

SOUTH WAIRARAPA DISTRICT COUNCIL

24 OCTOBER 2018

AGENDA ITEM D3

CHIEF EXECUTIVE OFFICER REPORT

Purpose of Report

To report to Council on general activities.

Recommendations

Officers recommend that the Council:

- 1. Receive the Chief Executive Officer Report.*

1. Executive Summary

The finalisation of the Annual Report has been front and centre since the last report, this process has once again gone extremely well with special thanks to Kyra Low and Jennie Mitchell.

A productive meeting was held between the three Wairarapa councils, the Regional Council, and Wairarapa Water Ltd, to advance the discussion on the future requirements for water in the Wairarapa. The main output will be a position type statement about future water requirements and possible solutions. This will inform our Annual Plan debate, and is a key part of the Regional Economic Development Strategy.

The Wairarapa Economic Development Strategy and Action Plan, due for release shortly, is a progressive and actionable Plan. While this is a long term plan, we need to commence implementation as soon as possible, and we are progressing discussions on the transition from writing to implementation.

It is pleasing to observe that the Wairarapa Councils are actively engaged in Wairarapa wide, long term matters that need to be discussed and resolved now, the future is not that far away!.

2. Governance/Leadership/Advocacy

The following table provides the year to date results for KPI's set for the Governance output.

| GOVERNANCE, LEADERSHIP AND ADVOCACY MEASURING SERVICE DELIVERY PERFORMANCE | | | | | |
|---|---|-------------------------------|---------|-------------------------------|--|
| SERVICE LEVEL | KEY PERFORMANCE INDICATORS | 2016/17 | 2017/18 | 2017/18 | COMMENTS |
| | | ACTUAL | TARGET | ACTUAL | |
| Opportunities are provided for the community to have its views heard | Ratepayers and residents feel they can contact a Council member to raise an issue or problem | 79% (13/14: 73%) | 75% | - | The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 79% (2014: 73%) positive response, 13% (2014: 16%) felt they were unable to comment. |
| | Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views | 63% (13/14: 62%) | 75% | - | The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 63% (2014: 62%) positive response, 23% (2014: 21%) felt they were unable to comment. |
| Council determines what activities it should engage in through consultation and regulatory requirements then sets clear direction | Ratepayers and residents are satisfied with Council's decisions and actions | 70% (14/15: 59%) | 80% | - | The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 70% (2014: 59%) positive response, 14% (2014: 11%) felt they were unable to comment. The 2014/15 result of 59% was a separate survey with a sample size of 117, and was used to provide an interim indication. The NRB survey size of 300, which is our main survey and has a significantly lower margin of error. The previous NRB survey was in 2013/14. The result for that survey was 76% satisfied with a further 8% unable to comment. |
| | Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age) | 65% (13/14: 64%) | 80% | - | The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 65% (2014: 64%) positive response, 14% (2014: 14%) felt they were unable to comment. |
| Community Boards make decisions that consider local issues | Community Board decision - making reports on local issues | GTN 96% FTN 95% MBA 92% | 90% | GTN 90% FTN 94% MBA 93% | This measure reports on the percentage of resolutions made that relate solely to local issues. |
| | % of ratepayers and residents who know how to contact a community board member | 69% (13/14: 65%) | 71% | - | The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 69% (2014: 65%) positive response, 0% (2014: 14%) felt they were unable to comment. |
| Opportunities are available to raise local issues and understand what will happen as a result | Ratepayers and residents satisfied with the way Council involves the public in the decisions it makes | 47% (13/14: 49%) | 72% | - | The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 47% (2014: 49%) positive response, 31% (2014: 26%) felt they were neither satisfied nor dissatisfied, and 5% (2014: 5%) felt they were unable to comment. |
| Opportunities are available to raise issues relating to Maori through the Maori Standing Committee | The Maori Standing Committee makes recommendations to Council in relation to policy and plan development and resource management applications | 100% | 100% | 100% | Maori Standing Committee met on 7 occasions. In total 24 resource consent applications were considered. (2017: 7 meetings and 21 resource consent applications). |

2.1 Representation Review

Submissions closed 21 September.

Hearings and deliberations will be held 24th October.

