

Notice is hereby given that an ordinary meeting of the Finance, Audit & Risk Committee will be held on:

**Date:** Wednesday 27 January 2021  
**Time:** 4.00 pm  
**Meeting Room:** Council Chambers  
**Venue:** Horowhenua District Council  
Levin

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## Finance, Audit & Risk Committee

### OPEN AGENDA

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#### MEMBERSHIP

<b>Chairperson</b>	Mr Philip Jones	
<b>Deputy Chairperson</b>	Mrs Christine Mitchell	
<b>Members</b>	Mr David Allan	
	Mr Wayne Bishop	
	Mr Ross Brannigan	
	Mr Todd Isaacs	
	Mr Bryan Jackson	
	Mr Sam Jennings	
	Mrs Victoria Kaye-Simmons	
	Mr Robert Ketu	
	Mrs Jo Mason	
	Ms Piri-Hira Tukapua	
	HWTM Bernie Wanden	
<b>Reporting Officer</b>	Mr Doug Law	(Chief Financial Officer)
<b>Meeting Secretary</b>	Mrs Karen Corkill	

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Full Agendas are available on Council's website  
[www.horowhenua.govt.nz](http://www.horowhenua.govt.nz)

Full Agendas are also available to be collected from:  
Horowhenua District Council Service Centre, 126 Oxford Street, Levin  
Te Awahou Nieuwe Stroom, Foxton,  
Shannon Service Centre/Library, Plimmer Terrace, Shannon  
and Te Takeretanga o Kura-hau-pō, Bath Street, Levin



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**1 Apologies**

**2 Public Participation**

Notification of a request to speak is required by 12 noon on the day of the meeting by phoning 06 366 0999 or emailing [public.participation@horowhenua.govt.nz](mailto:public.participation@horowhenua.govt.nz).

See over the page for further information on Public Participation.

**3 Late Items**

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

**4 Declarations of Interest**

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

**5 Confirmation of Minutes**

**5.1 Meeting minutes Finance, Audit & Risk Committee, 25 November 2020**

**6 Announcements**

Public Participation (further information):

The ability to speak at Council and Community Board meetings provides the opportunity for members of the public to express their opinions/views to Elected Members as they relate to the agenda item to be considered by the meeting.

Speakers may (within the time allotted and through the Chairperson) ask Elected Members questions as they relate to the agenda item to be considered by the meeting, however that right does not naturally extend to question Council Officers or to take the opportunity to address the public audience be that in the gallery itself or via the livestreaming. Council Officers are available to offer advice to and answer questions from Elected Members when the meeting is formally considering the agenda item i.e. on completion of Public Participation.

Meeting protocols

1. All speakers shall address the Chair and Elected Members, not other members of the public be that in the gallery itself or via livestreaming.
2. A meeting is not a forum for complaints about Council staff or Council contractors. Those issues should be addressed direct to the CEO and not at a Council, Community Board or Committee meeting.
3. Elected members may address the speaker with questions or for clarification on an item, but when the topic is discussed Members shall address the Chair.
4. All persons present must show respect and courtesy to those who are speaking and not interrupt nor speak out of turn.
5. Any person asked more than once to be quiet will be asked to leave the meeting.

# Health & Safety Report

File No.: 20/584

## 1. Purpose

To provide an update to the Finance Audit and Risk (FAR) Committee on health and safety matters at Horowhenua District Council for the three-month period October to December 2020.

## 2. Recommendation

- 2.1 That Report 20/584 Health & Safety Report be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Issues for Consideration

As included in the **attached** report.

## Attachments


No.	Title	Page
A	HS - Health and Safety Report for FAR Committee October - December 2020	7

### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their advantages and disadvantages, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

## Signatories

Author(s)	Tanya Glavas <b>Health &amp; Safety Advisor</b>	
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Approved by	Lisa Slade <b>Group Manager - People &amp; Culture</b>	
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**Horowhenua District Council**

