
ORDINARY MEETING
OF
PŪRORO TAHUA - FINANCE AND PERFORMANCE
COMMITTEE
AGENDA

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

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 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.

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.

Quorum: 9 members

TABLE OF CONTENTS
16 SEPTEMBER 2021

Business	Page No.
1. Meeting Conduct	5
1.1 Karakia	5
1.2 Apologies	5
1.3 Conflict of Interest Declarations	5
1.4 Confirmation of Minutes	5
1.5 Items not on the Agenda	5
1.6 Public Participation	6
2. General Business	7
2.1 Financial Impact of Covid-19 2021/22	7
2.2 2020/21 Capital Carry-forward Approval	15
2.3 Sludge Minimisation Facility - Infrastructure Funding and Financing Act Update	23
2.4 Performance Reporting Framework - Progress Update	31
2.5 Action Tracking	35
2.6 Forward Programme	41
3. Committee Reports	43
3.1 Report of the Kāwai Māhirahira Audit and Risk Subcommittee Meeting of 15 September 2021	43

1. Meeting Conduct

1.1 Karakia

The Chairperson will open the meeting with a karakia.

Whakataka te hau ki te uru, Whakataka te hau ki te tonga. Kia mākinakina ki uta, Kia mātaratara ki tai. E hī ake ana te atākura. He tio, he huka, he hauhū. Tihei Mauri Ora!	Cease oh winds of the west and of the south Let the bracing breezes flow, over the land and the sea. Let the red-tipped dawn come with a sharpened edge, a touch of frost, a promise of a glorious day
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At the appropriate time, the following karakia will be read to close the meeting.

Unuhia, unuhia, unuhia ki te uru tapu nui Kia wātea, kia māmā, te ngākau, te tinana, te wairua I te ara takatū Koia rā e Rongo, whakairia ake ki runga Kia wātea, kia wātea Āe rā, kua wātea!	Draw on, draw on Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind Oh Rongo, above (symbol of peace) Let this all be done in unity
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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 19 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, 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.

2. General Business

FINANCIAL IMPACT OF COVID-19 2021/22

Purpose

1. This report asks the Pūroro Tahua | Finance and Performance Committee to note the financial impacts of the current government alert level changes on Wellington City Council's (WCC) financial position.
2. This report also requests the Finance and Performance Committee to agree that officers collate recommendations for Council financial support to Council's commercial leaseholders, license-holders, CCOs and partners to mitigate the impacts of alert level 3 & 4 lockdown on their finances particularly if they were unable to operate during this period.

Summary

3. *Operating budget impacts*
 - It is estimated that for each week at alert level 4 WCC will lose \$1.25m in revenue from operating activities that cannot continue at this time, such as parking, sporting facilities, and consenting & compliance.
 - This revenue loss is largely the same at alert level 3.
 - The net impact on operating expenses is expected to be immaterial as our material operating costs are fixed in the short-term (wages/salaries, contracts, grants, interest & insurance payments).

Based on two weeks at alert level 4 (known), two weeks at alert level 3 (estimate) and four weeks at alert level 2 (estimate), the above would result in an increased debt requirement of \$7m.

4. *Capital budget impacts*
 - At alert level 4 non-essential work cannot continue therefore WCC's capital programme has been paused for the two weeks of level 4.
 - If it is assumed the capital programme is delivered equally across the year then every week at alert level 4 could result in underspend of \$6.6m.

Based on two weeks at alert level 4 (known), the above non-delivery would result in a decrease in debt requirement of \$13.2m.

The combination of the above non-controllable impacts would reduce the debt requirement by \$6m, however because of the loss in revenue this would increase the debt to revenue ratio from 226% (LTP) to 228%.

Recommendation/s

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note the forecast impact on Council's 2021/22 financial performance, being in excess of \$7m operating result mainly consisting of a reduction in operating revenues, and reduced capital programme of \$13m. These combined with other factors noted in the report are expected to result in a Debt:Revenue ratio of 237% compared to 226% budgeted (including insurance headroom)
3. Agree that officers collate recommendations for Council financial support to Council's commercial leaseholders, license-holders, CCOs and partners to mitigate the impacts of alert level 3 & 4 lockdown on their finances, particularly if they were unable to operate during this.
4. Note that the first instalment of rates payment due date (penalty deferral) has been extended by one month to the 1st of October 2021.

Background

5. The 2020 COVID lockdown resulted in lost operating revenue of \$13.6m, along with several other financial impacts in the 2019/20 Financial Year. The below table is taken from the financial statements section of the 2019/20 Annual Report.

COVID-19 Financial impact

An assessment of the main impacts of COVID-19 on the Council's financial statements is outlined in *Table 1* below with reference to the relevant Note to the financial statements for more detailed information.

Table 1: COVID-19 Financial impact Assessment

Item	Financial impact	\$000	Note
Revenue	Lost revenue for facilities being closed and due to initiatives agreed by Council to ease the impact of lockdown on residents and businesses	13,577	2
Rates postponement	Deferral of Quarter 4 rates payment	2,182	1
Remuneration	Teams unable to work during lockdown. Discretionary leave totalling 81,500 hours paid to 738 employees where alternative work was not available.	1,958	N/A
Employee liabilities	Increase in annual leave liability	1,529	24
Cash flow hedges	Downward trend in interest rates has increased the negative value of the interest rate swap portfolio	N/A	12
Payment terms	Reduction in payment timeframes from 20 to 5 days	N/A	21
CCO support	Joint loan facility agreed between Council and Greater Wellington Regional Council for the Wellington Regional Stadium Trust	2,100	34
CCO support	Provision of shareholder support to Wellington International Airport Limited	25,758	34
CCO support	Provision of a 'letter of comfort' to CCOs and additional grant funding of up to \$5.000m for 2020/21	5,000	34
City recovery fund	Establishment of City Recovery Fund (CRF) being the aggregation of three existing funds (City Growth Fund, the Capital of Culture activity and Destination Wellington)	2,017	30
Revaluations	Valuation reports for investment property and infrastructural assets contain statements around the heightened uncertainty relating to COVID-19	N/A	18

6. The timeframes at the various alert levels in 2020 are shown below, most notably the whole of New Zealand spent 4.6 weeks at alert level 4. Wellington moved to alert level 1 on the 9th of June 2020.

- Level 4 4.6 weeks
- Level 3 2.1 weeks
- Level 2 3.7 weeks

As announced on Friday 27th of August, Wellington is to move the alert level 3 at 11.59 p.m. on Tuesday, 31 August. This means that Wellington will have been at alert level 4 for 2 weeks.

7. The 2018/19 Annual Report shows that Council's debt to revenue ratio was 102%, the 2019/20 Annual Report show this same ratio at 115% and the 2020/21 Annual Report is expected to show it as 137%. This shows a steep incline over recent years and, as discussed through the LTP process, this is expected to continue as we fund the current

planned capital programme. Note that the above-mentioned ratios do not include insurance headroom requirement.

8. Lost operating revenue throughout any given year is unlikely to be recovered in that year and will result in increased debt, unless mitigated by cost decreases
9. Given the 2018/19 year-end debt:revenue ratio of 101%, when the initial COVID lockdown was implemented, WCC was in a more favourable position to be able to rely on debt to fund any losses in the 2019/20 financial year.

Discussion

Modelling of financial impacts

10. Since moving to alert level 4, analysis has been carried out to assess the potential impacts of this lockdown on WCC's financial position. Several different scenarios have been modelled given the uncertainty around alert level changes, however based on the information at the time of writing, the below analysis is based on two weeks at alert level 4 (known), two weeks at alert level 3 (estimate) and four weeks at alert level 2 (estimate).

11. *Operating Revenue and Expenses*

It is estimated that for each week at alert level 4 WCC will lose \$1.25m in revenue from operating activities that cannot continue at this time, such as parking, sporting facilities, and consenting & compliance. This revenue loss is largely the same at alert level 3.

The net impact on operating expenses is expected to be immaterial. Our material operating costs are largely fixed in the short-term (wages/salaries, contracts, grants, interest & insurance payments).

12. *Impact on debt*

Based on the above, and the estimates of time at alert levels 3 and 2, it is expected that this outbreak could result in an additional debt requirement of \$7m, which is a 0.51% increase in expected closing debt. This increase in debt would result in an increase in the debt to revenue ratio from 226% to 230% at year end.

Funding decisions since 1 July 2021

13. In addition to the above, it should be noted that there have been three budget increases agreed since the start of the financial year that will also impact on the debt position.

Purchase of Wellington Indoor Sports Building	\$	170k
Support of the NZ Festival	\$	300k
Purchase of land at Otari Farm	\$	720k

The above will result in an additional debt requirement of \$1.2m but has a minimal impact on the debt to revenue (D/R) ratio.

At-risk revenue (Not related to Covid-19)

14. The LTP contains forecasted revenue from Waka Kotahi for both opex and capital projects. Waka Kotahi does not expect finalise their funding for territorial authorities until September, however, there has been an indication that WCC will not receive the full funding it expected to in the LTP given constraints as Waka Kotahi.
15. The funding that is at risk relates to projects Waka Kotahi categorises as “low cost, low risk” or “Improvements” and is approximately \$16.4m of capital revenue in 2021/22. The projects this funding relates to are, for example, Cycleways (\$27.5m), Minor works (\$3.2m) and Walking improvements (\$4m).
16. If WCC proceeds as planned with these projects, the \$18m would need to be funded through debt and the revenue lost will significantly impact the D/R ratio. This issue alone would increase debt by \$16.4m and increase the D/R ratio by 9% to 235%, the cumulative effect of the revenue and budget increases above would increase debt by \$25m and the ratio to 240%.

At-risk capital programme

17. At alert level 4 non-essential work cannot continue and as such there has been a pause on WCC’s capital programme for the two weeks of level 4. Although the capital programme does not necessarily happen equally across the year it is difficult to assess exactly what might be impacted and the relating cost, therefore for this analysis it has been assumed that delivery of the programme will be delayed by 2/52 (3.85%).
18. The pause of two weeks should result in a reduction in debt requirement of \$13.2m and a reduction in D/R ratio of 2.17% to 224%, the cumulative effect if the impacts outlined above netted with this material reduction in debt is an increase in debt by \$11.5m and the ratio to 237%.
19. **COVID Financial Impact Table**

\$'000	Debt Req'ment	Closing Debt	% change in Debt	Singular Ratio impact	Cumulative D/R Ratio
2021-31 Long-term Plan		1,374,101			226%
Operating Revenue Reduction	7,112	1,381,214	0.52%	3.86%	230%
Operating Costs Reduction	- 37	1,381,176	0.00%	-0.01%	230%
Funding Decisions since 1 July	1,190	1,382,366	0.09%	0.20%	230%
At-risk revenue	16,461	1,398,827	1.20%	9.09%	240%
At-risk capital programme	- 13,193	1,385,634	-0.96%	-2.17%	237%

2021 Financial Support

20. The 2020 lockdown period saw support for Councils commercial leaseholders, licensees, and partners receive support of around \$130k per week and CCOs support in the form of an accessible fund of \$5m in total.
21. The majority of these support mechanisms are likely to be similar (per week) for the 2021 period. Requests for this type of support are currently being received and can be presented to Council on 30 September, which has the appropriate delegation
Financial Support

Options

22. Fund 'lost' revenue through debt and subsequently repay the debt over 10 or 15 years, through rates.
23. Reduce the expenditure to mitigate the 'lost' revenue.
24. Fund the 'lost' revenue through additional rates in 2022/23 Annual Plan.

Next Actions

25. Prepare a report for Council (with the agreement of this committee) to understand the scale, impact, and appropriateness of Council offering support to Council's leaseholders, partners, license-holders and CCOs.

Attachments

Nil

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

SUPPORTING INFORMATION

Engagement and Consultation

N/A

Treaty of Waitangi considerations

N/A

Financial implications

Included in the report

Policy and legislative implications

N/A

Risks / legal

There is risk of further COVID lockdowns this financial year which would exacerbate the negative impact on the Council's finances.

Climate Change impact and considerations

N/A

Communications Plan

Health and Safety Impact considered

N/A

2020/21 CAPITAL CARRY-FORWARD APPROVAL

Purpose

1. This report asks the Pūroro Tahua | Finance and Performance Committee to review the proposed 2020/21 capital carry-forward and recommend it to Te Kaunihera o Pōneke | Council.