3. Strategic Planning and Policy Development

3.1 Meetings/Conferences

3.1.1. Chief Executives Forum

One Chief Executives forum was held during the reporting period.

Agenda items included NZTA Update, Wellington Regional Amenities Fund (of which the Wairarapa Economic Development Strategy is a subset), and the Wellington Regional Amenities fund.

3.1.2. Featherston Wastewater Application

Deliberations continue with the Regional Council in a effort to advance this application.

Interpretations on sections and provisions in the Regional Councils Proposed Natural Resources Regional Plan have caused issues for us; we continue to discuss these with the Regional Council.

3.1.3. Alistair Scott and Jacqui Dean

MP's Alistair Scott, and Jacqui Dean met with Deputy Mayor Jephson, Councillor Vickery, and I to discuss matters local government.

Jacqui Dean is the shadow minister for Local Government.

We had a wide ranging discussion on local issues and wider local government matters.

4. Corporate

4.1 Annual Report for the Year Ended 30 June 2018

The Annual Report for the year ended 30 June 2018 is presented at this meeting for adoption.

We have had another good year, with costs and revenues controlled and variances forecast and well understood.

We are in a strong financial position, and this, allied with our strong understanding of our infrastructural assets means we are well set up for the future.

4.2 Occupational Health and Safety

We continue to make good progress on health and safety matters.

In particular we are focusing on working with volunteers. This has proven somewhat more complex than first thought. We will have working guidance available in due course.

A health and safety report is included in Appendix 2.

4.3 Waihinga Centre/Martinborough Town Hall

The project continues, completion has been recalculated following some weather and materials delays as previously advised with a completion date of October. This remains subject to normal construction risks, weather, materials and the like.

Occupancy is now planned for October/November.

Fortnightly construction team meetings continue to be held, ensuring the project is monitored closely. The construction team includes Mayor Napier, Vicky Read (Waihinga Trust / users rep), Max Stevens (Waihinga Trust / user rep), David Borman (SWDC project Manager), Mike Arnopp (Riggs) and I. The pleasing aspect of this group is we are all working toward a common goal, having an excellent facility for the best price.

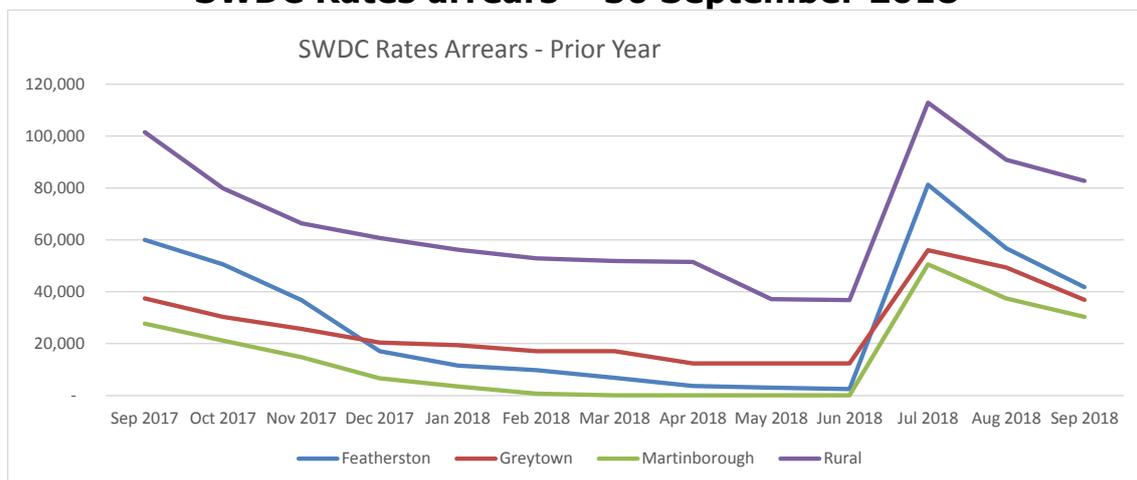
The financial summary, attached as Appendix 1, is reviewed by the construction committee and also presented and discussed at the audit and risk meeting. This summary includes variations to the original programme; variations are approved at the construction team meetings.