**Health & Safety Report**

**1 October – 31 December 2020**

**FAR Committee Meeting 27 January 2021**

**Key Highlights for this quarterly report:**

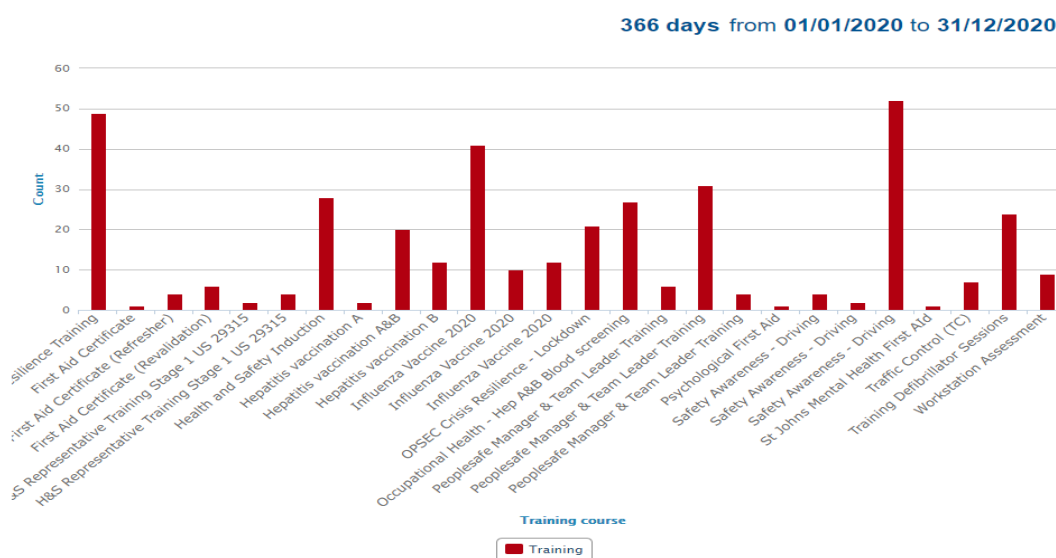
- To date for the 2020 calendar year, there were 380 instances of staff participating in health and safety training and event opportunities across all teams at HDC
- All of New Zealand has stayed at COVID-19 Alert Level 1 since 7 October 2020
- MWLASS SafePlus Audit for Health and Safety to be carried out 24<sup>th</sup> and 25<sup>th</sup> March 2021.

**LEAD INDICATORS**

**1. Health & Safety training/inductions**

1 October – 31 December 2020	Mandatory/Optional	Attendee Report	Percentage Completed
First Aid Training (Role specific) Ongoing Refresher & Full course	Mandatory/Optional		100%
Peoplesafe Induction (New staff)	Mandatory		100%
Training Defibrillator Session	Optional		As scheduled
Health & Safety Induction (New Staff)	Mandatory		100%
Health and Safety Representative Stage 1 Training	Mandatory		100%
Occupational Health - Hepatitis A&B Vaccinations	Optional – Identified staff		Vaccinations as per required schedule
Safety Awareness Presentation - Driving	Optional		As scheduled

**Training**



## 2. Emergency Evacuation Drills (2 per year)

Levin Aquatic Centre	Not required this quarter
Te Awahou Nieuwe Stroom	Not required this quarter
Foxton Heated Pool	Not required this quarter
Te Takeretanga o Kura-hau-pō	Not required this quarter
Council's Main Office	Not required this quarter

## 3. Health & Safety Contractor Register Process (Pre-qualification of Contractors)

Contractor Numbers	Qualified this Quarter	Pending this Quarter	Expired this Quarter	Qualified last Quarter	Pending last Quarter	Expired last Quarter
78	13	7	0	11	8	0

## 4. Health & Safety Committee (HSC) – Health and Safety at Work (Worker Engagement, Participation, and Representation) Regulations 2016

- Monthly meetings completed (3)
  - Actions in the Health and Safety Annual Plan are a standard item in the monthly HSC meetings. Objectives are being met and reported to the Senior Management Team.
  - Updated monthly H&S office audit checklist have been completed. This document is completed by staff members each month and cover reviews of different areas of Council workplaces. (E.g. Civic building reception and basement, Animal Control)
  - Newly created H&S Staff Refresher checklist has been developed to support staff retain the H&S information they were informed about at induction. Information includes intranet H&S information, where to access H&S forms and Peoplesafe procedures. The aim is for a six monthly reminder in order to reach all staff members.

## 5. Risk Management – Health and Safety at Work Act 2015 (Section 30)

From the register, the health and safety Critical Risks for Council have been identified.

Critical Risk	Risk/Hazard	Control Action
Contractors and Sub Contractors	Accident, injury or death on site. Prosecution by Worksafe	H&S pre-qualification of contractors. Communicating H&S obligations between the PCBUs H&S inductions of contractor onto site at beginning of jobs. H&S audits of worksites during or at end of contract.
Working Alone	Physical harm. Communication difficulties.	Working Alone Policy and supporting risk management documents. External visits to be scheduled and communicated with team and/or