Recommendation/s

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note that the approved capital budget for 2020/21 was \$360m (including 2019/20 carry-forward) and that the 2020/21 actual capital spend was \$267m.
3. Note that this has resulted in a recorded net underspend of \$93.8m for 2020/21.
4. Agree, and recommend to Te Kaunihera o Pōneke | Council, a capital carry-forward from 2020/21 into future years of \$94.1m.
5. Note the detail of the activities that drive this \$94.1m in Attachment 1.
6. Note that \$77.3m of this \$94.1m is requested to be carried forward to the current year, as many of the projects are already in progress, and that this results in a revised capital budget for 2021/22 of \$420m.
7. Note that a paper is being prepared for Pūroro Waihanga | Infrastructure Committee on the 14th October that will consider the impact of construction sector price pressures and supply chain constraints.
8. Request that, following consideration of that information, Officers review the capital programme and report on the timeline for expected delivery, highlighting any anticipated delays, to the Committee with relevant oversight.
9. Agree, and recommend to Te Kaunihera o Pōneke | Council, to reinstate \$1.7m of *Parking Asset renewals* budget that was part of the Long-term Plan (LTP) until the final version was prepared.
10. Agree, and recommend to Te Kaunihera o Pōneke | Council, to increase the whole-of-life project budget for the Town Hall by \$12.3m through use of the previously resolved Town Hall contingency.

Background

2. In 2020/21 Council delivered its largest ever capital spend to date of \$267m, however despite this achievement there was a net underspend of \$93.8m. Officers across all capital delivery areas have reviewed the programme in detail to assess which projects

with underspends required budget to be carried forward in order to complete in-progress projects.

Discussion

3. Following a detailed review by Officers \$94.1m of carry-forward is being requested. This value is across 56 activities.
4. Some of these activities are requesting to carry-forward funding as they have been delayed, these delays have been primarily driven by factors outside the control of Council Officers, for example delays in some major construction projects due to material supply issues. Several other activities are already progressing and are of significant interests to the community. *Table 1* outlines these key projects as a portion of the overall requested carry forward. In addition to these more high-profile type projects there is also the portion of our capital programme that is less visible but just as important. Much of the remaining carry forward relates to these types of projects, for example *PSR Coastal – Renewals* (\$2.4m) and the *Digitisation Services Project* (\$1.6m).

	\$'000	% of Total
Total requested carry-forward	94,121	
of which delivery was externally influenced:		
Town Hall	4,637	5%
St. James	9,600	10%
Lets Get Wellington Moving - City Streets	1,539	2%
Lets Get Wellington Moving - Early Delivery	5,390	6%
	21,166	22%
of which are projects of community interest:		
Cycling Network Renewals	8,423	9%
Civic Campus Resilience and Improvements	6,551	7%
Community Centres	6,123	7%
SHIP	3,481	4%
Frank Kitts Playground	5,141	5%
Bond Store Upgrade	4,682	5%
Housing Single Capital Programme	4,413	5%
Housing renewals - Balconies - GRA	2,556	3%
Housing renewals - BAU Capex	938	1%
Housing upgrades - Curtains	1,320	1%
Basin Reserve (Balance of Master Plan)	4,284	5%
Laneways	3,472	4%
LED Street Light Transition	2,179	2%
Snow Leopards Habitat	1,565	2%
Karori Upgrade	953	1%
North Lambton Quay upgrade	808	1%
Rural Road Upgrades - Makara	274	0%
Toa Pou	137	0%
	57,300	61%
Total	78,467	83%

5. *Negative Carry-forwards*

Two activities are requesting a negative carry-forward.

- Omororo reservoir was ahead of schedule and therefore overspent versus budget in 2020/21. The carry-forward request moves budget (\$1.4m) from the end of the project in 2022/23 to cover the 2020/21 overspend. This equalises the budget over the life of the project.
- Wellington Convention & Exhibition Centre (WCEC) was overspent versus budget in 2020/21, primarily because of pre-purchasing of materials to ensure shipping delays do not impact on project timeframes. This overspend is being mitigated by a negative carry-forward in 2023/24.

6. *Parking capital expenditure – budget system error*

Throughout the deliberations for LTP there was \$2.67m included in the capital programme for Activity 2108 – *Parking Asset renewals*. This figure was included in the overall version that was used for the consultation document and the version used for final deliberations post consultation.

When the final version of the budget (version 8 in our Enterprise Budgeting system) was compiled the budget for this Activity dropped to \$1.01m. It was never the intention to reduce this budget post consultation, and there was no resolution to do so. This appears to have been an error in the system as no entered adjustment can be found.

Officers are requesting that this budget be reinstated as intended and as such it has been included in the carry-forward request. This budget will be used to invest in metering technology to facilitate the implementation of the new parking policy.

7. *Town Hall contingency*

The Town Hall earthquake strengthening project has spent \$12.28m against the project contingency approved at Council on 27 February 2019. That paper noted that, whilst it was anticipated that in tendering for the project construction a significant proportion of the risks associated with the project would be able to be transferred to the successful tenderer, due to market turmoil and a significant change in contractor risk appetite, the significant project cost risk remained with Council.

An update was provided to the Infrastructure Committee on 23 June 2021 on the progress of the Town Hall and the project risk profile. Expenditure against the main contract (excluding contingency) was \$4.637m below budget to 30 June 2021 and this is included in the carry forward amount.

8. *Increased capital programme*

As noted above, this carry-forward will increase the current year budget of \$343m by \$77m to \$420m. The highest capital delivery in a financial year to date has been the 2020/21 delivery of \$267m. It is important that Officers provide assurance and clarity around what can be delivered by the end of this financial year, particularly given recent Covid-19 related delays, and what impact this would have on the LTP capital programme, particularly the first three years.

A paper will be presented to Pūroro Waihangā | Infrastructure Committee on the 14th of October which will outline the impact of construction sector price pressures and supply chain constraints. The information provided will be considered by Business Units to

help inform their view on what can be delivered. Multiple other factors will be considered in this review, including where in the design, consenting process and contracting process projects are.

It is intended that this information be presented to each relevant Committee (for example, any risks in the three-waters space would be reviewed at the Pūroro Waihanga | Infrastructure Committee) for consideration.

A final combined view will be brought back to this committee for completeness.

Options

9. This Committee can choose to recommend the proposed capital carry-forward in full.
10. This Committee can choose to recommend parts of the proposed capital carry-forward.
11. This Committee can choose to not recommend the proposed capital carry-forward, this is not supported by Officers. As outlined above the material portion of the total requested carry-forward relates projects of significance to the future city and are of particular community interest. In addition, many are part way through their delivery and if funding is not carried-forward some projects may either not be completed, or Officers would need to come back to this Committee and Council to request increases in current or future year budgets.

Next Actions

12. If the above recommendations are carried, Officers will begin the process of revising the capital budget to include the changes. The revised budget will then be reflected in the Quarterly Report to this Committee.

Attachments

Attachment 1. 2020/21 carry-forward detail [↓](#) 

Page 21

Author	Deirdre Reidy, Manager, Finance Business Partnering
Authoriser	Sara Hay, Chief Financial Officer

SUPPORTING INFORMATION

Engagement and Consultation

The 2020/21 capital programme was consulted on as part of the Annual Plan process and as such, this proposed carry-forward will reflect the programme outlined to the community and our stakeholders.

Treaty of Waitangi considerations

The capital programme being referred to in this report will contain projects which have given particular consideration to te Tiriti o Waitangi throughout their development. In addition, one of the requested carry-forwards is directly related to a Treaty claim. This is \$137k for Toa Pou.

Financial implications

The financial implications of this paper are outlined above.

Policy and legislative implications

This reports seeks approval to adjust current and future year budgets to reflect the underspend from last financial year. This is in line with the requirements of the Delegations Policy and will allow Officers to progress projects within the correct authority.

Risks / legal

If recommendations are not resolved there is a risk that in-progress projects cannot be completed with approved budgets and delegations. This could result in risk around contracts and agreements that have already been entered into.