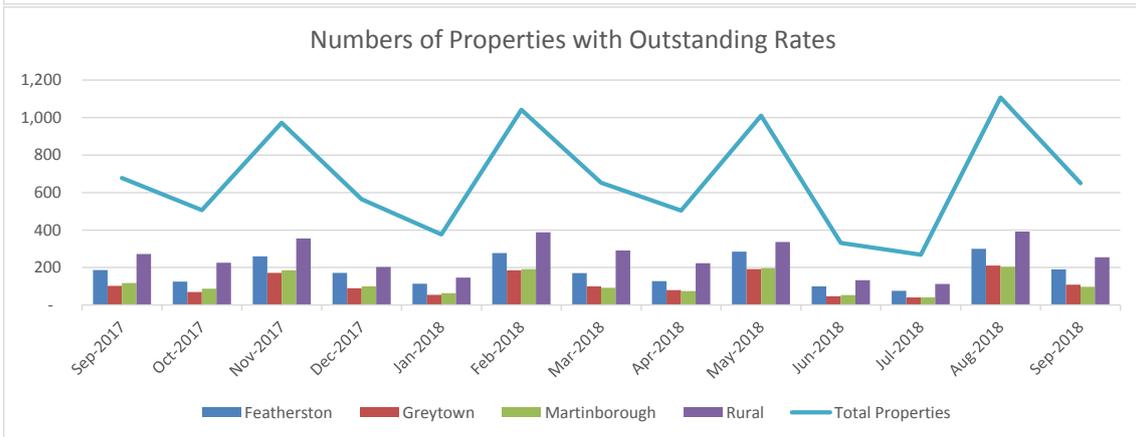
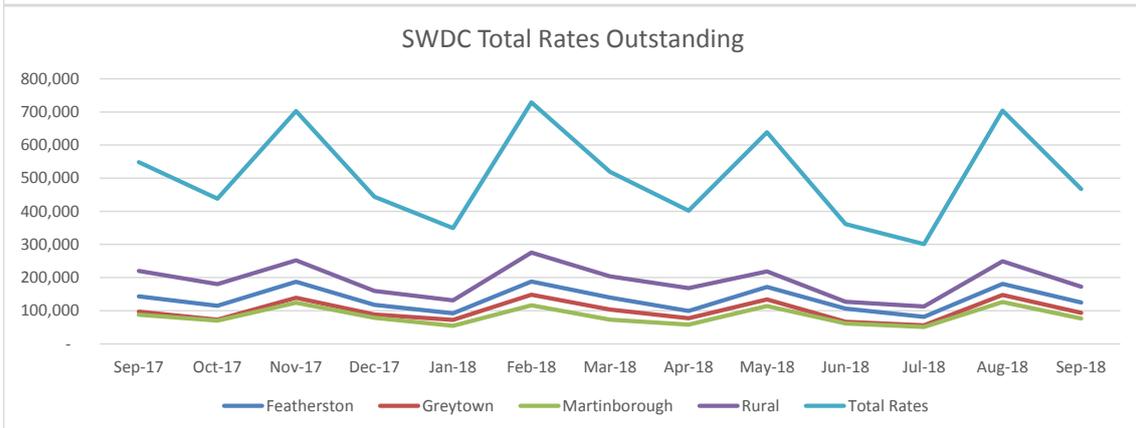
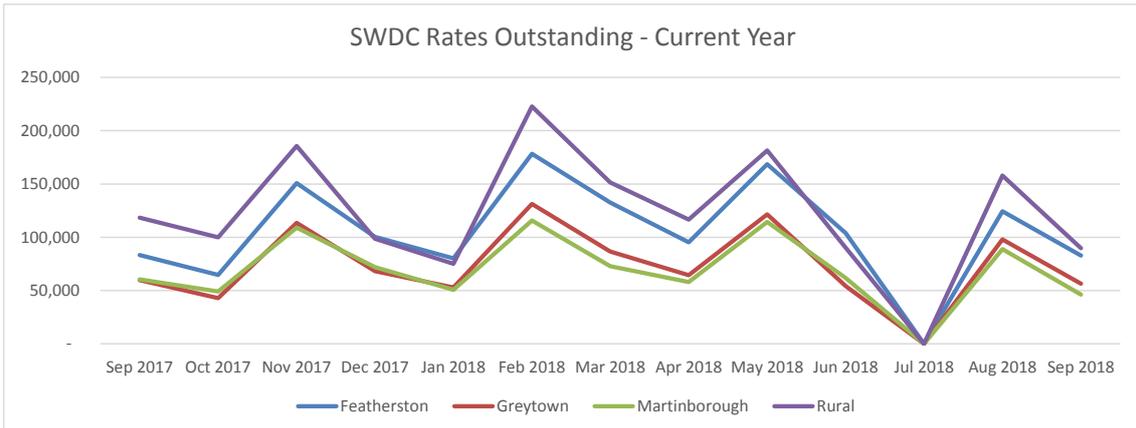
4.4 Rates Arrears (Incl. GST) as at 30 June 2018