		<p>Manager.</p> <p>Book in/book out system.</p> <p>Cell phones to remain hand held/or on person during visits.</p> <p>Pre-assessment risks identified.</p> <p>Buddy system utilised.</p> <p>Staff member can decline to attend visit/site alone if they have safety concerns.</p> <p>Manager to reassess requirement of lone visits</p>
Moving stock off the road	<p>Traffic hazards</p> <p>Communication difficulties</p> <p>Physical harm</p>	<p>Vehicles fitted with hazard utilities (lights, reflective signs, road cones)</p> <p>Hi vis clothing to be worn (vest, jacket, pants)</p> <p>Staff to put own safety ahead of animal safety.</p> <p>Risk assessment to be completed at beginning of job.</p> <p>Request assistance (Police, Higgins, Main Security, NZTA) if required.</p> <p>Contact phone numbers in vehicles and on cell phones for easy access.</p> <p>Traffic control training.</p>
Confined spaces	<p>Asphyxiation, inhalation, drowning, crush or impact injuries, concussion, mental pressure, death</p>	<p>Certified and trained staff/contractors only to enter identified confined spaces.</p> <p>Confined space procedures to be followed at all times.</p> <p>Emergency plan to be established and known to all parties prior to entry of confined space.</p> <p>Standby people are present, trained and aware of their specific tasks in the event of an emergency (safety person)</p> <p>Equipment and PPE must be suitable and operational to the relevant standard and within certification inspection dates (gas detection and tripod).</p> <p>Assess and identify staff in emotional</p>

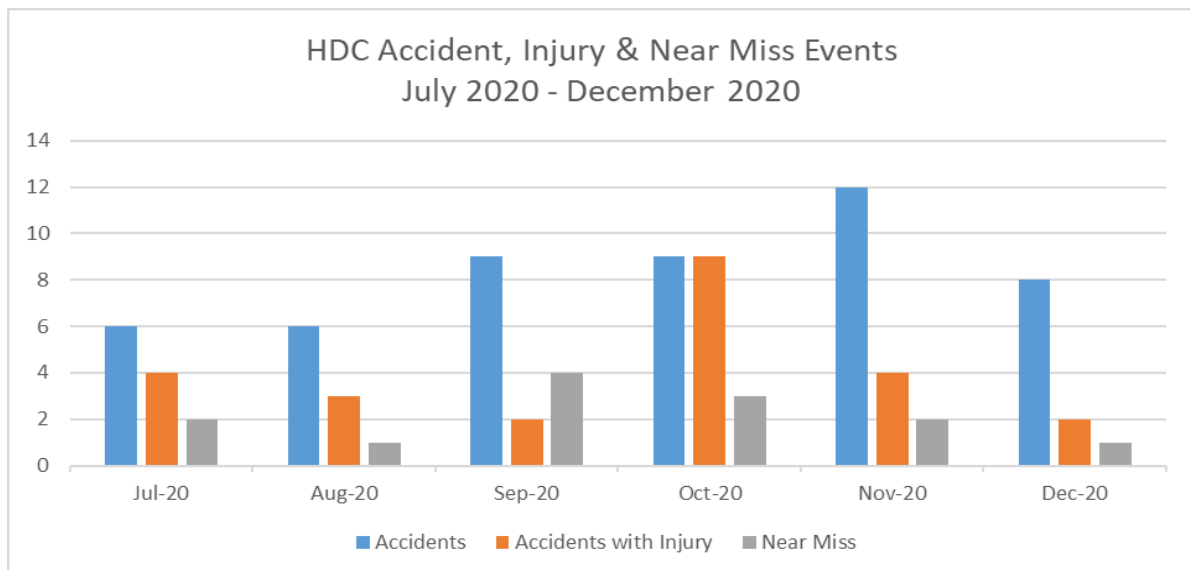
		distress.
Driving/vehicle related events	Vehicle accidents Environmental risks – road quality	<p>Staff operating vehicles must have valid drivers' licence suitable to the type of vehicle they are operating.</p> <p>Drivers to attend training if required.</p> <p>Staff to be familiar with and adhere to the requirements of Council's Vehicle User Policy and Code of Conduct relating to vehicle use at all times.</p> <p>All incidents (including infringements) are reported to direct line Manager immediately after staff safety is confirmed.</p>

**6. COVID-19**

- All of New Zealand is at Alert Level 1 at time of report.
- All new employees receive a Covid-19 hygiene and protocol induction as part of the health and safety induction.
- As an organisation, we have not lessened our enhanced hygiene protocols during the time at Alert Level 1. Extra handwashing, surface cleaning, hand sanitiser availability and use, and shared vehicle interior cleaning has continued as part of business as usual.
- The Council is well prepared for continuing to operate in a safe manner at all Alert Levels. There is a supply of personal protective equipment (PPE), including masks and gloves and hygiene items, including hand sanitiser and disinfectant available for all Council workplaces.

**7. LAG INDICATORS**

Table 1



- Accidents over the quarter included 14 faecal/vomit events in swimming pools.
- An ambulance was called twice to Aquatics over the quarter - both for assessments of members of the public. Both were released home with no hospital admittance.
- The other accident reports are low level accident and injury events like scrapes and bumps requiring a first aid response, including plasters or icepacks.
- The near miss reports included the risks involved with having to pole out an aggressive dog from a kennel, a volunteer overbalancing on a wheeled chair and children and inflatables at aquatics.