Climate Change impact and considerations

N/A

Communications Plan

N/A

Health and Safety Impact considered

N/A

Strategy	Activity Group	Activity Group Name	Activity	Activity Description	Carry Forward 2021/22	Carry Forward 2022/23	Carry Forward 2023/24	Carry Forward 2024/25	Carry Forward 2025/26	Carry Forward 2026/27	Carry Forward 2027/28	Carry Forward 2028/29	Carry Forward 2029/30	Carry Forward 2030/31	Total
Environment	2.1	Gardens, beaches and green open spaces	2003	Parks Infrastructure	1,355	(124)	-	(161)	-	-	-	(500)	(161)	-	408
Environment	2.1	Gardens, beaches and green open spaces	2004	Parks Buildings	260	-	-	-	-	-	-	-	-	-	260
Environment	2.1	Gardens, beaches and green open spaces	2005	Plimmer Bequest Project	496	-	-	-	-	-	-	-	-	-	496
Environment	2.1	Gardens, beaches and green open spaces	2006	Botanic Garden	490	-	-	-	-	-	-	-	-	-	490
Environment	2.1	Gardens, beaches and green open spaces	2007	Coastal - upgrades	379	-	-	-	-	-	-	-	-	-	379
Environment	2.1	Gardens, beaches and green open spaces	2008	Coastal	2,443	-	-	-	-	-	-	-	-	-	2,443
Environment	2.1	Gardens, beaches and green open spaces	2009	Town Belt & Reserves	25	-	-	-	-	-	-	-	-	-	25
Environment	2.1	Gardens, beaches and green open spaces	2010	Walkways renewals	55	-	-	-	-	-	-	-	-	-	55
	2.1 Total				5,502	(124)	-	(161)	-	-	-	(500)	(161)	-	4,556
Environment	2.2	Waste reduction and energy conservation	2011	Southern Landfill Improvement	175	-	-	-	-	-	-	-	-	-	175
	2.2 Total				175	-	175								
Environment	2.3	Water	2020	Water - Reservoir upgrades	-	(1,385)	-	-	-	-	-	-	-	-	(1,385)
	2.3 Total				-	(1,385)	-	(1,385)							
Environment	2.6	Conservation attractions	2034	Zoo upgrades	1,565	-	-	-	-	-	-	-	-	-	1,565
Environment	2.6	Conservation attractions	2135	Zealandia	7	-	-	-	-	-	-	-	-	-	7
	2.6 Total				1,572	-	1,572								
Economic Development	3.1	City promotions and business support	2035	Wellington Venues renewals	9,711	-	-	-	-	-	-	-	-	-	9,711
	3.1 Total				9,711	-	9,711								
Cultural Wellbeing	4.1	Arts and Cultural Activities	2038	Gallery & Museum Upgrades	200	600	3,882	-	-	-	-	-	-	-	4,682
Cultural Wellbeing	4.1	Arts and Cultural Activities	2040	Cable Car Precinct	43	-	-	-	-	-	-	-	-	-	43
Cultural Wellbeing	4.1	Arts and Cultural Activities	2041	Te ara o nga tupuna - Maori heritage trails	137	-	-	-	-	-	-	-	-	-	137
Cultural Wellbeing	4.1	Arts and Cultural Activities	2042	Arts Installation	122	-	-	-	-	-	-	-	-	-	122
Cultural Wellbeing	4.1	Arts and Cultural Activities	2129	Wellington Convention & Exhibition Centre (WCEC)	-	-	(2,155)	-	-	-	-	-	-	-	(2,155)
	4.1 Total				502	600	1,727	-	2,829						
Social and Recreation	5.1	Recreation promotion and support	2043	Aquatic Facility upgrades	352	-	-	-	-	-	-	-	-	-	352
Social and Recreation	5.1	Recreation promotion and support	2044	Aquatic Facility renewals	2,330	(1,170)	-	(1,000)	-	-	-	-	-	-	160
Social and Recreation	5.1	Recreation promotion and support	2045	Sportsfields upgrades	66	-	-	-	-	-	-	-	-	-	66
Social and Recreation	5.1	Recreation promotion and support	2046	Synthetic Turf Sportsfields renewals	27	-	-	-	-	-	-	-	-	-	27
Social and Recreation	5.1	Recreation promotion and support	2049	ASB Sports Centre	229	-	-	-	-	-	-	-	-	-	229
Social and Recreation	5.1	Recreation promotion and support	2050	Basin Reserve	1,399	1,550	1,085	250	-	-	-	-	-	-	4,284
Social and Recreation	5.1	Recreation promotion and support	2051	Playgrounds renewals & upgrades	660	-	-	-	-	-	-	-	-	-	660
Social and Recreation	5.1	Recreation promotion and support	2052	Evans Bay Marina - Renewals	200	145	145	145	-	-	-	-	-	-	634
Social and Recreation	5.1	Recreation promotion and support	2053	Clyde Quay Marina - Upgrade	308	-	-	-	-	-	-	-	-	-	308
	5.1 Total				5,570	525	1,230	(605)	-	-	-	-	-	-	6,719
Social and Recreation	5.2	Community support	2054	Library Materials Upgrade	-	129	129	225	161	-	-	-	-	-	644
Social and Recreation	5.2	Community support	2055	Library Computer and Systems Replacement	36	-	-	-	-	-	-	-	-	-	36
Social and Recreation	5.2	Community support	2059	Housing upgrades	1,320	-	-	-	-	-	-	-	-	-	1,320
Social and Recreation	5.2	Community support	2060	Housing renewals	7,907	-	-	-	-	-	-	-	-	-	7,907
Social and Recreation	5.2	Community support	2061	Community Centres and Halls - Upgrades and Renewals	3,925	2,198	-	-	-	-	-	-	-	-	6,123
	5.2 Total				13,188	2,327	129	225	161	-	-	-	-	-	16,030
Social and Recreation	5.3	Public health and safety	2062	Burial & Cremations	55	-	-	-	-	-	-	-	-	-	55
Social and Recreation	5.3	Public health and safety	2063	Public Convenience and pavilions	628	-	-	-	-	-	-	-	-	-	628
	5.3 Total				682	-	682								
Urban Development	6.1	Urban planning, heritage and public spaces development	2067	Wgtn Waterfront Development	3,767	1,251	-	-	-	-	-	-	-	-	5,018
Urban Development	6.1	Urban planning, heritage and public spaces development	2068	Waterfront Renewals	887	-	-	-	-	-	-	-	-	-	887
Urban Development	6.1	Urban planning, heritage and public spaces development	2070	Central City Framework	3,165	551	608	-	-	-	-	-	-	-	4,323
Urban Development	6.1	Urban planning, heritage and public spaces development	2073	Suburban Centres upgrades	1,034	-	-	-	-	-	-	-	-	-	1,034
Urban Development	6.1	Urban planning, heritage and public spaces development	2074	Minor CBD Enhancements	63	-	-	-	-	-	-	-	-	-	63
Urban Development	6.1	Urban planning, heritage and public spaces development	2136	Housing Investment Programme	711	2,770	-	-	-	-	-	-	-	-	3,481
	6.1 Total				9,627	4,571	608	-	14,806						
Urban Development	6.2	Building and development control	2076	Earthquake Risk Mitigation	487	4,637	-	-	-	-	-	-	-	-	5,124
	6.2 Total				487	4,637	-	5,124							
Transport	7.1	Transport	2089	Roading Capacity Upgrades	850	-	-	-	-	-	-	-	-	-	850
Transport	7.1	Transport	2094	Cycling Network Renewals	8,423	-	-	-	-	-	-	-	-	-	8,423
Transport	7.1	Transport	2103	Street Lights Renewals & Upgrades	1,002	1,177	-	-	-	-	-	-	-	-	2,179
Transport	7.1	Transport	2104	Rural Road Upgrades	274	-	-	-	-	-	-	-	-	-	274
Transport	7.1	Transport	2141	LGWM - City Streets	1,539	-	-	-	-	-	-	-	-	-	1,539
Transport	7.1	Transport	2142	LGWM - Early Delivery	5,390	-	-	-	-	-	-	-	-	-	5,390
	7.1 Total				17,478	1,177	-	18,655							
Transport	7.2	Parking	2108	Parking Asset renewals	1,814	-	-	-	-	-	-	-	-	-	1,814
	7.2 Total				1,814	-	1,814								
Council	10.1	Organisational Projects	2111	Capital Replacement Fund	556	-	-	-	-	-	-	-	-	-	556
Council	10.1	Organisational Projects	2112	Information Management	780	780	-	-	-	-	-	-	-	-	1,559
Council	10.1	Organisational Projects	2114	ICT Infrastructure	125	-	-	-	-	-	-	-	-	-	125
Council	10.1	Organisational Projects	2118	Health & Safety - Legislation Compliance	57	-	-	-	-	-	-	-	-	-	57
Council	10.1	Organisational Projects	2119	Civic Property renewals	2,500	-	-	-	-	-	-	-	-	-	2,500
Council	10.1	Organisational Projects	2120	Commercial Properties renewals	129	378	-	-	-	-	-	-	-	-	507
Council	10.1	Organisational Projects	2121	Community & Childcare Facility renewals	325	651	-	-	-	-	-	-	-	-	976
Council	10.1	Organisational Projects	2128	Civic Campus Resilience and Improvements	6,551	-	-	-	-	-	-	-	-	-	6,551
	10.1 Total				11,023	1,808	-	12,832							
	Grand Total				77,331	14,137	3,694	(541)	161	-	-	(500)	(161)	-	94,121

SLUDGE MINIMISATION FACILITY - INFRASTRUCTURE FUNDING AND FINANCING ACT UPDATE

Purpose

1. This report asks the Pūroro Tahua | Finance and Performance Committee to receive an update on how the Sludge Minimisation Facility Project is progressing with specific regard to how it will be funded in accordance with the 2021 Long-Term Plan under the Infrastructure Funding and Financing Act.

Recommendation/s

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.
2. Note the engagement to date with the Crown regarding the Infrastructure Funding and Financing Act as a tool to fund the Sludge Minimisation Facility Project.
3. Note the next milestone for the project will be consideration by the Pūroro Waihanga Infrastructure Committee of the preferred technology solution and procurement strategy.

Background

2. WCC committed to the Wellington Regional Waste Management and Minimisation Plan (2017-2023) which entailed a reduction in the total quantity of waste sent to landfills from 600kg to 400kg per person per annum by 2026.
3. Almost 20% of the waste volume sent to WCC's Southern landfill is sewage sludge. The sewage sludge is partially dewatered on site at Carey's Gully and then sent to the landfill to be mixed at a ratio of 1 part sludge to 4 parts solid waste.
4. The southern landfill is facing looming capacity constraints and consents that expire in 2026, with potential extensions a costly and elongated process. Key to maximizing the life of the current asset, and to provide opportunity to pursue other waste minimisation initiatives, is to remove sludge from the waste that flows to the landfill.
5. WCC's blueprint for a Zero Carbon Capital, Te Atakura, provides a commitment to reduce carbon. Approximately 80% of carbon produced by Council functions comes from the Southern Landfill, and a significant amount of this is directly attributable the existence of sludge at the landfill.
6. Wellington's growth projections anticipate an increase in population of between 50-80 thousand people in the next 30 years. WCC's aspiration is to accommodate this growth

in an environmentally and socially responsible manner, building a resilient yet vibrant city.

7. WCC's 2021-31 Long-Term Plan (LTP) sets out the city's biggest ever capital investment programme that seeks to facilitate this growth, respond to aging infrastructure issues, improve assets resilience and respond to climate change. To fund the 2021-31 LTP the Council needed to extend its own debt limit to 225% of revenue, increased from the previous 175%. This provided access to substantially more debt funding, and allowed the Council to commit to key city infrastructure projects.
8. To add to the complexity of LTP financial planning and investment prioritisation, upcoming water reform created uncertainty about the financial capacity of WCC, particularly given the LTP left limited debt headroom available to weather any unforeseen events on top of other known future requirements including the remaining Let's Get Wellington Moving programme.
9. It is prudent for WCC to source other forms of funding and financing for components of its capital programme.

Infrastructure Funding & Financing Act (IFFA)

10. The purpose of the IFFA is to provide a funding and financing model for the provision of infrastructure for housing and urban development that:
 - supports the functioning of urban land markets; and
 - reduces the impact of local authority financing and funding constraints; and
 - supports community needs; and
 - appropriately allocates the costs of infrastructure.
11. The IFFA has been designed to assist local government to progress critical infrastructure investment without compromising the existing structure and content of the local body's balance sheet.
12. Crown Infrastructure Partners (CIP) administers the IFFA on behalf of the Government, including responsibility for sourcing financing and administering the special purpose vehicles (SPVs) that are central to the mechanics of the IFFA.
13. The Ministry of Housing and Urban Development (MHUD) has an oversight responsibility for IFFA initiatives, including responsibility for recommending to the Minister to issue an Order in Council (OIC) that provides the power for the SPV to charge a levy to identified beneficiaries.
14. The Treasury enters into the Government Support Package (GSP) with the proposer that allows risk to be shared between the proposer and the Government. This is in effect an insurance policy that protects investors and the proposer if any unforeseen circumstances eventuate. The GSP is intended to only be called in the rarest of circumstances, and is primarily provided to give certainty to investors. It is not intended to insure the proposer or construction partners against bad management, planning or process.

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15. At a high level, the mechanics of the IFFA are relatively simple:
- The proposer, in this case WCC, proposes to CIP a concept that they believe qualifies and is suitable for facilitating finance through the IFFA
 - The proposer and CIP work together to develop a description of the concept, identifies the beneficiaries and undertakes high level estimations of financial cost, in order to seek preliminary support for the concept from MHUD and The Treasury.
 - Following the provision of preliminary support, the proposer establishes a project team, and working with CIP develops a detailed project plan, project costs and associated levy estimations, along with relevant project specific material.
 - The project plan is submitted to The Treasury for consideration for a GSP.
 - CIP goes to the debt markets to source investment in the concept. This is referred to as financial close.
 - The project plan, the proposed investment and GSP are submitted to MHUD for review, who will then recommend to the Minister whether they believe an OIC should be issued.
 - If an OIC is issued, the levy is struck, and the funding is available for the proposer to proceed with the project.

Sludge Minimisation Facility (SMF)

16. WCC tasked Wellington Water (WWL) with examining the options for processing sludge produced by Wellingtonians. WWL undertook an extensive Multi Criteria Analysis, including iwi engagement, which examined 25 different options that considered the location, technology, cultural impact and cost of each option. The iterative process identified three workable solutions that were progressed to a business case process.
17. The preliminary business case indicated a Lysis-Digestion and Thermal Drying Plant, located at Moa Point, is the clear preferred solution. It was identified that ratepayers in the Wellington region will benefit from this solution through:
- The mitigation of risks in the current wastewater processing – specifically the removal of reliance on the high pressure pipes and tunnels that pump sludge from Moa Point to the Southern Landfill.
 - The removal of volume from sludge directed towards the Southern Landfill removing the risk of the landfill breaching its resource consents and having to pay for imported waste.
 - Extends the life of the Southern Landfill, avoiding costly extensions and/or alternative waste disposal methods.
 - Allows WCC to achieve a large proportion of the waste minimisation targets it has committed to.
 - Reduces the future cost of carbon for WCC along with reducing the overall carbon footprint in line with Te Atakura – First to Zero aspirations.
 - Introduces future flexibility for the disposal of sludge residuals post processing, these may not need to be disposed on in the Wellington catchment.
 - Provides a backstop resource for regional risk for the processing of sludge

- Introduces future flexibility for the disposal of sludge residuals post processing, these may not need to be disposed of at the Southern landfill.
 - Provides a backstop resource for regional risk for the processing of sludge – a failure at other processing facilities means waste could be trucked in and handled as a short term measure avoiding the need to flush out to sea.
18. The facility will not provide additional capacity to process more wastewater. The facility is proposed to be married to the capacity that is already in the network serviced by the existing Moa Point facility. The networks capacity is forecast to be sufficient for current growth estimates expected in the area serviced by Moa Point.

WCC Benefits of Funding the SMF through the IFFA

19. The cost of the project is not funded using WCC debt capacity, removing pressure from the WCC balance sheet.
20. The project can go ahead without being subject to prioritisation pressures of WCC's LTP capital programme.
21. The project provides scope to plan to reduce Southern Landfill capacity issues, opening more options for considering the future of the landfill.
22. Proposed Water Reforms created uncertainty around whether an investment of this scale would be a priority for the new Water Service Entities. Initiating this project prior to Water Reforms initiating provides certainty the project will progress.

SMF Project Summary to date

23. WCC initially appointed WWL as the delivery agent for the SMF project. WWL established a governance structure and appointed a project team including external experts in major project management and SMF construction.
24. WWL's planned the delivery of the SMF using an Alliance construction model, which is a relationship-style arrangement that brings together the client and one or more parties to work together to deliver the project, sharing project risks and rewards.
25. During the initial review of the draft project plan by CIP and The Treasury it became apparent that the risk profile of the Alliance construction model was not conducive to The Treasury issuing a GSP for the project. WCC and WWL decided it was in the interests of the success of the project that WCC become the principle to the construction contracts and that the project was managed in house by WCC, with WWL providing specialist consulting services.
26. WWL is currently in the process of transitioning the project team and project artifacts over to WCC, with final transition date being 14 September.