The continued good work on the rates debt front shows in the trends. As previously discussed, these trends are very sensitive and can change, however our consistent approach appears to be paying dividends.

Total rates outstanding are at a slightly lower level to the same period last year.

SWDC Rates arrears – 30 September 2018





4.5 LGOIMA Requests

| TOPIC OF INFORMATION REQUEST | REQUEST RESPONSE |
|--|----------------------|
| Population projections | Information supplied |
| Pool Fencing | Information supplied |
| HRT system for Featherston Sewage. | |
| Costs associated with Cape Palliser Road | Information Supplied |
| Total cost of legal advice and services in the three years to 20 June 2018 in matters relating to defamation. | Information Supplied |
| Total increase in property value for the residential zoned portion of each of 3 SWDC towns from the 2014 RV to the 2017 RV and related increase s in rates take. | |
| Featherston Wastewater | |
| Information relating to GIS Systems | Information Supplied |

We continue to charge for those requests that require more than 1 hour and 20 pages of material. This charging regime is standard and used by central government.

5. Appendices

Appendix 1 – Waihinga Centre Finances

Appendix 2 – Health and Safety Report

Contact Officer: Paul Crimp, Chief Executive Officer

Appendix 1 – Waihinga Centre Finances

SWDC
Waihinga Centre
Project forecast - Actuals to September 2018

Per Council decision 18.1.2017

\$ 5,132,010

| Made up as follows: | Budget | Invoiced to 30.09.2018 | Invoices to come | Forecast spend |
|---|---------------------|-----------------------------------|-----------------------------|---------------------------|
| Rigg Zschokke Construction Contract | 4,223,709 | 3,296,652 | 907,057 | 4,203,709 |
| Rigg Zschokke Agreed Variations* | | 27,387 | 10,204 | 37,591 |
| | | <u>3,324,039</u> | <u>917,261</u> | <u>4,241,300</u> |
| Insurance | | 27,442 | - | 27,442 |
| Professional fees (design team) to Jan-17 | 509,459 | | | |
| Adamsons Survey | | 6,581 | | |
| Engeo Geotech | | 17,160 | | |
| Holmes Consulting - Design & Fire | | 137,425 | | |
| HVAC Design | | 14,175 | | |
| Perception Planning | | 6,918 | | |
| Warren and Mahoney - Design | | 327,200 | | |
| | | <u>509,459</u> | <u>-</u> | <u>509,459</u> |
| Other fees to Jan-17 (including SGL, QS) | 268,842 | | | |
| Rawlinsons (Quantity Surveyers) | | 38,000 | | |
| SGL | | 230,343 | | |
| | | <u>268,343</u> | <u>-</u> | <u>268,343</u> |
| Architect & Engineer construction monitoring | 80,000 | | | |
| Holmes Consulting - Construction Monitoring | | 47,500 | | |
| Warren and Mahoney - Site Monitoring | | 35,235 | | |
| Warren and Mahoney - Variations* | | 11,578 | | |
| | | <u>94,312</u> | <u>-</u> | <u>94,312</u> |
| Development & Design Variations** | | 112,876 | 675 | 113,551 |
| QS Services to completion | 50,000 | | | |
| Venture Consulting | | 22,500 | 7,500 | |
| Clendon Burns & Park | | 13,438 | | |
| | | <u>35,938</u> | <u>7,500</u> | <u>43,438</u> |
| Budgeted Core costs | 5,132,010 | | | |
| Plus Contingency | 200,000 | | | 190,162 |
| Overall budget | <u>\$ 5,332,010</u> | <u>4,372,410</u> | <u>925,436</u> | <u>\$ 5,322,172</u> |