Horowhenua District Council experienced **no** Worksafe notifiable events in this quarter.

- *A notifiable event is any of the following events that arise from work:*
  - *a death*
  - *a notifiable illness or injury (all injuries or illnesses that require, or would usually require, a person to be admitted to hospital for immediate treatment)*
  - *a notifiable incident (a notifiable incident is an unplanned or uncontrolled incident in relation to a workplace that exposes the health and safety of workers or others to a serious risk)*

**HEALTH AND SAFETY EVENTS THIS QUARTER**

**Contractor Incident:**

What happened?	Actions Taken Immediately	Communication	Moving Forward	Prevention/Outcome – Update December 2020
<p>09/09/2020 8.05am. Road work site at intersection of Queen Street and Tiro Tiro Road Levin.</p> <p>Contractor employee was stabbed by member of the public after verbal/physical altercation.</p>	<ul style="list-style-type: none"> <li>• The injured person (IP) was immediately taken by another worker to the Horowhenua Medical Centre for assessment/treatment.</li> <li>• The incident was reported to Police.</li> <li>• The work site was shut down and isolated pending arrival of the Police.</li> <li>• Branch Manager stayed with IP while transported to Palmerston North Hospital by ambulance for further assessment and treatment.</li> </ul>	<ul style="list-style-type: none"> <li>• Branch Manager contacted Horowhenua District Council as PCBU to inform of the incident.</li> <li>• HDC staff visited site once operating again. Site working again and morale good.</li> <li>• Branch Manager kept Group Manager up to date during the day.</li> <li>• Branch Manager briefed Contract Manager on status of IP and worksite once back from hospital.</li> <li>• IP was admitted to hospital overnight for observation. Received stitches to wound.</li> </ul>	<ul style="list-style-type: none"> <li>• HDC received RADAR incident report from Contractor on 23/09/2020.</li> <li>• Worksafe notified about the incident.</li> <li>• The incident is now a police investigation with a view of pursuing a prosecution. Offence - Wounding with intent to GBH (stabbing/cutting weapon)</li> </ul>	<ul style="list-style-type: none"> <li>• Incident still under police investigation</li> </ul>

Report by Tanya Glavas, Health & Safety Advisor

# Community Facilities - Activity Update

File No.: 20/562

## 1. Purpose

To provide the Finance, Audit and Risk (FAR) Committee with an update on the projects and activities being undertaken within Community Facilities which form part of the Communities, Partnerships and Business Group.

## 2. Recommendation

- 2.1 That Report 20/562 Community Facilities - Activity Update be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Key Highlights and Business Priorities

### 3.1 HIGHLIGHT PROJECT PRIORITIES

#### Levin Aquatic Hydroslide

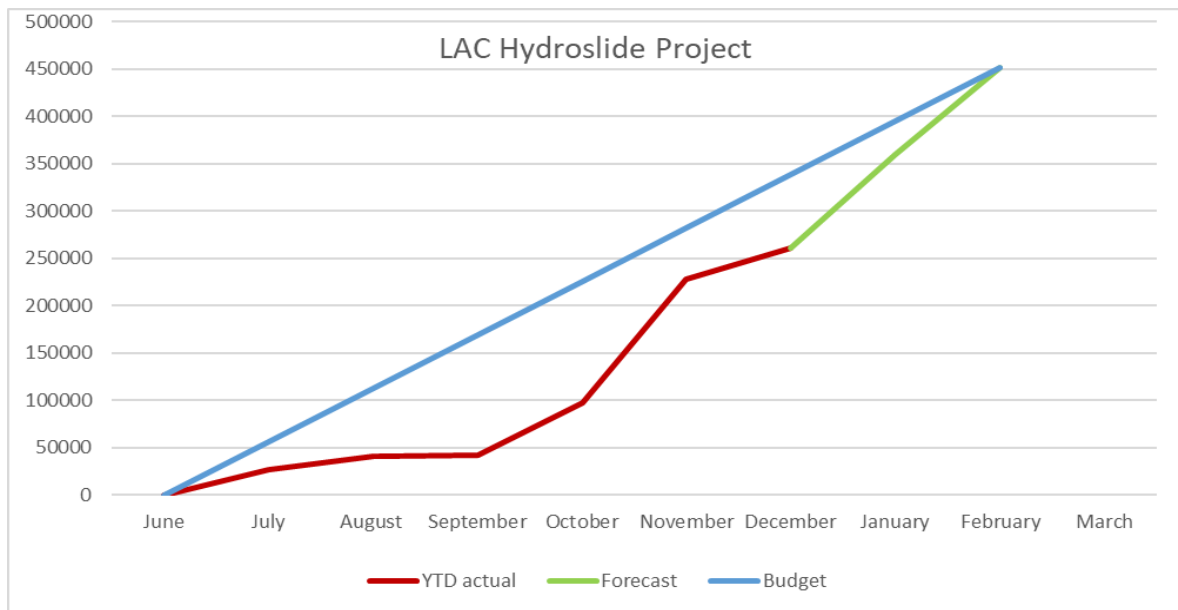
Capital Budget: \$451,401

Project Spend: \$261,153

This project continues to progress against milestones as expected.