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27. WCC is currently establishing a project governance group, developing the project management structure, and working with the transitioning project team to move the project plan from an Alliance model to an Early Contractor Involvement (ECI) model.
 28. Early contractor involvement is a type of construction contract where the principal contractor is engaged at an early stage in a project to offer input into the design phase.

Crown Process to Date

29. CIP met with Minister Grant Robertson on Monday 30 November 2020 and briefed him on the CIP pipeline of IFF projects and the IFF projects that CIP was likely to focus on during 2021 (these are referred to as the Focus Projects). Minister Robertson was generally supportive of CIP's approach and he looked forward to understanding the Focus Projects in more detail in the new year.
30. CIP met with Minister Robertson again on 24 March 2021 and provided him with details of CIP's proposed Focus Projects which included the Wellington Sludge Minimisation Facility project (Sludge Project). The Minister supported CIP seeking to complete these Focus Projects which were projected to close in 2022.
31. On 1 April 2021 the CIP board approved management's recommendation to make the Sludge Project one of CIP's Focus Projects. CIP management was authorised to set up well-resourced work groups to progress these Focus Projects as quickly as possible.
32. CIP have developed a Commercial Framework that summarises the components of the SMF project and establishes a pathway to achieving financial close. The Commercial Framework sets out the process for stepping through the IFFA funding process, the required oversight during the construction phase, the positioning of the GSP relative to the levy funding, and the requisite governance structure post construction.
33. WCC have been working on identifying the ratepayers who benefit from the existence of the SMF, and who will therefore be subject to the levy to pay for the SMF. There are two current schools of thought, either all Wellingtonians will benefit from the SMF, or only Wellingtonians whose wastewater is processed by the SMF benefit from its existence. The merits of these two positions are still being considered.
34. WCC are working through how to reflect the relative scale of ratepayers in the levy calculation. A number of different levy calculation models have been developed to allow the final costs of the project to be equitably spread across the commercial and residential ratepayer bases. The levy methodology is waiting on finalisation of SMF construction costs, and the appropriate beneficiary cohort.
35. The project team are working on technology options for the SMF, central to this being the identification of the Thermo Hydrolysis Plant (THP) supplier. The THP is central to the SMF, therefore identifying this key component will inform the overall procurement methodology and associated technology choices.

-
36. WCC and the project team are working closely with Wellington International Airport Limited (WIAL) to complete the land acquisition process. This has been initiated as a Public Works Act (PWA) acquisition, with the parties stepping through the details of relocating existing occupants on the land and understanding operational and construction parameters for sensitive nearby commercial operations. Site access for exploratory groundworks is also being finalised.
 37. WIAL are also working with the project team on specific SMF design elements to ensure its existence can work in harmony with the WIAL operations. This covers areas like glare of surfaces, discharge, traffic management during and after construction.

Pathway to Financial Close

38. All parties involved in the SMF project are working towards a date of 30 June 2022 to achieve financial close. This critical milestone unlocks the funding for the construction phase of the project.
39. CIP have outlined that in order to achieve financial close the following conditions precedent need to be achieved:
 - A sufficient level of design development and cost certainty (estimated to be P80 – P90 costing based on Developed Design or greater) – requiring substantial progress in the design of the project and cost estimates, and the procurement of the Designer and Contractor to achieve an acceptable level of cost certainty.
 - Consents have been obtained or sufficiently advanced – by progressing the technical design, the inputs to the Consenting process can be expedited, thereby allowing consents to be lodged.
 - Project land has been acquired – a high level of co-ordination and advanced planning is needed between WCC and WIAL to reach satisfactory agreement on land purchase

Next Actions

40. Finalise Project Governance Board. A terms of reference has been developed and necessary skills and experience is being sourced to fill key governance roles. Meeting schedules and decision frameworks, including relevant delegations are being finalised.
41. Finalise Project Management team. Following the finalisation of the Governance Board, and the novation of resource from WWL, the structure and operating processes of the project management team will be developed to align with Board meeting schedules.
42. Negotiate GSP parameters. With political aspirations to progress an IFFA transaction the focus in the near term will be on maximising cost certainty to limit the likelihood of the GSp being called on. WCC and The Treasury will work on how financial risk is apportioned to ensure a GSP is in place in advance of financial close.
43. Finalise Technology options and project procurement plan.

44. Finalise the Business case and bring to Council for ratification.

Attachments

Nil

Author	Heath George, Specialist Financial Advisor
Authoriser	Sara Hay, Chief Financial Officer

SUPPORTING INFORMATION

Engagement and Consultation

<insert text here>

Treaty of Waitangi considerations

<insert text here>

Financial implications

<insert text here>

Policy and legislative implications

<insert text here>

Risks / legal

<insert text here>

Climate Change impact and considerations

<insert text here>

Communications Plan

<insert text here>

Health and Safety Impact considered

<insert text here>

PERFORMANCE REPORTING FRAMEWORK - PROGRESS UPDATE

Purpose

1. This report backgrounds the progress update on the development of the Corporate Performance Monitoring and Reporting Framework (the framework) supporting the oversight, monitoring and reporting of LTP and service performance.
2. The update will be a slide presentation to the Committee at the meeting on the day and cover the:
 - approach and progress in developing the framework
 - its impact on the structure of the Quarterly Report; and
 - seek early feedback from the Committee.

Recommendation/s

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information in this background report and slide presentation on the day.

Background

3. The 2021 Long-term Plan includes a revised and reduced set of Key Performance Indicators and targets against which the Council's performance is monitored and reported. In addition, a new Council Committee structure is being implemented with specific performance oversight and / monitoring mandates. The implementation of both is an opportunity is to update what and how performance is reported - in a co-ordinated, concise and audience focused way.
4. The implementation of the LTP and new Committee structure also provides an opportunity to upgrade the internal guidance for business performance reporting performance.
5. The design process for the Monitoring and Reporting Framework (the Framework) includes:
 - Avoiding duplication performance information between this and other Committees with performance monitoring mandates (e.g., the Infrastructure Committee)
 - Providing complementary analysis of performance to users of performance reports ; and
 - Supporting Committees in meeting their performance oversight, monitoring or decision making mandates - in their respective terms of reference.
6. The Key Performance Indicators (KPIs) and targets in the LTP comprise of KPIs:

- a) retained from the previous LTP without material modification e.g. statutory three waters measures etc.
 - b) New KPIs and targets; and
 - c) KPIs from the previous LTP with wording and / or target changes (to improve the line-of-sight to actual performance, the timely supply performance data or the quality of analysis).
7. Apart from KPIs retained without material modification, new baselines will be required to be set for other KPIs during the year. This impacts our ability to show previous years comparative KPI performance in or reporting for year one of the LTP.
8. There is considerable cross business collaboration / coordination involved in the development of the Framework. The project commenced shortly before the current lockdown. While progress has slowed over Levels 4 and 3, we expect this to accelerate in Level 2. Further information on progress will be in the presentation at the meeting.

Discussion

9. The purpose of the Framework is to guide the development of consistent, joined-up and timely business performance reports to the Council's Governance, Executive Leadership and Operational Management audiences. It will progressively influence the
- Design of current and future business performance reports
 - Supply, analysis and consistent presentation of financial and non-financial information in performance reports; and
 - Ongoing development of reports delivered as digital dashboards.
10. The scope covers financial and non-financial performance and the delivery channels (i.e., hardcopy and digital dashboard delivery) for efficient performance reporting.
11. The framework is being developed in four somewhat parallel steps:
- A. **Lay the foundation:** Mapping what is to be monitored, why, when and according to what audience needs
 - B. **Develop audience and performance measurement profiles:** Matching the oversight, monitoring or reporting activities to audience roles and accountabilities and the level of information and analysis required
 - C. **Build the reports:** Specifying how performance information and story in each report is best presented and delivered to each user audience
 - D. **Implementation and ongoing improvement:** User socialisation, feedback on the draft framework and reports
12. Work to date has focused on A with a parallel focus on B & C with a priority on the quarterly report.

The quarterly report

13. The updated quarterly report focuses squarely on progress against the LTP and in relation to this Committee's governance oversight and monitoring roles. This includes strengthening the oversight of progress on LTP priority projects, strategies or policies as

well as monitoring particular outcome indicator trends (the 'City perspective'). The emphasis on service performance by exception will continue - as in the previous quarterly report.

14. In designing the draft report structure, we are balancing avoiding duplication of performance information available through other Committees, preserving the whole of business focus of the quarterly report, focusing on the variance that matter while providing a governance orientated view of performance. To strike this balance we are including:
 - portfolio or consolidated views of relevant detailed performance information in other reports
 - a focus on exceptions and material progress (or otherwise) for work programmes underway; and
 - forecasts of expected changes in risks, progress or service levels
15. The full quarterly report will be phased in as KPI information becomes available, new programmes in the LTP are underway and the detailed performance reporting needs of each Committee are identified. The quarter one report for this financial year will contain available KPI results.

Next Actions

Attachments

Nil

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

SUPPORTING INFORMATION

Engagement and Consultation

Nil at this stage

Treaty of Waitangi considerations

Nil at this stage

Financial implications

Nil at this stage

Policy and legislative implications

Nil at this stage

Risks / legal

Nil at this stage

Climate Change impact and considerations

Nil at this stage

Communications Plan

Nil at this stage

Health and Safety Impact considered

Nil at this stage

ACTION TRACKING

Purpose

1. This report provides an update on the past actions agreed by the Pūroro Tahua | Finance and Performance Committee at its previous meetings.

Summary

2. This report lists the dates of previous committees and the items discussed at those meetings.
3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
 - No action required: Usually for clauses to receive information or note information, or actions for committee members rather than council officers.
 - In progress: Resolutions with this status are currently being implemented.
 - Complete: Clauses which have been completed.
4. All actions will be included in the subsequent monthly updates but 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

5. 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.
6. The Review Report recommended an increase focus on monitoring the implementation of Council resolutions and delivery of the work programme. A monthly update at each committee meeting on its previous decisions is part of the implementation of this recommendation.
7. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The committee could resolve to receive a full update report on an item if it wishes.

Discussion

8. Of the 9 resolutions of the Pūroro Tahua | Finance and Performance Committee in August 2021:
 - 9 require no action from staff.
9. 1 in progress action was carried forward from the last action tracking report. Of these:

-
- 1 is still in progress.

10. Further detail is provided in Attachment One.

Attachments

Attachment 1. Actions Tracking  

Page 39

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

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	4.1: Chaffers Marina Limited Options	all clauses	In progress
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.1 Sustainable (Green and Social) Financing	1. Receive the information	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.1 Sustainable (Green and Social) Financing	2. Note the background to the sustainable finance markets and certification/performance standard schemes.	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.1 Sustainable (Green and Social) Financing	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.	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.1 Sustainable (Green and Social) Financing	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, and agree to expand the issuance to other applicable areas of financing WCC assets as soon as practicable.	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.1 Sustainable (Green and Social) Financing	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.	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.1 Sustainable (Green and Social) Financing	6. Note that Wellington City Council declared a climate and ecological emergency on 20 June 2019.	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.2 Overview of structure and process for the Annual Report 2020/21	1. Receive the information	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.2 Overview of structure and process for the Annual Report 2020/21	2. Note the proposed structure and process for the 2020/21 Annual Report.	No action required
Thursday, 19 August 2021	Pūroro Tahua Finance and Performance	2.2 Overview of structure and process for the Annual Report 2020/21	3. Note that the Annual Report timeline includes the audit beginning on 6 September 2021 and the report being adopted on 28 October 2021.	No action required

FORWARD PROGRAMME

Purpose

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

Summary

2. The Forward Programme sets out the reports planned for Pūroro Tahua | Finance and Performance Committee in the next two meetings 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 21 October 2021:
 - Development Contributions Policy – review and agree to consult (Chief Strategy and Governance Officer)
 - Procurement Strategy Update (Chief Financial Officer)
 - Balance Sheet Review (Chief Financial Officer)
 - Final Annual Report (Chief Strategy and Governance Officer)
5. Thursday 18 November 2021:
 - Quarterly Performance Report Q1 2021/22
 - Council Controlled Organisations Q1 2021/22 Report.

