. This report presents to the Pūroro Tahua | Finance and Performance Committee the proposed structure for the 2020/21 Annual Report ahead of the drafting of the report and the audit.
2. This report includes a high-level timeline for audit process for the Annual Report for the committee's information.

### **Summary**

3. The Council is required to prepare and publish an Annual Report on the Council's operations during the year.
4. The Annual Report provides an concise and holistic accounting of the Council's performance for the year to the community.
5. This paper outlines the Structure and Process & Timing for the development of the 2020/21 Annual Report. The aim is to deliver a concise, readable and compliant report.
6. **Structure:**
  - A simplified front end summary including a shorter and more visual overview summary of financial and non-financial performance at a whole of Council level.
  - Addition of a key projects section – aligned with our strategic framework in the 2018 Long-term Plan and 2020/21 Annual Plan; and
  - Publication in two volumes with a common look and feel i.e. Volume 1 covering an overview of the year and performance in our strategic activity areas, and Volume 2 covering the detailed financial performance. This aligns with how we publish the Long-term Plan.
7. **Process & timing:**
  - Adoption by the Council of the full Annual Report is scheduled for 28 October 2021. This aligns with the allowed period in the Local Government Act, enables more opportunity for review and a smoother Audit process. This adoption date is agreed to by AuditNZ.
  - Wellington City Council is one of the priority Councils AuditNZ must complete by the end of October and will not be pushed out to December under recent changes to the LGA to accommodate capacity constraints at AuditNZ.
  - The Wellington City Council final end of year audit will begin on 6 September 2021.

### **Recommendation/s**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note the proposed structure and process for the 2020/21 Annual Report.

3. Note that the Annual Report timeline, includes the audit beginning on 6 September 2021 and the report being adopted on 28 October 2021.

## **Background**

8. The Annual Report (AR) provides a concise and wholistic accounting of the Council's performance for the year to the community. It allows the community to see what was delivered and assess value for money from the Council's operations. Apart from the pre-election report, the AR is the only document that tells Council's performance story against this background.
9. In recent years, the Council has entered its final AR in the Australasian Annual Report Awards. In the past couple of years, we have achieved a silver award. In addition to statutory and Audit standards, participation in the awards provides a valuable external source of feedback on the quality of the report from the adjudicators and enables the Council to compare our AR with participating New Zealand and Australian government organisations, identify trends in best practice and obtain ideas for improving the structure, content and presentation.

## **Annual Report trends**

10. Emerging annual reporting trends are:
  - increasing digital delivery of the report and printing only a summary document
  - reducing the data density (and therefore volume) through greater visual representation of facts and figures – digital delivery offers significant potential for this.
  - improving the production efficiency and navigation by publishing in two or more volumes within a common look and feel (e.g. Auckland); and
  - increasing the overall accessibility to a wider audience by improving readability and reader engagement through visually engaging design, graphics, imagery and landscape layouts to provide a more focused and shorter performance story.
11. For the foreseeable future the Council's AR will continue to be produced as physical document (including a separate summary) and available for download from on the Council's website.
12. However, there is considerable scope now to supplement the physical document with interactive digital elements to move towards a digital version soon. This has been included in the medium-term development roadmap for the AR.

## **Discussion**

13. While our medium-term approach is to build the foundation for digital delivery, in the short term the aim is to reduce overall length, density of information and making it easier for the reader to navigate the performance story. The focus on providing an honest accounting of the year's performance remains.

## **Developing the Annual Report**

### **Structure**

14. Historically the report has been produced a single document which increases the proofing, checking and re-auditing of the whole document as parts change in the development process. There is no specific requirement for a single (currently 300 plus page) document.