The Hydroslide Stairwell and runout work is scheduled to be completed mid-February, with a proposed open date of 14 February 2021; however Council Officers are still awaiting confirmation from the lead contractor before formally notifying a reopening date. Aquatics staff are planning an opening event to celebrate the successful completion of this project.

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Financial	Budget overspend		Moderate	Moderate	Contingency built in to overall project budget and controls in place between lead contractor and subcontractors.
Service Delivery	Timing, project not completed by anticipated date	Customer dissatisfaction, potential reputational risk	Moderate	Moderate	All work is programmed within a shared work plan with critical milestones that trigger review.



## Attachments

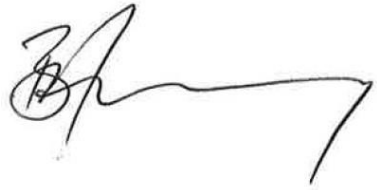

There are no attachments for this report.

### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

## Signatories

Author(s)	Brent Harvey <b>Community Facilities &amp; Events Manager</b>	
Approved by	Nicki Brady <b>Deputy Chief Executive</b>	

# Infrastructure Development - Activity Update

File No.: 20/585

## 1. Purpose

To provide the Finance, Audit and Risk (FAR) Committee with an update on the projects being undertaken by the Infrastructure Development Group.

## 2. Recommendation

- 2.1 That Report 20/496 Infrastructure Development - Activity Update be received.
- 2.2 That these matters or decisions are recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Key Highlights and Business Priorities

### 3.1 Foxton River Loop Regeneration – Stage One

#### 3.1.1 December 2020 Progress update

The last month has shown significant progress as the new-look River Loop Reserve is beginning to take shape. On Thursday 4 December, we reached a key project milestone with completion of the Stage 1 excavations and associated work in the river. This was marked with a small celebration to acknowledge the contracting staff and project supporters that delivered on this key project milestone.



This key milestone provided an opportunity to reflect on what has been achieved to date and some of the highlights. One of those was the discovery of a golden eel, found by Foxton Wildlife Trust's Ecologists in late November. The golden eel is extremely rare. The colour is due to a genetic mutation that causes the eel to lose pigmentation.

Following an extended period of wet weather in late November / early December, the northern end of the site was too wet to access for topsoil placing and seeding pre-Christmas 2020. The Christmas and New Year period was required to promote further drying of the river sediment.

On Tuesday 15 December, Toha Eparaima performed a karakia before Recreational Services commenced the foreshore planting and mulching.



The Reserve has been contoured with two low landforms to offer a place to view the park and the river beyond. The landforms are low enough to avoid obstructing views from the street, but high enough to offer perspective over the park. The low landform toward Te Awahou will integrate a natural play feature. Our landscape designer is currently refining the concept and this will be released early 2021.

A site management plan was in place during the Christmas and New Year shutdown period from 23 December 2020 with works restarting on 5 January 2021.

### 3.1.2 January 2021 Progress update

Due to the site being too wet to access for topsoil placement pre-Christmas 2020, this was delayed and commenced on 11 January 2021 with additional resource to import all soil across the entire site in a three day period. There was considerable urgency for the topsoiling and seeding to be completed to take advantage of weather conditions and be ready for the Manawatu River Improvement Festival on 27 February 2021. The project team is confident that a 6-week growing period with irrigation will allow the grass to strike ahead of the February opening ceremony.

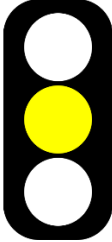
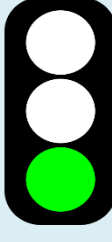
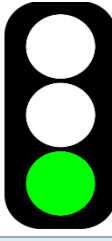
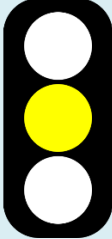


The type of soil used contained organic material to aid grass growth. Unfortunately, the soil emitted an unpleasant odour, and several people complained as a result. The odour issue was compounded by the accelerated programme to import a large quantity of material in a short period of time. Horizons Regional Council regulatory officers were on site daily from Tuesday 12 January to monitor air quality. As of Wednesday 13 January no further composted soil of this type was brought onto site. An irrigator was used to keep the composted soil damp to reduce odour with final seeding undertaken on Saturday 16 January.



### 3.1.3 Key Result Areas

We have key result areas (KRAs) summarised in the traffic light table below.