Attachments

Nil

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

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

3. Committee Reports

**REPORT OF THE KĀWAI MĀHIRAHIRA | AUDIT AND RISK
SUBCOMMITTEE MEETING OF 15 SEPTEMBER 2021**

The Kāwai Māhirahira | Audit and Risk Subcommittee is expected to make recommendations on the Health, Safety and Security Report.

As the Kāwai Māhirahira | Audit and Risk Subcommittee meeting had not taken place when the agenda for the Pūroro Tahua | Finance and Performance Committee meeting was published, the recommendations from the subcommittee are not yet known.

The subcommittee's recommendations will be tabled at the committee meeting. The recommendations to the subcommittee may be viewed in the attachment.

Attachments

Attachment 1. Health, Safety and Security Report [↓](#) 

Page 44

2. General Business

HEALTH, SAFETY AND SECURITY REPORT

Purpose

1. This report asks the Kāwai Māhirahira | Audit and Risk Subcommittee to review the Council's health and safety performance for the period 1 May 2021 to 31 August 2021.

Summary

2. The Report provides information that aligns with the Officer due diligence responsibilities under the Health and Safety at Work Act 2015 (HSWA), specifically having:
 - Knowledge of work health and safety matters
 - An understanding of the nature of operations and the hazards and associated risks
 - Appropriate resources and processes to eliminate or minimise risk
 - Appropriate resources to receive and consider information
 - Verification of the provision and use of resources and processes
 - Processes for compliance with duties or obligations under the HSWA.
3. This report comprises qualitative commentary on activities that have occurred in the last four months, and are presented in three categories:
 - Risks
 - Relationships
 - Resources.
4. The dashboard reporting (attachment 1) provides quantitative leading and lagging indicators to measure health and safety performance within Council.
5. This style of reporting is based on the Business Leader's Health and Safety Forum: 'Monitoring what matters in Health and Safety' – a guide for CEOs. The Council is a member of the Business Leader's Forum.

Recommendation

That the Kāwai Māhirahira | Audit and Risk Subcommittee:

1. Receive the information
2. Recommend to the Pūroro Tahua – Finance and Performance Committee to receive the information on 16 September 2021.

Risks

Risk Profiles

6. The Council's Safety, Security and Wellbeing Team focusses on the Council's top nine priority hazard/risk controls, as presented to the Finance, Audit and Risk Subcommittee previously. The top nine risks are shown below and defined by potential consequence and likelihood.

#	Risk
1	Personal Confrontation
2	Vehicle Traffic Mobile Equipment
3	Health and Impairment
4	Asset Failure
5	Work Related Health Hazards
6	Natural Events
7	Work with or in the Vicinity of Services
8	Work at Height
9	Ignition Sources

Specific Areas of Risk

7. The following summarises key pieces of work that have occurred in the last six months as the Council continue to manage the risks associated with specific hazard categories. This work is both good health and safety practice and assists the Council to meet our legal obligations under the HSWA and Local Government Act 2002 (good employer).

Health, Safety and Security Structure Review

8. As a result of the external review completed in Q1 2021, the risk profiles of business groups were assessed to ensure consistent levels of health and safety resource is provided to reduce any risk exposure. A management paper outlining these assessments and accompanying recommendations were presented to the ELT in the 17th July with the recommendations being agreed to. As a result, an additional 8 FTE has been approved to increase the Health, Safety and Security Business Unit to support health, safety and security maturity uplift and reduce risk exposure to the Council's business groups over the next 18 months. Of these 8 new roles, three will be a change in reporting lines from across the Council's business units (centralising existing roles).
- Phase one is underway with the appointment of a new Manager, Health, Safety and Security to fill the vacant role, commencing 20 September 2021.

Health and Safety Assurance

9. The Safety, Security and Wellbeing Team continue to utilise the Health and Safety Assurance Framework document aligned to the Council's Assurance Framework. The document has provided the team and organisation with an easy visual means of engaging with applicable stakeholders to understand what Health and Safety assurance activity is undertaken and provided within specific assurance areas i.e. day to day

operations, Strategic and Priority Risk Categories, Culture and Other on-going assurance activities; and in relation to Assurance framework 'Lines of Defence'.

Under the Health and Safety Guide: Good Governance for Directors Guidelines (2016) by Institute of Directors and WorkSafe New Zealand; the key aspects of a health and safety management assurance system include; hazard and risk management; incident management, emergency management; injury management; worker engagement; worker participation; working with other organisations (PCBUs); and continuous improvement.

External Health and Safety Review

10. In July, a full ACC audit was undertaken by an external auditor looking at both injury and safety management audit standards. The purpose of this audit is to ensure that our health and safety and injury management practises are aligned with the ACC Partnership Programme standards. As a member of the Partnership Programme, the Council is allowed to carry out ACC's responsibilities which aids the Council in minimising our ACC levies and avoiding 3rd party suppliers.

The external auditor recommended that the Council retains a tertiary level status, which is the highest level achievable under the framework. Minor changes will be made to injury and management related processes internally and in conjunction with the Council's injury management provider, WellNZ.

Health and Safety Management - Reporting System

11. A Steering Group overseeing the procurement of a new health and safety reporting system has been formed, and Phase one, "the way we work" has commenced with the Project Group. They are well into the procurement and implementation process with workshops having been commenced in the discovery phase (Process Mapping, Stakeholder engagement, research Tools). The Project Timeline has the Procurement process being completed in January 2022 and implementation of the new system set for July 2022.

Incident Investigations

12. In this four-month reporting period 13 incident reports were of a high or extreme risk nature or resulted in significant harm (lost time injury). These incidents are detailed within the Health and Safety Performance Report in section 5.

Local Government Official Information and Meetings Act 1987 (LGOIMA)

13. One request was received in this reporting period
 - 2nd May 2021 - requesting information regarding Wellington City Council drug and alcohol testing

Relationships

The Council has several external relationships to support its best practice, knowledge uplift and collaboration. In this reporting period, the following interactions were undertaken.

Security Community of Practise and Engagement (SCOPE)

14. This group's purpose is to bring together security practitioners in the public sector to share experiences, knowledge and insight about security practice, engagement, and implementation within the public sector.
Key items discussed and presented over this reporting period included presentations from Parliamentary Services, the Ministry of Health and Kiwi Rail on their Security Environment and how they respond to Threats, from the Police Intelligence Group on information sharing and on training with an immersive (Virtual Reality) training system for Office Staff shown by Waka Kotahi.

New Zealand Institute of Safety Management (NZISM)

15. NZISM is New Zealand's Leading professional association for health and safety practitioners, of which the Senior Health, Safety and Wellbeing (SHSW) Advisors for Council are members. Being a part of this body allows access to all the support and content that this body collates and shares. Through this membership, the SHSW Advisors have been able to access case studies, peer support, and informative seminars that provide insight for WCC to go forward in the Health and Safety Field. The Advisors have attended seminars on Hazardous Substances and the new regulations that cover them, Conducting Health and Safety Management Systems Audits, as well as one covering the Mental Health and Wellbeing programme HeadFirst, presented by NZ Rugby.

Resources

Annual Plan

16. The actions for completion in the Council's 2020/21 Safety, Security and Wellbeing Work Plan are monitored by the Council's Health and Safety Steering Group. There were several actions that had not been fully achieved during the year because of changing focus areas in supporting the organisation with COVID-19 alert levels and staff changes within the Safety Security and Wellbeing team
17. Some of the key work plan achievements this reporting period;
 - Protective Security Requirements Governance group (SRG) formed with the first meeting held on the 13th July. The purpose of this Group is to assist the Chief Executive to fulfil her accountabilities with respect to physical, information and personnel security, as well as responsible resource management, and the management of risk. They will identify opportunities for positive change, agree on actions required, and raise Wellington City Council's maturity in protective

security by implementation of the Protective Security Requirements (PrSR) and in this, as well as leading by example, it will influence the security culture of WCC.

- An application of Expression of Interest to deliver the Covid 19 Vaccine in our workspaces was completed and filed with the Ministry of Health in late July. The application was also made on behalf of the other Wellington Councils (Porirua, Hutt, Upper Hutt, and Greater Wellington Regional Council) as well as the Council's CCO's and contractors. The application covered approximately 4,500 workers.
- Reviewed the Supplier (and processes) of our Lone Worker Systems and in conjunction with this updated the phone application 'Stay safe'. This has resulted in increasing the capability of the system as well as adding in new features like access to a Dashboard that will allow tracking for Teams and accurate reporting over usage of the system. This new Provider will also allow us to bring in the other remote lone worker devices (for Staff without work phones or in rostered sites) onto the same platform centralising our Lone worker systems thus increasing our support to staff as well as oversight of the usage of these devices.
- Review of the consumption of alcohol at WCC sites and propose an amendment to the Drug and Alcohol Policy to include a section on Consumption of Alcohol on Wellington City Council premises was circulated for consultation. The feedback received was summarised and presented for review in line to proceed the final policy to be endorsed by ELT.

Mental Health and Wellbeing

18. Building off three key areas identified through engagement sessions in previous reporting periods, we have since undertaken work on to support staff including raising awareness of mental distress, training leaders, and supporting staff to support others experiencing mental distress and developing process transparency in relation to the Councils support mechanisms. As a result of this building, we can note the following uptake or increases from this reporting period.

- Mental Health First Aid Trained Staff – 22
- Whare Kura - Supporting your People completions - 5
- Corresponding increase in the use of EAP services due to the increase of awareness of Mental Health and Wellbeing
- Yammer is also being utilised as a tool to get Mental Health and Wellbeing information and awareness out and about Council.

Elected Members Due Diligence

19. The information below demonstrates elected members' performance against due diligence actions for the 4-month period 1 May 2021 to 31 August 2021.

Legislative Due Diligence Requirement

- Acquire and keep up to date with knowledge of work health and safety matters
- Understand nature of operations and hazards and associated risks
- Appropriate resources and processes to eliminate or minimise risks
- Appropriate resources to receive and consider information
- Verify provision and use of resources and processes
- Have processes for compliance with duty or obligation under the HSWA (2015).

Due Diligence	Actual
Attend one health and safety leadership induction workshop(s) per annum, (e.g. Business Leaders forum; 'Leading Safety' refresher; public Health & Safety Seminars)	None during this reporting period. The most recent elected member workshop was in November 2019 on due diligence obligations. The most recent executive leaders' workshop was held in December 2020, focused on monitoring what matters and taking learnings from the ongoing response to COVID-19.
Participate in site/workplace safety observations with an ELT Member	<ol style="list-style-type: none"> Four (4) planned observations were undertaken involving Councillors. <ul style="list-style-type: none"> 10/05/2021 - Councillor Condie 28/05/2021 - Councillor Day 11/06/2021 - Councillor Paul 11/06/2021 - Councillor Free Four (4) planned observations were undertaken involving executive leadership team members. <ul style="list-style-type: none"> 10/05/2021 – HMSP Karepa Wall 28/05/2021 - CPO Liam Hodgetts 11/06/2021 – CSGO Stephen McArthur 30/07/2021 – CDO James Roberts
Oversight of Health and Safety Climate survey findings and results	The biennial Health & Safety Climate survey was last undertaken in November 2019 and reported to HSSG (<i>next scheduled for October 2021</i>).
Receive and review health and safety information on Council health and safety performance through Council's health and safety reporting framework	The most recent reports presented to FARS and CSC are for the periods: 1 January 2021 – 30 April 2021 1 July 2020 – 31 December 2020 1 July 2019 to 30 June 2020 (annual report).
Have oversight of Council's Hazard and Risk Register	Council have nine critical risk categories and 20 other risk

through annual review process	categories.
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Attachments

Attachment 1. Periodic Report - May 1 - Aug 31 [↓](#) 

Page 15

Author	Jase Yorston, Security Manager
Authoriser	Meredith Blackler, Chief People and Culture Officer

SUPPORTING INFORMATION

Engagement and Consultation

N/A

Treaty of Waitangi considerations

N/A

Financial implications

N/A

Policy and legislative implications

This information to ELT and Councillors assists them to discharge their Officer due diligence obligations under the Health and Safety at Work Act 2015. As an organisation this supports the obligations to be a good employer under the Local Government Act 2002.

Risks / legal

N/A

Climate Change impact and considerations

N/A

Communications Plan

N/A

Health and Safety Impact considered

N/A

Health, Safety & Security Performance

Reporting Period 1st May – 31st August 2021

WCC has a responsibility to regularly monitor its Health and Safety (H&S) performance to ensure it is on track to meet both its related Policy expectations and H&S strategy. To monitor its performance, WCC will collect data and use a range of indicators as part of regular reporting protocols.