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15. Some councils, e.g. Auckland, are now publishing their reports in two or more volumes and with a common look and feel. This is consistent with how the WCC publishes its LTP - in two volumes that reflect a somewhat a similar division of content as in the Current AR).
16. This year we will therefore publish the AR in two volumes:
- **Volume 1** will include the following sections:
    - **Section 1: Summary of our year** – Mayor and CE’s forewords, city information, strategic direction, overview of performance at whole of Council level, and key projects and programmes.
    - **Section 2: Our performance in detail** – how to read section which includes material issues for the year, detailed performance information in the seven activity areas (Statements of Service Provision (SSPs)), and detailed Outcome and KPI results.
    - **Section 3: Our leadership and our people** – Governance structure including elected member and committee information, and management structure and staff information.
  - **Volume 2** will include all the financial information, including full financial statements, notes to statements, and funding impact statements.
17. Alongside the full report we are required to produce a summary document, which will be adopted alongside the full report and created once the majority of the audit is completed. The structure of the summary is similar to Section 1 outlined above, plus summary financial statements.
18. The report will once again include the ongoing impact of the pandemic on the Council’s performance, especially due to the continued border closure. However, it is expected that COVID-19 information will be at a significantly lower volume than last year reflecting that the majority of the year was spent under Alert Level 1.
19. The improvements that will form part of this year’s AR are:
- A simplified and intuitive structure with a concise front-end summary, that outlines the overall Council performance at a whole-of-organisation level and highlights the key projects as identified in the 2018-28 Long-term Plan and the 2020/21 Annual Plan. In previous reports this summary was longer and presented duplicated information that could be found in other parts of the report.
  - Eliminating duplication where possible. This involves more linking both between sections of the document and to already published sources (e.g. CCO Annual Reports) rather than duplicating their content. This will help guide the reader to sources of additional information and keep the report as short as possible.
  - A focused presentation of KPI results including:
    - concise ‘exceeded’ commentary
    - related supplementary KPI / outcome indicator tables published on the Council website will be referenced and not duplicated in the report e.g. Residents Monitoring Survey (RMS) results will be published separately on our website
    - a concise KPI performance story in the SSPs, focusing on challenges and highlights rather than a long listing of data and narrative; and
    - City outcome indicator trends presented against strategic direction rather than each SSP.
20. **Report length:** this has been increasing over the last 5 years, particularly since the 2018 LTP significantly increased the volume of KPI and Outcome indicators. These

were reduced in the 2021-31 LTP, but the reduction in report length from that will not flow through to the AR until the 2021/22 report next year.

21. The layout, visual elements, and good practice compliance also accounts for some of this growth. Changes will be made in those areas to ensure the report is as readable and concise as possible, while still being compliant.
22. Therefore, we are proposing to more directly focus on anchoring the AR in the 2020/21 Annual Plan, on meeting core legislative / audit requirements, and on good practice compliance options, rather than 'nice to haves'.
  - This means a more succinct narrative, lower business-as-usual information, and improved use of visual and graphic elements to reduce complexity, volume and improve readability.

### **Process and Timing**

23. It is important to note that the Office of the Auditor General recently signalled that AuditNZ is facing material resourcing issues, and that some statutory deadlines may not be met because of a shortage of Auditors across the country.
  - The Govt has passed legislation under urgency to extend the deadline for the next two years for Annual Reports until 31 December, rather than 31 October.
24. There is some risk that this could mean an extension to our 28 October adoption date.
25. However, the Auditor-General has promised Parliament that top priority Councils will still be completed within the regular October deadline. Wellington City Council was named as one of these Councils.
26. After working collaboratively with AuditNZ on the timeline we are expecting that the October deadline for adoption will be met.
27. Last year's report creation process and audit process were complicated by uncertainty about the content and presentation of COVID-19 related performance information. The process was further complicated by a significant delay in the presentation of the Audit opinion - as a result of issues with the verification of Wellington Water performance information by AuditNZ.
28. This year's Audit process will begin later in the AR document creation, enabling more complete data and narrative to be presented to allow a better and more streamlined process.
29. The Audit will begin on 6 September.
30. The 28 October adoption also aligns better with the committee structure, meaning more time to review the final Annual Report and draft Audit Opinion before the adoption date.
31. *Note:* We have been informed the Wellington Water Ltd Annual Report will be adopted on 30 September, reducing the risk this could delay our adoption.
32. The Audit timeline is as follows:

Matter	Date
<ul style="list-style-type: none"><li>• Final end-of-year audit Six weeks and covers financial and non-financial information, and sign off of final report.</li></ul>	6 September to 13 October