KRA	Health Status	Comments
Zero Harm		<ul style="list-style-type: none"> <li>• Full H&amp;S induction mandatory for all staff, contractors and visitors prior to site entry.</li> <li>• All subcontractors and suppliers conforming to the Alliance Head Contractor's procedures and policies.</li> <li>• There was an incident in December where a Labour Hire worker backed into the door of a Tonkin + Taylor consultant's vehicle. Full incident investigation, Drug and Alcohol testing was undertaken.</li> </ul>
Partner, Stakeholder and Community Relationships		<ul style="list-style-type: none"> <li>• Council communications team engaging with PDU team for approvals prior to release of information (in accordance with contract).</li> <li>• Reporting to Foxton Futures Governance Group.</li> <li>• Iwi engagement ongoing.</li> <li>• Social media updates ongoing. Community newsletter monthly updates and media releases at key project milestones</li> <li>• FAQs have been developed for the Horowhenua District Council website and monthly newsletters.</li> <li>• A web camera is in place with time lapse videos uploaded weekly to the Council website.</li> <li>• A videographer will be on site every third Friday from 11am-1pm to record progress, interview site staff and develop content for social media.</li> </ul>
Sound Financial Management		<ul style="list-style-type: none"> <li>• No notable risk or contingency items arisen, have retired a number of risks associated with the bulk excavation.</li> </ul>
Environment and Consenting		<ul style="list-style-type: none"> <li>• Composted soil started to be laid on Monday 11 January 2021. The type of soil has organic material in it to aid grass growth. Unfortunately, the soil emitted an unpleasant odour during the week of importing and placement.</li> </ul>

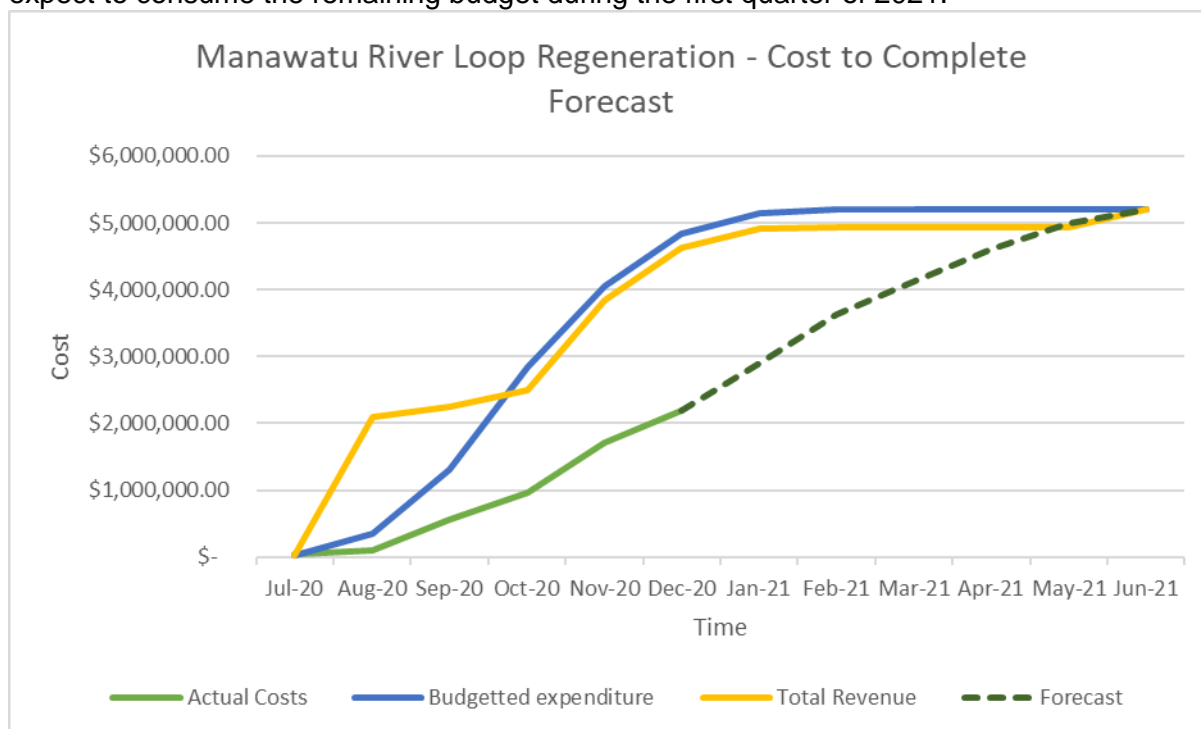
### 3.1.4 Communications

Communications have continued with another monthly newsletter circulated to residents and local businesses on Friday 11 December. The December issue featured submissions from Coley Street School and St Mary's Primary School for the Manawatu River Loop drawing competition. We asked the students to draw how they might use the River Loop Reserve when it opens to the public in February. The response was fantastic and 12 students received family pool passes while the mayor of Horowhenua District Bernie Wanden selected two overall winners who will help us open the River Loop Reserve on 27 February 2021. The next monthly newsletter is to be completed mid-February 2021. This will highlight the Manawatu River Improvement Festival on 27 February 2021.