These measures include a balance of leading and lagging indicators and are selected to outline improving, consistent or deteriorating H&S performance.

Section 1: Leading indicators

Leading indicators involve precursors that may lead to an accident, injury, or disease. They focus on improving health and safety performance and reducing the probability of serious accidents. They can be used to monitor the effectiveness of the health and safety management system before accidents, incidents and failures happen and work towards preventing or controlling their occurrence. Leading indicators are typically specific and linked to an aspect of the H&S management system.

1.1 Leading indicators

Metric	Reporting Period	Same period last year	FYTD
# of health and safety representatives (HSR)	113	102	113
# of representatives trained (HSR) during period	45	0	33
# of physical first aiders trained (SSW Coordinated)	17	0	0
# of mental health first aiders trained	22	0	0
# of workers trained on personal confrontation (full day)	26	0	12
# of worker trained on resilience (full day)	40	15	14
# of health and safety heroes	1	0	1
# of elected member workplace engagements	4	3	0
# of executive member workplace engagements	5	2	2
# of random drug and alcohol Test - pass	22	5	16
# of random drug and alcohol Test - fail	2	1	1
# of early intervention physiotherapy (mirimiri) sessions	2	Not used	2
# of early intervention physiotherapy (European method) sessions	14	10	6
# of employee assistance programme hours	303.5	205.7	144.5

Points to highlight

With the introduction of the De-escalation course, we will now see more of our front-line staff trained on techniques to better handle personal confrontation. We expect to target areas of the organisation that are more susceptible to this kind of behaviour as we recognise personal confrontation as one of Local Government's biggest hazard sources. Given the fragility of mental health in society relating to COVID-19, we can also assume that personal confrontation will continue to increase.

In the “same period last year” statistics column you will notice that the numbers are low due to alert levels and just coming out of lockdown at that time. We also still see the effect of last year's Random drug and alcohol testing, as we tested more staff near the end of 2020 due to the lockdown. This has resulted in many staff members ineligible to be tested within the next 12 months.

1.2 Critical risk observations

Critical risk observations provide a key opportunity to engage with teams to understand how a specific critical risk is being managed, control measures that require strengthening and the overall level of assurance that the risk is being managed effectively.

Critical risk focus insights: Vehicles, mobile equipment and traffic						
Number of direct assessments undertaken		4	Average percentage of controls in place (against hazard register controls)			92.00%
Top 3 control measures added implemented/effective		1. Staff txt/ phone TL or manager when entering onto secondary non sealed road and also when leaving this road 2. Lone workers have devices on them (mobile equipment users as well as drivers) 3. Traffic flow at Newtown Depot had one way traffic management and dedicated footpaths for pedestrians				
Risk	Description	Person exposed	Management	Gaps, improvements & progress	Level of assurance	issues & events
Equipment loose on vehicles	Cones, sacks, paint coming off our vehicles	Public		More time to check loads before departing	PART ASSURANCE - Controls were either different from what we expected or there was partial evidence that they were effectively being used	RM#1206616-Sack and Cone blew of the back of truck; RM#1212863-Paint spill from vehicle whilst driving
Situational awareness	Backing into/ over other equipment	Public, other staff		Making sure what is parked around one, also making sure area is free of any other equipent before backing into a space	PART ASSURANCE - Controls were either different from what was expected or there was partial evidence that they were effectively being used	RM#1212584-Hiab arm contacts truck cab; RM#1201907-Vehicular damage - other car's trailer; RM#1209499-Puncture to Kubota; 1214866-Forklift stuck whilst unloading delivery of crates
Critical risk focus insights: Asset Failure						
Number of direct assessments undertaken		2	Average percentage of controls in place (against hazard register controls)			90.00%
Top 3 control measures implemented/effective		1 New seawalls and renewals are being designed & built with sealevel rise taken into account, at least the foundations are strong enough to have additional height added later. Retaining walls on critical routes are being strengthened to a design life of 100 years. 2 Condition surveys vary per asset class and reported via Annual Plan KPIs & in AMP, they also inform the renewal forward work programme. Bridge assessment of loading capability in terms of VDAM rules for all bridges in 2018. Condition survey of walls every 5 years 3 Engineering New Zealand registrations, independent assessments of condition and expert advise and reporting sort as required				
Risk	Description	Person exposed	Management	Gaps, improvements & progress	Level of assurance	issues & events
Asset Failure	Not high priority due to flood, natural disaster etc	Public		Add into Asset Critical Assessment doen for Asset Management Plan	Partial	
Safety in Design	Should be considered to cover complete life cycle fo building prior to being built	Public		Engaging consultants and using the the 3 C's, consultation, cooperation and cordination through out the entire project	Partial	
Critical risk focus insights: Working at Height						
Number of direct assessments undertaken		2	Average percentage of controls in place (against hazard register controls)			80.00%
Top 3 control measures not implemented/effective		1 Consider methods for lowering work areas to a safe work height e.g. living walls that can be lowered to ground level for maintenance 2 Ensure that adequate inspection and equipment maintenance is in place, as outlined in http://www.business.govt.nz/worksafe/information-guidance/all-guidance-items/best-practice-guidelines-for-working-at-height-in-new-zealand 3 Consider peer reviews of plans, and supervision and audit of moderate to high risk work				
Risk	Description	Person exposed	Management	Gaps, improvements & progress	Level of assurance	issues & events
Safety in Design	Consideration in future developments	Public and Contractor		Consider methods for lowering work areas to safely work at height - other methods of lighting(longevity of light bulbs(LEDs)	Partial	RM#1223307
Asset Failure	Consideration in future developments	Public and Contractor		Consider other materials that do not degrade as quick/ much for public to use at Warfs	Partial	RM#1197301

1.3 Near miss incident risk break down

Severity	Extreme	High	Moderate	Low
Near miss incidents	0	6	20	296

Related definition: any incident that did not harm people or damage assets or the environment but, in different circumstances, could have done so. *These events are included within section 5 below.

Points to highlight

The number of lower risk events highlight the opportunities that exist to control risks without actual harm occurring or a higher level of consequence.

Health, Safety & Security Performance

Section 2: Lagging indicators

Lagging indicators measure loss events that have already occurred. They quantify WCC's H&S performance in terms of past incident statistics (numbers of incidents, reported accidents, incidences of disease or failures of systems). We use these indicators to measure the outcomes of WCC's management of H&S. Noting they provide insufficient information to ensure the success of the health and safety management process since they promote reactive rather than proactive management.

2.1 Lagging Indicators

Metric	Reporting Period 1 May – 30 August 2021	Same period last year (1 May – 30 August 20)	FYTD
# work related ACC injury claims	22	32	7
# non-work related Well NZ managed claims	3	7	1
Claim costs to date	\$7258	\$63,285	\$1818
Number of workdays lost	15	161	10
Average delay in incident reporting (days)	4.61	4.43	4.68
# Personal Confrontation (#1 Critical Risk) incidents	203	156	100
# non-negative drugs & alcohol tests	2	1	1
# health exposure tests with results over thresholds	0	0	0
# bans issued	9	Data not available	6
# trespass notices issued	10	Data not available	7
# incidents reported to Police	41	Data not available	18

Points to highlight

The higher value in claims costs for the same period last year are reflective of several high risk/cost claims that have either been closed or transferred back to ACC and we have none of that level this reporting period. Our average delay in reporting is slightly better than out yearly average, indicating that while we are slightly slower than last year, we are still improving overall. Note the continuation of the increase in personal confrontation incidents being reported, and as a result, the levels of incidents being reported to the Police and bans issued are increasing or remaining at higher levels than previous time periods.

2.2 Reported injury incidents risk breakdown

Severity	Extreme	High	Moderate	Low
Injury events (FA, MT, NE/LTI)	0	5	61	388

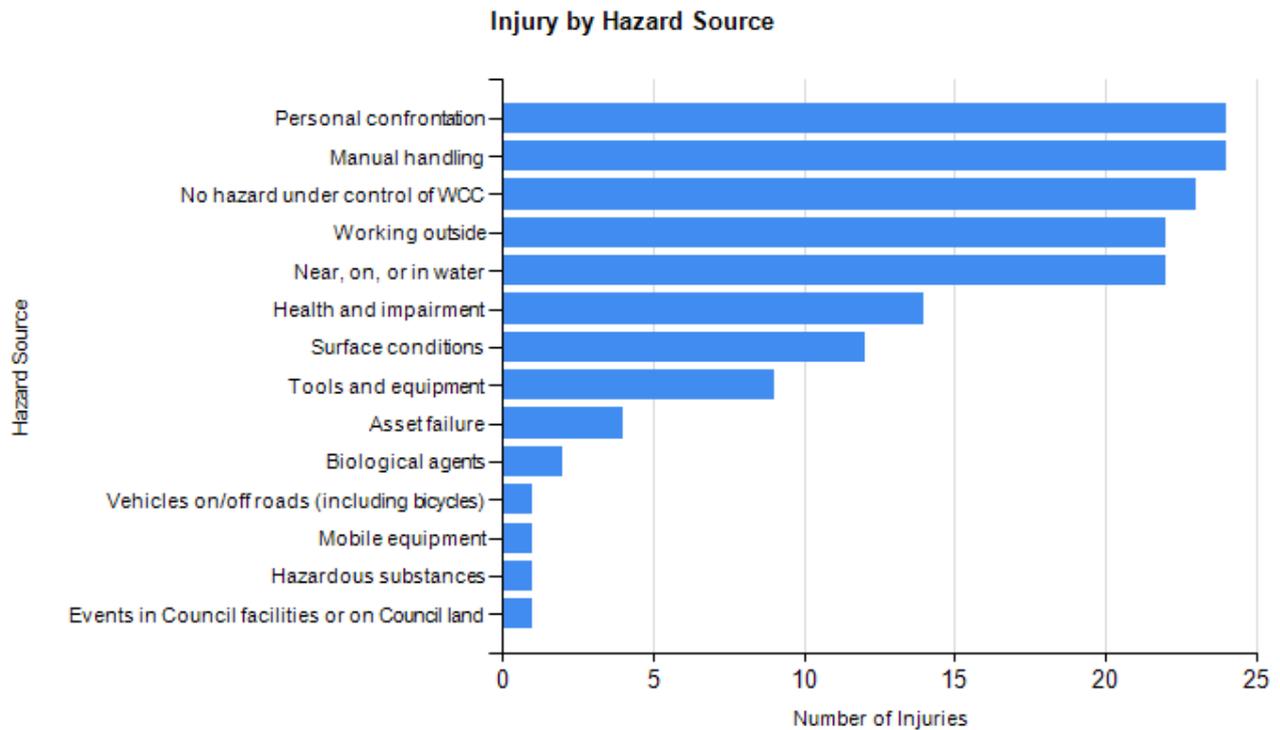
Definitions: FA = first aid injury, MT = medical. NE/LTI = notifiable event/lost time injury.

*These events are included within section 5 below.

Points to highlight

The proportion of higher risk incidents to lower risk events highlights the opportunities that exist to control risks without a higher level of consequence occurring.

2.3 Report injury incidents by hazard source

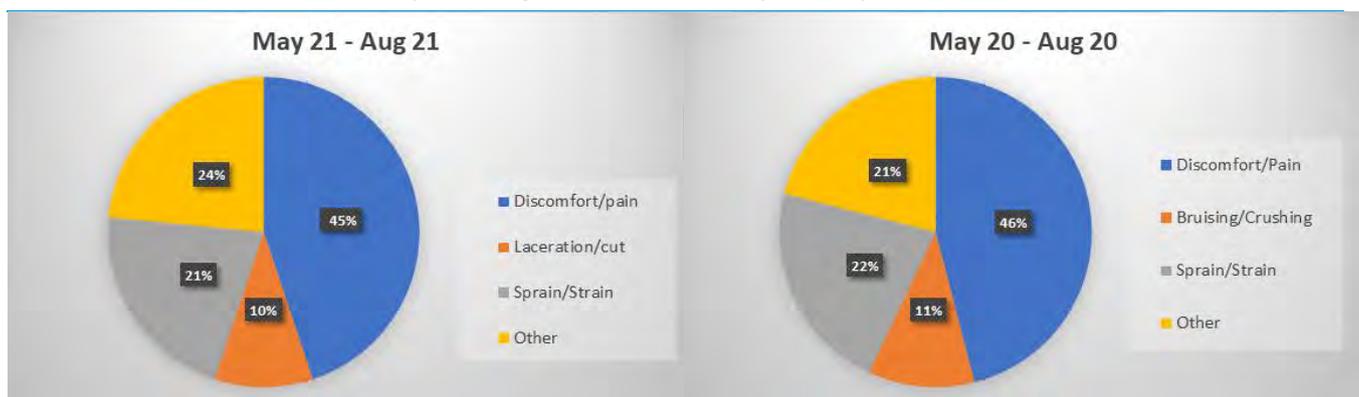


Points to highlight

The hazard source being reported is consistent with previous reporting periods.