Matter	Date
• Final annual report (inclusive of all changes agreed between us) available	14 October
• Audit of Summary Annual Report document	14 October
• Verbal clearance on annual report	14 October
• Representation letter issued to Council for signing by Mayor and Chief Executive	14 October
• Audit opinion provided in draft ahead of 21 October F&P meeting	14 October
• Audit opinion issued	28 October
• Audit opinion issued on Summary annual report	28 October
<b>Reporting to committees</b>	
• Audit Plan 2021	During August
• Finance & Performance Workshop (statement of service performance)	9 September
• ARS Workshop (financial statements)	21 September
• ARS Meeting (post Audit)	12 October
• F&P – Recommend to adopt	21 October
• Council – adopt	28 October

## Next Actions

33. All feedback on the structure, process or timings needs to be provided to the project manager Amy Brannigan by Monday 23 August 2021, to enable any actions to be taken before the next stages of the process.
34. As per the timeline outlined, the Corporate Planning & Reporting team and the Financial Accounting team will next prepare Annual Report information for workshops with the Pūroro Tahua – Finance and Performance Committee and Kāwai Māhirahira – Audit and Risk Subcommittee in September. This will be the opportunity to review draft content before the report is finalised through the Audit process.
35. Various sections of the Annual Report will be provided to AuditNZ on agreed dates during the six-week audit.

## Attachments

Nil

Authors	Amy Jackman, Advisor Planning and Reporting Lloyd Jowsey, Team Leader, Planning and Reporting
Authoriser	Baz Kaufman, Manager Strategy and Research Stephen McArthur, Chief Strategy & Governance Officer







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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

The Annual Report includes information from our CCOs that is prepared in consultation with those organisations.

### **Treaty of Waitangi considerations**

Part of our reporting is taking these into account and commenting on Council's performance in this area, both internally and externally.

### **Financial implications**

The final Annual Report is independently audited and presents full financial information for the 2020/21 year.

### **Policy and legislative implications**

The Annual Report must comply with the Local Government Act 2002 requirements, as well as Audit guidelines.

### **Risks / legal**

The Report has information on how risk and assurance processes are managed to ensure this information is transparent for the public. This includes organisation and elected member processes. The creation of the report includes touch points with the Kāwai Māhirahira – Audit and Risk Subcommittee to ensure the process is transparent, compliant and honest. This includes Q&A sessions with the independent auditors.

### **Climate Change impact and considerations**

None – other than the progress in this area in 2020/21 is part of the report.

### **Communications Plan**

Not applicable.

### **Health and Safety Impact considered**

None – other than the progress in this area in 2020/21 is part of the report.



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## **FORWARD PROGRAMME**

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### **Purpose**

1. This report provides the Forward Programme for the Pūroro Tahua | Finance and Performance Committee for the next two months.

### **Summary**

2. The Forward Programme sets out the reports planned for Pūroro Tahua meetings in the next two months that require committee consideration.
3. The Forward Programme is a working document and is subject to change on a regular basis.

### **Recommendation/s**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

### **Discussion**

4. Thursday 16 September 2021:
  - Sludge Financing and Funding (Chief Financial Officer)
  - Health and Safety Report (Chief People and Culture Officer)
  - Capex Carry Forwards (Chief Financial Officer)
  - Performance Reporting Framework (Chief Governance Officer)
5. Thursday 21 October 2021:
  - Procurement Strategy Update (Chief Financial Officer)
  - Final Annual Report (Chief Governance Officer)
  - Balance Sheet Review (Chief Financial Officer)

### **Attachments**

Nil

Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Sara Hay, Chief Financial Officer

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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

N/A

### **Treaty of Waitangi considerations**

N/A

### **Financial implications**

N/A

### **Policy and legislative implications**

Timeframes and deliverables are reliant on organisational resourcing and priorities.

### **Risks / legal**

N/A

### **Climate Change impact and considerations**

N/A

### **Communications Plan**

N/A

### **Health and Safety Impact considered**

N/A

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## **ACTION TRACKING**

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### **Purpose**

1. This report provides a progress update on the actions agreed by the Pūroro Tahua | Finance and Performance Committee at its previous meeting.