Two Facebook posts were made in regards to the odour from the top soil mix in Foxton; a reason for the smell and apology to the community.

### 3.1.5 Financials

Actual costs have tracked slightly below our budgeted expenditure. The weather has caused delays on site and pushed back the top-soiling and seeding scheduled for December. To catch up, we have planned for intensive activity on site during January to complete top soiling, planting and seeding. Whilst the cashflow is different than originally anticipated, we expect to consume the remaining budget during the first quarter of 2021.



### 3.1.6 Focus for next month

Design for the intersection upgrade of the Clyde and Harbour Street has been developed, we will continue to refine this concept and complete vehicle tracking before we engage with neighbouring residents on this design. We will inform the community around the natural playground area which will be installed after the opening event. We will also confirm with Ngāti Raukawa the tree species in the Reserve and with their help collaborate a planting day.

A new slide was ordered pre-Christmas for the new playground. The slide, new drinking fountains and the construction of footpaths will be completed prior to the 27 February opening event, with a number of the other park features including lighting, shelters and remaining playground equipment to be installed in March/April.

In January 2021 the community will receive an invitation (draft below) to the Manawatu River Improvement Festival – Te Oranga o te Awa. This will be a free event held at the River Loop Reserve on 27 February 2021. The event will include live music, exhibits, food trucks, games and water sports. Our event and communications team will be working to finalise the budget, event plan and map for the opening.



### 3.2 Crown Infrastructure Partners Enabling Infrastructure for Tara-Ika / Gladstone Green

Tara-Ika is a 420 hectare block of land that has been identified as a growth area for Horowhenua. The Masterplan will enable the development of approximately 2,500 houses. The Tara-Ika Master Plan was created in partnership with landowners and iwi. Some key points include:

- The construction of the roundabout at SH57 / Queen Street and Tararua Road / SH57 roundabout will improve access to the new residential area and ensure the development feels connected to Levin / Taitoko. During its construction, Council will install larger three-waters pipes under the roundabout to cater to the new residential area.
- Tara-Ika will boast a safe, attractive urban environment that encourages walking and cycling and is supported by a network of parks and reserves.
- The O2NL Expressway will be built alongside Tara-Ika, and Council is working with Waka Kotahi NZ Transport Agency (WKNZTA) to ensure O2NL does not divide Levin.
- The Ministry of Education is planning a potential new primary school as local kura are reaching capacity.
- The intention is for nearly all stormwater to be stored on site. Stormwater will be held in wetlands and basins to manage the water quality, and eventually drain into the groundwater.

Two thirds of the \$38 million dollar project is funded through Crown Infrastructure Partners. The council will fund the final third through co-infrastructure funding agreements and contributions from developers.

On Thursday 3 December 2020 the land was blessed in an early morning ceremony by Muaūpoko Tribal Authority. This was followed by a powhiri in the afternoon welcoming Prime Minister Jacinda Adern and other government officials. This visit marked the commencement of the shovel ready project.



Ground water and storm water soakage investigations begun in December 2020, drilling and installing piezometers to monitor groundwater levels throughout the site. An additional piezometer was installed in a Council road reserve located down-gradient of Tara-Ika in order to monitor shallow groundwater response to rainfall. In early January 2021 infiltration testing of natural soil was completed to determine soakage rates. This testing will help validate the assumptions of the storm water management strategy.



### 3.2.1 Focus for next month

Tatana Contracting have been procured through the Horowhenua Alliance to complete Stage 1a of the works. Work will continue on the trenching of a new Sewer trunk main east of State Highway 57 and the lining of a decommissioned concrete pipe to avoid trenching across the busy SH57/Queen St intersection. Once this has been completed we will apply for our first milestone payment from Crown Infrastructure Partners, expected in March 2021.

### 3.3 Fale Lotu Connections

The Fale Lotu Connections Project is for the renovation of three Levin Churches:

- Free Church of Tonga
- The Samoan Methodist Church
- The Congregational Christian Church of Samoa

Church and religion are a significant aspect of Pacific people's lives. The renovations will bring about a new sense of belonging, connection to the community and enjoyment. The Church will be pride of place for Church members and more purpose-built than the current buildings.

The Provincial Growth Development Unit (PDU) granted the project \$1,480,866.00, and the funding will bring all three Churches up to a standard that is warm, well equipped and more purpose built than the current buildings. The Horowhenua District Council will not be funding this project if the project runs over budget. The Churches will need to apply for further funding or fundraise.