2.4 Reported injury type breakdown (top 4)

(percentage of total worker injuries reported)



Points to highlight

WCC still sees a stable proportion of reporting associated with pain and discomfort in comparison to the same reporting period 12 months earlier, this has been a consistent trend. Another push with early reporting of pain and discomfort still encouraged, as it presents an opportunity to early intervention and a more effective means of treating injuries before they become more significant (and costly).

2.5 Role Type Incident Report Breakdown

Role type	Reporting period		Same period last year	
 Worker	NM	142	NM	82
	FA	144	FA	96
	MT	49	MT	62
	NE/LTI	0	NE/LTI	0
 Public	NM	169	NM	108
	FA	312	FA	223
	MT	49	MT	36
	NE/LTI	0	NE/LTI	1
 Tenant	NM	0	NM	3
	FA	0	FA	2
	MT	0	MT	0
	NE/LTI	1	NE/LTI	0
 Contractor	NM	11	NM	11
	FA	6	FA	4
	MT	2	MT	5
	NE/LTI	1	NE/LTI	1
 Volunteer	NM	0	NM	0
	FA	2	FA	1
	MT	1	MT	0
	NE/LTI	0	NE/LTI	0

Related definitions: NM = near miss, FA = first aid injury, MT = medical.
NE/LTI = notifiable event/lost time injury.

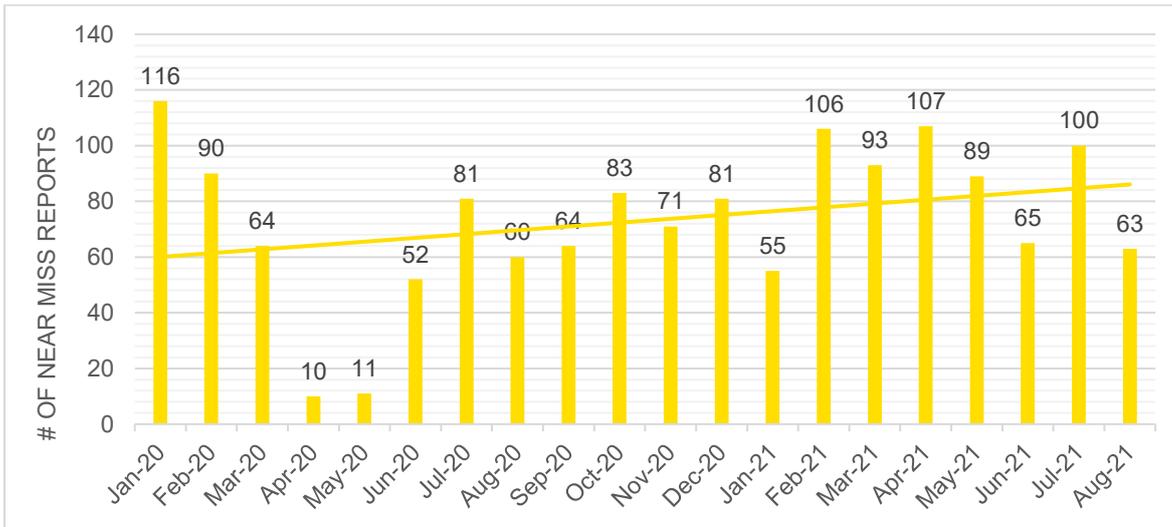
Points to highlight

Naturally an increase in reporting against the same time 12 months earlier due to lockdown conditions in 2020. An additional row entry for volunteers to help separate from Contractor related reports. The notifiable events noted against the contractor row are included within section 5 below and included advice from a Senior health, Safety and Wellbeing Advisor in each scenario.

Section 3: Graph indicators – lost time injuries, near miss reporting and employee assistance programme usage.

3.1 Near Miss Reporting

The following shows near misses reported for the reporting period 1 January 2020 – 31 August 2021. A **near miss** is an unplanned event that did not result in injury, illness, or damage – but had the potential to do so. Collecting near-miss reports helps create a culture that seeks to identify and control hazards, which will reduce risks and the potential for harm.

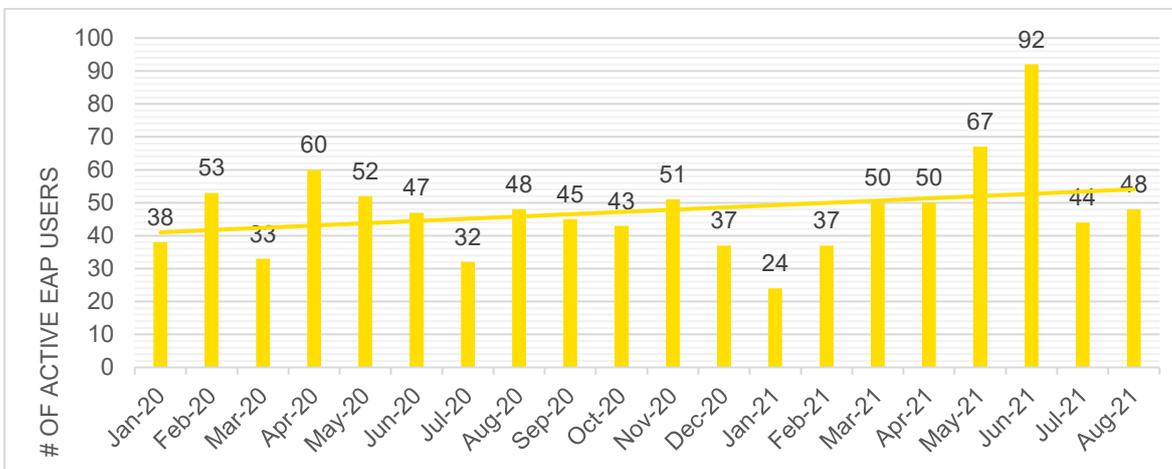


Points to highlight

There is an increasing trend of near miss reporting following the return to work from stricter alert level restrictions compared to last year. A positive uplift in near miss reporting from Contractors has attributed to part of the lift in the most recent months, along with regular encouragement around reporting through regular engagement channels internally. Near miss reporting shows an increase overall which is attributed to the shift in reporting culture which the team is always promoting.

3.2 Employee Assistance Programme (EAP) Usage

The following shows the total number of active EAP users for the reporting period 1 January 2020 – 31 August 2021.



Points to highlight

EAP usage has seen a jump in numbers during June pushing the average over this reporting period higher than the previous year. The top two presenting issues were personal relationships (in personal life) and depression/anxiety/emotional issues.

Section 4: Information Sources:

- Data pulled from Risk Manager reporting system (internal), EAP provider reporting, third party injury management provider.

- Indicator practice – Leaders Forum (<https://www.zeroharm.org.nz/assets/docs/our-work/monitoring/Monitoring-What-Matters-May2019.pdf>)
- Guide to measuring health and safety performance - <https://www.hse.gov.uk/opsunit/perfmeas.pdf>

Section 5: Serious Incidents (including high potential near misses)

A serious incident is an event that has resulted in or had the potential to result to cause serious harm via illness, injury (or both).

Key for acronyms: KPI - Key Person Involved; MOP - Member of Public; LG - Life Guard; DM - Duty Manager; OP - Operations Manager; PO - Parking officer

Date of Incident	Business Group/Team	Location	#	Brief Details of Incident/ High Potential Incident	Corrective Action	Corrective Action Status	Near Miss	Critical Risk (Nasty Nine)	High Potential
16/08/2021	City Housing	Newtown Park	1236624	<p>Cleaner was mopping stairway in Block A of Newtown Park, walking backwards, missed a step, fell. This was during regular scheduled cleaning.</p> <p>Immediate Actions Taken Caller supervisor, who attended and assessed the situation. Asked supervisor to be taken to family doctor, supervisor took her to doctor. After that went home.</p> <p>About 3pm, the pain came back, called friend, called ambulance, taken to Wellington hospital for further assessment.</p>	Still waiting for full report	In Progress	NA	NA	Yes
13/08/2021	Parks, Sport and Recreation	Frank Kitts Play area	1236742	<p>On Friday 13 August a 4-year-old girl went to FKP play area. She was with her aunt and grandmother. She used the slide a number of times (as she had on previous visits), when on one ride, her right foot got caught on the side of the slide as the body continued downwards, and the right femur was fractured.</p> <p>Immediate Actions Taken The child was taken to A & E as an outpatient. Relevant Council Officers advised of incident. This is the 3rd similar incident involving a user under the age of 5, breaking a leg, in the space of 5 months</p>	Investigation still pending from previous similar case	In Progress	NA	Asset Failure	Yes
11/08/2021	Parks, Sport and Recreation	Chaffer's Marina	1235761	<p>PSR were notified of a serious incident involving a Chaffer's Marina Limited (CML) staff member</p> <p>The CML staff member was helping to unload fencing panels from the back of a Mainfreight Truck. The panels were being put down onto the timber walkway; during the course of the unloading the CML staff member has stepped down onto the concrete ledge, slipped and fell 0.8m onto the deck.</p> <p>Immediate Actions Taken The CML staff member was taken to hospital and has broken her wrist and tibia, she will require surgery on her leg</p>	Reported to WorkSafe Reviewing of Risk Assessment and Hazard ID – this will also include a staff meeting on Monday	In Progress	NA	Working at Height	Yes
1/08/2021	Parks, Sport and Recreation	Clyde Quay Marina	1234031	<p>Member of Public (MoP) observed the following: On Oriental Bay (near Coene's Restaurant), over the weekend noted that WCC or its contractors appeared to have treated the algae on the slipway in this area. The area was not roped off, nor were any additional signs present warning of the slip danger.</p> <p>The treatment seemed to have caused the algae to change colour, effectively causing it to blend in with the concrete.</p> <p>Immediate Actions Taken Inform John Curran informed to reinstate ropes and check all signage is visible. Will investigate re-instating yellow line and warning.</p>	Update 12/08/2021. PSR Manager and PSR BS Manager meet onsite with KPI's husband. Reviewed the incident and agreed on steps going forward	In Progress	NA	Asset Failure	Yes