### **Summary**

2. As part of the implementing the recommendations of the Wellington City Council Governance Review, officers will provide each Committee with a monthly update on decisions taken in previous meetings.
3. The attachment to this report contains the list of actions from this Committee's previous meeting and progress in implementing those actions.
4. Each clause within the resolution has been considered separately and the following statuses assigned:
  - No action required: For clauses with no specific action required, including resolutions to receive information and most noting resolutions.
  - In progress: Resolutions with this status are currently being implemented.
  - Complete: Clauses which have been completed.
5. All actions that are still underway will be included in the subsequent monthly updates. Completed actions and those that require no action will only appear once.

### **Recommendation/s**

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

### **Background**

6. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.
7. The Review Report recommended an increased focus on monitoring the implementation of Council resolutions and delivery of the work programme. As part of the implementation of this recommendation, each Committee will be provided with a monthly update on its previous decisions.

### **Discussion**

8. Of the 16 public resolutions of the Pūroro Tahua | Finance and Performance Committee in June 2021:
  - 15 require no action from staff
  - 1 is complete

9. Note that there were resolutions made in the public excluded portion of the previous Pūroro Tahua meeting.
10. Each individual clause will not be reported on in a public meeting. This resolution has been treated as a whole.
11. Updates on individual clauses of a public excluded resolution can be provided to councillors outside of a formal meeting.
12. Further detail is provided in Attachment One.

## **Attachments**

Attachment 1. Action Tracking [↓](#) 

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Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Sara Hay, Chief Financial Officer

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## **SUPPORTING INFORMATION**

### **Engagement and Consultation**

N/A

### **Treaty of Waitangi considerations**

N/A

### **Financial implications**

N/A

### **Policy and legislative implications**

Timeframes and deliverables are reliant on organisational resourcing and priorities.

### **Risks / legal**

N/A

### **Climate Change impact and considerations**

N/A

### **Communications Plan**

N/A

### **Health and Safety Impact considered**

N/A





Date	Meeting	Item	Clause	Status
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.1: Review of Quarter Three Reports for Council Controlled Organisations for the Period Ending 31 March 2021	1. Receive the information	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.1: Review of Quarter Three Reports for Council Controlled Organisations for the Period Ending 31 March 2021	2. Note any issues for the Chair to address with the entities covered by this report.	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.2: Final Statements of Intent for Council Controlled Organisations	1. Receive the information 2. Note that following the Council Controlled Organisations Subcommittee meeting on 7 April 2021 and the subsequent Strategy and Policy Committee meeting held on 15 April 2021, officers requested changes to be made to the Statements of Intent and that these changes have been included in the	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.2: Final Statements of Intent for Council Controlled Organisations		No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.3: Basin Reserve commercial naming rights partner	1. Receive the information	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.3: Basin Reserve commercial naming rights partner	2. Note that Basin Reserve Trust will agree to commercial terms with Cello in return for naming rights at the Basin Reserve.	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.3: Basin Reserve commercial naming rights partner	3. Note that naming the Basin Reserve on commercial terms complies with Council's naming policy Te Māpihi Maurea.	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	1. Receive the information	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	2. Note the contents of the Summary of performance	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	3. Note the contents of the Quarter Three 2020/21 summary (Attachment 1) and report (Attachment 2)	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	4. Note the Financial and Performance Measure variances.	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	5. Approve the Quarter Three 2020/21 report.	Complete
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	6. Note that there will be unbudgeted expenses in Activity 2.5 Stormwater in Quarter Four of the financial year of approximately \$4.9m.	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.4: Quarter 3 Report 2020/21	7. Note that some progress reports contained in the Quarter Three Report have been overtaken by decisions made through the LTP process and will be finalised in the Annual Report, particularly Social Housing, Kilbirnie	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	2.5: Forward Programme	1. Receive the information	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	3.1: Report of the Kāwai Māhirahira   Audit and Risk Subcommittee Meeting of 9 June 2021		
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	Health, Safety and Security Report	1. Receive the information	No action required
Thursday, 17 June 2021	Pūroro Tahua   Finance and Performance	4.1: Chaffers Marina Limited Options	All clauses	In progress