***Construction Variations to date:**

| | Invoiced to 30.09.2018 | Invoices to come | Forecast spend |
|---|-----------------------------------|-----------------------------|---------------------------|
| Rigg Zschokke | | | |
| Removal of asbestos | 7,310 | | |
| Insurance obtained directly | (20,000) | | |
| Concrete Foundation to supper room well | 6,965 | | |
| Replace piles and joists supper room | 7,500 | | |
| Replace ceiling joists supper room | 2,000 | 500 | |
| Temporary structural support | 9,500 | | |
| Concrete under existing foundation | 1,000 | | |
| Supper room framing connection to external wall | 500 | 500 | |
| Extend concrete overlay to areas of demolished chimney | 3,500 | | |
| Retain brick wall to supper room | | (1,500) | |
| Overlay existing stage floor | | 5,000 | |
| Remove existing structural steel bracing | 3,500 | 1,500 | |
| Supper room lintel beams | | 500 | |
| Supper room brick wall connections | | 1,000 | |
| Toilet to back of house | | 3,704 | |
| Delete recessed floors to toilets, tiles to floor | | (1,000) | |
| Holmes Construction issue | 6,727 | | |
| Materials supply savings | (5,000) | | |
| Foundation beam kitchen | 3,885 | | |
| | <u>27,387</u> | <u>10,204</u> | <u>37,591</u> |
| Warren and Mahoney | | | |
| Alternative cladding product + Addl Toilet | 11,578 | 0 | 11,578 |
| Additional Insurance | 27,442 | | 27,442 |
| **Development & Design Variations: | | | |
| SGL | 5,500 | | |
| Engeo Geotech | 13,715 | | |
| Holmes Consulting - Design & Fire | 8,475 | | |
| HVAC Design | 7,990 | 675 | |
| Rawlinsons (Quantity Surveyers) | 5,000 | | |
| Warren and Mahoney - Design(SWDC excl from original budget) | 45,158 | | |
| Holmes Consulting - Construction Monitoring | 27,038 | | |
| | <u>112,876</u> | <u>675</u> | <u>113,551</u> |
| Net cost/(savings) from Variations: | | | <u>190,162</u> |

Appendix 2 – Health and Safety Report

South Wairarapa District Council Health and Safety Report 8 September 2018 – 10 October 2018

HEALTH AND SAFETY STRATEGY

We continue to progress well on implementing our health and safety strategy and work plan.

RESOURCING

There are no health and safety resourcing issues. Julie Wallace, working 1 day a week.

HEALTH AND SAFETY – DRIVING CONTINUOUS IMPROVEMENT (lead indicators)

Training

SWDC are continuing to review health and safety training needs of new and existing staff.

Engaging with our people

Health and Safety at Work Team have recently:

- Looked at how the team can keep health and safety alive through contributing in team meetings and providing messages to team mates in the health and safety newsletter.
- Contributed to content for health and safety notice boards
- Contributed to initiatives promoting health and wellness.

Near Miss reports

No near misses reported in the period 9 September – 10 October 2018.

Wellness

Organizations that prioritize wellbeing have better engagement, reduced absenteeism and higher productivity, while people have improved wellbeing, greater morale and higher job satisfaction.

- All staff continue to be offered flu injections.
- All staff offered annual wellness payment of \$200.
- We are looking at a Health and wellness program based on Health promotion agency and Mental health foundation toolkit - Five Ways to Wellbeing - **Connect, Be Active, Take Notice, Keep Learning, and Give**. These areas of focus are internationally proven to help people find balance, build resilience and boost mental health and wellbeing. The Five Ways to Wellbeing can also support workplaces to meet their health and safety obligations to manage risks to mental health and wellbeing.
- Currently running "Let nature in", photo competition, encouraging staff to take part by sharing photos of being active in the outdoors.