21/07/2021	Parking Services	co Cuba str & Abel Smith str	1229707	<p>2 PO's were Cuba Street near Abel Smith Street. A random male person (30s/short) across the road began yelling at them. The male person came aggressively across the road and started verbally abusing the staff members. The male person was asked to leave however he continued to yell and swear at them and PO1 activated the on-body camera. PO's informed the male that he needed to leave now or the police would be called, he then lightly punched one of the PO1 in the stomach area. PO moved back and called a Code Red on RT. PO2 activated the Code Red alert button on RT. PO's moved away from area to Vivian St where picked up by the Compliance car and returned to base.</p> <p>Immediate Actions Taken Activated body worn camera. Activated a Code Red on RT (verbally). Moved away from area. Returned to base and spoke with Senior and Team Leaders.</p>	Went to Wellington Central Police Station to make a complaint and statement (PO1 & PO2). Body worn camera footage x 2 provided to Police.	Completed	NA	Personal Confrontation	Yes
21/07/2021	Parks, Sport and Recreation	Frank Kitts Play area	1232950	<p>Member of Public (MoP) made a complaint / reported an incident regarding the kids slide in Frank Kitts Park. Their 3 year old son came down the slide very fast and caught his foot on the side of the slide bending his leg back awkwardly and fracturing his tibia. The medical staff at Wellington hospital advised this is a common occurrence with injuries including broken legs from the slide.</p> <p>Immediate Actions Taken Taken to Wellington hospital and he is now in a hip to foot cast. Contact was made with MoP on 28 July to discuss the incident. It was confirmed as a 3 year old boy, and that during the visit to A & E, he was not an in-patient (so does not meet notifiable incident status). PSR Officers met on 4 August to discuss the incident and options moving forward. A consensus was reached to install caution signs with an age recommendation of 6 years and up.</p>	PSR Officers met on 4 August to discuss the incident and options moving forward. A consensus was reached to install caution signs with an age recommendation of 6 years and up.	Completed	NA	Asset Failure	Yes
13/07/2021	113 The Terrace	Level 15	1228668	<p>Staff member noticed the Key Person Involved (KPI) slouched over at her desk. Went to see if she was ok and realised she needed medical support.</p> <p>Immediate Actions Taken KPI's Team Leader and Senior Health Safety and Wellbeing Advisor were called over for support and took KPI into 15.06 for privacy and to keep an eye on situation. Senior HS Advisor advised staff member to call an ambulance and support was given till their arrival. KPI and another staff member went into the ambulance to the hospital.</p>	None	NA	NA	NA	Yes
10/07/2021	City Arts & Events	Kupe Statue	1228163	<p>Person fell into void at base of Kupe statue person on the waterfront to watch fireworks, was walking and tripped over timber surround of Kupe Statue and fell into void between timbers and base of Kupe. Hit head on grate at bottom of statue and was lacerated</p> <p>Immediate Actions Taken nearby WFA staff were alerted, patient treated on site and transported to hospital</p> <p>Description of Findings Up-lighting for statue and 2 other pole mounted lights were isolated and not reinstated There have been other incidents that have occurred because lighting has been turned off for an event</p>	Consider possibility of lifting grate inside void up to ground level Reported to WorkSafe and ICAM investigation	In Progress	NA	NA	Yes
9/07/2021	Libraries and Community Spaces	Wadestown Library	1228207	<p>Staff member tripped trying to step over a dangling cord and landed heavily on her right knee.</p> <p>Immediate Actions Taken Ambulance called, then managers (offsite) The fall was caused in part by a dangling laptop charger cord under the front counter which staff member was trying to step over. Once the ambulance finally arrived the care was very professional. Staff member was triaged and x-rayed at the medical centre and her leg is in a brace as a precaution.</p>	<p>Reiterate standards for safe use of equipment including power cords.</p> <p>Reassess layout of front service desk and shelves underneath.</p>	In progress	NA	NA	Yes

3/07/2021	Parks, Sport and Recreation	Freyberg Pool	1227050	<p>2 members of the public came out from sauna and noticed KPI who was originally in the sauna with them, sitting on seat outside hotspot. He was leaning over with no movement. MoP tried to talk to him with no response and slapped him so called over LG. Customers placed him into recovery and spoke to him until DM came over.</p> <p>Immediate Actions Taken Initial thoughts from DMs was unconscious patient, non-breathing from how limp and unwell he looked. Then realised MOP was talking to him to keep him awake, he was very out of it and not stringing sentences. Setting up O2 and defib was being set-up whilst MOP explained when and how they found him. He was Voice responsive. Just as O2 was about to be administered, he was responding to questions. LG called ambulance from reception Ambulance was there in less than 10 mins and DM did handover. Team had debrief afterwards. Call tree activated, OM and CPM. Simple Investigation happening.</p>	Simple Investigation in progress	In Progress	NA	NA	Yes
2/07/2021	City Arts and Events	City-Sea Bridge	1228176	<p>Details are hazy as incident not witnessed and patient was confused. she was climbing on the wall (not sure why) and fell</p> <p>Immediate Actions Taken Passer's by called ambulance who attended</p>	NA	NA	Asset Failure	Yes	N/A
30/06/2021	Property	Opera House	1227293	<p>Caller from Ventia and subcontractors from Schindler lift attended a job at the stage lift in Opera House last Wednesday when they were all exposed to asbestos. They have all been tested and cleared.</p> <p>Immediate Actions Taken Everyone involved got tested.</p>	WorkSafe have been informed and allowed Ventia to continue with the works and clean-up required. No further involvement from WS	Completed	NA	Work related Health Risks	Yes??
26/06/2021	Libraries and Community Spaces	Johnsonville Library	1225771	<p>A Teenage group came into Waitohi swearing and vaping in the building. The Security Guard approached them to remind them, but they refused to listen to the requirement; due to them getting too close to the Security Guard Staff intervened to remind them to keep the social distancing with the security guard, they said OK and but ignored both the Staff Member and Security. The Security Guard called the Police due to the noncompliance of the Group, and when they arrived, they were warned by Police to follow the rules as described. As one of the Youths were known, and had previous other issues of noncompliance and bad behaviour the Library Staff issued a 21 day Ban Notice (previously prepared, issued while Police onsite for support)</p> <p>Immediate Actions Taken Called police, gathering to a group to support the security guard.</p>	Banned for 21 days(at legal) as only have one name currently	In Progress	NA	Personal Confrontation	Yes
25/06/2021	Parking Services	Salamanca Road	1225572	<p>Vehicle parked on broken yellow lines and over multiple drive ways. PO started process in taking pictures of vehicle as well as writing up the infringement – not seeing that there was a person sitting in the vehicle. PO then greeted the person in the car and asked the reason for parking this way. Answered that he was waiting for some-one. PO advised that the vehicle was parked illegally and should be moved. The driver did not take this advice onboard. While PO was taking pictures of the offending vehicle the driver got out of the car and smacked the handheld out of PO's hands and shoved the PO to which the PO activated on body camera and called in a code red over the comms and removed himself from area</p> <p>Immediate Actions Taken Back-up PO arrived on site and they went back to base. TL wrote up report and watched the body warn camera footage and then headed down to the police station to report the matter.</p>	Investigation underway	In Progress	NA	Personal Confrontation	Yes

19/06/2021	Parks, Sport and Recreation	WRAC	1224550	<p>Lifeguard (LG1) was attempting to let down the diving boards. LG1 turned the wrench the wrong way and then attempted to remove the "I stands" that the diving boards lay on. LG1 was then hit in the head by the falling diving board. The diving board only dropped halfway though as the tension of the rope caught the diving board halfway through the fall.</p> <p>Immediate Actions Taken LG1 said the board hit her head but that she was ok and continued to work the day. Duty Manager (DM) believed LG1 and thought that LG1 was acting normally (no indication of concussion or spinal injury)</p> <p>LG1 called in the next day 20/06/21. Told DM that she was at the hospital being seen to for dizziness, back pain, numbness and an enlarged bump on her head.</p> <p>Update 21/06/2021: Notified WorkSafe through the online form, have attached this in the document section in RM report. WRAC operations manager has started incident review</p>	WorkSafe notified - Ref# ON-b9ccbe3e-b6a3-4f3b-94ef-6819fa16128c	Completed	NA	NA	Yes
16/06/2021	Parks, Sport and Recreation	WRAC	1224108	<p>Key person involved (KPI) and Injured person (IP) were diving with <i>Island Bay divers</i> when KPI held their breath when rising back up to the surface as their mask filled with water. When KPI exited the pool, KPI told IP that they have chest pain and told IP what had happened. IP notified DM and agreed that O2 should be administered</p> <p>Immediate Actions Taken Duty Manager (DM) told Lifeguard (LG1) to head over to incident with an incident report form. DM came over with the O2 kit. DM administered O2 and monitored KPI. KPI was alert and breathing ok. Only chest pain. IP continued to administer O2 and called their manager for advice. IP took KPI to the hospital and took the O2 kit with them. IP was discharged that night The O2 kit was returned the next morning</p>	Operations Manager (OM) Following up and looking at risk involved with equipment leaving the facility will update once investigated	Not completed yet	Yes	NA	Yes
9/06/2021	Community Networks and Support Services	Parking Services	1222659	<p>Call received at the WCC contact centre at 11.25 am by a member of the public regarding a parking ticket that they had received and was extremely unhappy that no other vehicle had received a ticket. Staff member tried to gather some info from the caller and asked for the registration of the vehicle so that assistance could be given. The caller questioned why they were being asked for this info and then proceeded to threaten that they would "slash the Council cars and cause damage to council property", staff member was unsure if they had heard the caller correctly so asked the caller to repeat themselves. After confirming with the caller what had they had heard the customer was advised that the call was to be terminate.</p>	Vehicle has been added into RTL look-up	Completed	NA	Personal Confrontation	NA
29/05/2021	Parks, Sport and Recreation	Freyberg Pool	1220115	<p>Lifeguard (LG) noticed key person involved (KPI) on poolside, slumped forward and holding her head. Asked if ok, to which KPI replied she was feeling dizzy</p> <ul style="list-style-type: none"> -KPI had been out for a sea swim and had then sat in the steam room to attempt to warm up -LG noticed KPI had blue lips and a weak pulse -Called to duty manager (DM) to phone ambulance <p>Immediate Actions Taken</p> <ul style="list-style-type: none"> -DM Called ambulance. -LG got KPI comfortable and covered her with a rescue blanket and towels -Monitored KPI, checking pulse and responses regularly -Once KPI was warmer and pulse had returned to normal, LG placed KPI in the spa to warm up further. Ambulance checked her over once they arrived. 	No further action required	Completed	NA	NA	Yes
19/05/2021	Parks, Sport and Recreation: Trees	97 Hataitai Rd	1218409	<p>Team were pruning trees and the climber in the tree was using a chainsaw with a long bar on it and was cutting at a low position in the tree. The climber placed the turned off saw on a low branch in the tree while they repositioned themselves. Whilst the climber did, one of the team on the ground collected the branch, as they stood up with the branch, they hit the cutting bar of the saw which was still turned off. The ground worker didn't think much of it and continued working without checking. At the end of the day the team member was getting changed and noticed a large cut on their back from the incident.</p>	Team discussing work methodology to see if any improvements can be made	Completed	NA	Vehicles, traffic and mobile equipment	NA

				<p>Immediate Actions Taken Staff member went to A+E to get stitches. Is on light duties for two days for recovery time.</p>						
18/05/2021	Parks, Sports and Recreation	Broderick Rd, Johnsonville	1218170	<p>Whilst reversing elevated work platform (EWP) caught low hanging Chorus service which pulled weatherboard away from property</p> <p>Immediate Actions Taken Spoke to resident and explained what happened. Nailed weatherboard back up. Resident happy.</p>	Nailed back into position	Completed	NA	NA	NA	NA
13/05/2021	Parks, Sport and Recreation	Seton Nossiter Park	1217880	<p>Caller contacted the WCC to ask what type of toxin we use in our possum bait station control network as a Vet suspected the dog had eaten some of this poison. The caller had walked his dog in the park prior to getting sick.</p> <p>Immediate Actions Taken Contacted the caller to follow up on the dog's condition and to provide information. The caller said that the dog was doing better and that it is eating and walking again. Informed him about the toxin that is used and about the signs at the entry points that give advice on both the toxin and treatment if ingested.</p>	Contractors have been asked to visit the site to assess any risk of toxin on the ground. The area is also fitted with safe bait stations which we use around dog exercise areas to further reduce the risk to dogs of ingesting any pellets.	In Progress	NA	Hazardous Substances/ Asset Failure	Yes	
16/05/2021	Parks, Sport and Recreation	Johnston Hill	1217858	<p>Volunteer was servicing pest animal traps in Johnston Hill when he was bitten by a dog. He noticed a dog off lead after which the owner put the dog on a short lead. As they approached one another on the track, the owner of the dog said that volunteer needed to walk to the far left because of the dog. When they passed each other the dog barked, lunged, and bit volunteer on the right forearm which he used to protect himself from the dog attack.</p> <p>Immediate Actions Taken Volunteer has been contacted, no medical treatment was needed other than cleaning the wound. The volunteer reported it to the co-ordinator who then passed it on TL, the ranger and Dog control.</p>	Dog Control has been in contact with Martin and are managing the situation of finding the dog and the owner.	In Progress	NA	Health and Impairment	Yes	
8/05/2021	Parks, Sport and Recreation	Freyberg Pool	1218012	<p>Customer came and spoke to duty manager (DM) in reception saying a man had fainted in male change. He had been sitting in sauna for 30 mins (mentioned people had been pouring water on the rocks), sat in steam room for 2-3 minutes. Felt faint and made his way to shower in male changing room to which he fainted and other customers heard him and alerted Lifeguard (LG's).</p> <p>Immediate Actions Taken DM attempted to alert LG through radio. He responded by putting customer into a comfortable position until he felt okay to move. Also gave him a milo just in case he was low (customer was a diabetic). DM began clearing pool, got first aid bag, and called ambulance.</p>	First responder spent a decent amount of time trying to unlock door from the outside. Wasting valuable time. Regular checks to ensure customers aren't spending too much time in hot spot	In Progress	NA	Asset failure ??	Yes	