Working with our Contractors

| | | | |
|-----------------------------------|---|--------------------------------|-----------------------------------|
| 2 Contractor audits undertaken | 1 Contractor audits met expectations | 0 Did not meet expectations | 1 Minor remedial actions taken |
|-----------------------------------|---|--------------------------------|-----------------------------------|

SWDC staff member observed non-Council contractor operating in an unsafe manner and provided advice to rectify the situation.

Council continue to implement the contractor management system.

- Council staff continue to evaluate contractor's health and safety systems.
- Council staff who engage contractors continue to engage with contractors through pre-start meetings, inductions and safety audits, promoting Councils health and safety expectations.
- No contractor incidents reported.

HEALTH AND SAFETY ACCIDENT & INCIDENT REPORTING (Lag indicators)

1 minor injury incident reported during the period 8 September 2018 to 10 October 2018. All accident and near miss reports are referred to the Health and Safety at Work Team and Management, who review and satisfy themselves appropriate actions have been taken and where necessary, appropriate additional controls are put in place.

RISK MANAGEMENT

Work on hazard registers is ongoing, controls are currently being reviewed by the H&S at Work Team, and staff are encouraged to report new hazards through the monthly newsletter and staff meetings.

We will be providing updates on how we are managing our biggest risks. To give you the assurance that we understand our biggest risks, what controls and reduction measures are required, and actions we are taking.

Here is an update on two key risks we are currently focussing on:

| Risk | Description of risk | Controls and reduction measures | Actions |
|---------------------------|--|--|---|
| <p>Contractors</p> | <p>Contractors undertake a number of high risk activities for Council. We have little control over Contractors staff and work standards while they are working for Council.</p> <p>We rely on them employing staff who are competent and trained, while observing safe work practices.</p> | <p>Contractors working for Council have robust health and safety systems in place, and understand their obligations. Contractors will be fully briefed, responsibilities assigned, and work will be periodically assessed to ensure agreed controls are being managed.</p> | <p>Contractor management system designed.</p> <p>Contractors asked to provide their H&S systems for checking by Council.</p> <p>Once approved, contractors will be asked to sign a contractor agreement.</p> <p>Contractor pre-start briefings and inductions have been developed and provided to appropriate staff.</p> <p>Site safety audit checklists have been developed and provided to appropriate council staff. Staff who manage contractors have been undertaking safety audits and ensuring remedial actions undertaken where required. Contractor safety audit standards added to the audit checklists to assist managers and staff when undertaking a safety audit.</p> <p>When work is commissioned, a risk assessment is done to inform the frequency and type of safety audits.</p> <p>Contractor post contract safety review developed to assist managers with safety conversations with contractors when work is complete.</p> |

| Risk | Description of risk | Controls and reduction measures | Actions |
|-------------------------------------|--|--|--|
| <p>Lone / remote workers</p> | <p>It is not always possible for staff to work in teams or even in pairs. Often staff are required to work alone and remotely, where in some cases poor cell phone coverage is an additional factor.</p> | <p>All staff who work remotely or alone will be provided with cell phones. They will be required to sign out before they leave, including their intended location and expected time of return. This will be monitored and action taken in line with an emergency response plan if help is summoned or they fail to return by the expected time. They will be required to sign in when they return. They will be provided with a device to summon assistance which do not require cell phone coverage.</p> <p>Consideration to be given to having vehicles fitted with GPS.</p> | <p>Staff who work remotely or alone to have access to cell phones. Sign out/in systems in place and being used.</p> <p>Garmin InReach remote contact device currently being used by Bylaws team. Device meets legislative requirements by providing two way communication in areas out of cellular range. Device also provides GPS functionality, enabling manager to pinpoint location of staff.</p> <p>A second Garmin device has been purchased for use by the remainder of staff who work in lone/remote situations. Device currently being trialled by Roading team. This will be monitored, with additional devices purchased if required.</p> <p>Monitoring process for sign out/in system developed and implemented by Bylaws and Roading teams.</p> <p>Training in the use of the device, monitoring, and emergency procedures rolled out to Managers, Bylaws and Roading team. Emergency Action Plans developed.</p> |