The Horowhenua District Council has directly appointed Fair & Square Building Services Limited to undertake the physical works and supply the materials for Fale Lotu Connections. Fair & Square is the contractor that had the most experience to complete the necessary works. The contractor has an established relationship and understanding of the requirements of the church communities. The contractor has an established agreement in place to mobilise volunteers from the community to assist with the works which will ensure the capacity and capability of building in the community and value for money. Fair & Square Building Services Limited will engage with local subcontractors and suppliers to ensure renovations are carried out to a high standard.

The week commencing 11 January 2021, Fair & Square began to establish the building site at the Free Church of Tonga. The renovation work for the Free Church of Tonga that is intended to be undertaken, but not limited to, is as follows:

- Replace exterior cladding with James Hardie weatherboard and Metalcraft vertical cladding.
- Replace internal wall lining and ceiling linings with gib and paint
- Insulation (Pink batts)
- Install new windows and doors

If the budget allows we will also add a new commercial kitchen, including equipment. This will join onto the back part of this building (see image below).



## Attachments



There are no attachments for this report.

### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

## Signatories

Author(s)	Daniel Haigh <b>Principal Project Manager</b>	
Approved by	Brent Maguire <b>Group Manager - Infrastructure Development</b>	

# Infrastructure Operations - Activity Update

File No.: 20/564

## 1. Purpose

To provide the Finance, Audit and Risk (FAR) Committee with an update on the projects being undertaken by the Infrastructure Operations Group.

## 2. Recommendation

- 2.1 That Report 20/564 Infrastructure Operations - Activity Update be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Key Highlights and Business Priorities

### 3.1 Roading - Post Project Review

- Queen Street – Cambridge Street Roundabout – Post Project Report



### Overview

The primary purpose of the project was to improve safety for motorists, pedestrians and cyclists. There were a number of other issues addressed by the project, including renewing water supply and waste water reticulation pipes, renewing failing pavements, improving amenity and ensuring future traffic capacity was maintained.

### Significant Issues and Key Learnings

#### Treatment Selection and Design

The project was in the investigation stage in early-2019. At this time, future traffic growth and the function of Queen Street was uncertain due to uncertainty relating to the O2NL expressway project, specifically whether Queen Street would connect to an interchange with the expressway. Early investigation and professional advice indicated that there was the potential that a single lane roundabout may cause congestion in the future if Queen Street was to be the main connection between Levin and O2NL. Other treatments such



as two lane roundabouts or traffic signals were investigated to ascertain whether they may have been able to adequately manage congestion in this scenario, but the studies showed that they would have come at significantly higher costs and provided worse safety benefits.

As it became more likely that the future expressway interchange location was not going to be at Queen Street, the single lane roundabout was selected, after balancing the risk of future congestion against the higher costs and poorer outcomes of other potential treatments.

**Recommendation:** The risk analysis process was effective in determining the most appropriate treatment in this situation, this process will continue to be used if similar decisions are required for future projects.

#### Procurement and Construction

The project was advertised for Tender in November 2019 and closed in December. Several contractors were advised of the project in the lead up to the tender advertisement, all of which expressed interest, but only one contractor elected to tender for the project. The only tender submission received was from Higgins Levin. However, the initial tender price was significantly higher than the budgeted amount. The scope of the project was adjusted and several new rates were negotiated until a final price was agreed within budget.

The lack of tender submissions and high initial price was a significant concern. There were a number of contractors capable of this kind of work, operating in the region at the time of tender. However, the project was tendered relatively late, in relation to the construction season, which could have contributed to the lack of submissions, with many of the contractors likely to have already been committed elsewhere.

Construction initially progressed relatively slowly, as underground service replacement was being completed by a separate contractor, this complicated construction and traffic management. Approximately halfway through the construction, the Covid-19 Lockdown occurred, resulting in a 6 week delay. This delay was mitigated and the project was completed within schedule by building the project under a complete road closure rather than under standard traffic management while under Levels 3 and 2 lockdown.

#### **Recommendation 1:**

Provide ample time between tender advertising and the construction season to increase the likelihood of more submissions and more competitive pricing.

#### **Recommendation 2:**

Whenever feasible, have the 3 Water upgrade component of a project included in the main contract rather than as a separate stand-alone portion. This will allow better co-ordination being work streams. If that is not possible, have work that is required on underground services completed prior the start of the main contract works,

#### **Recommendation 3:**

Consider complete road closures whenever possible. Complete closures are more efficient for construction, they lower cost and are less hazardous for workers and the general public alike. While these benefits must be considered against the possible increased disruption to traffic, residents and businesses, the shorter length of time to complete construction can offset the disruption.

#### Financials

The project was completed at \$61,302 over the originally budgeted amount. This increased cost can be attributed primarily to the increased monitoring costs and extra traffic management that was required over the Covid-19 Lockdown period.

	Budgeted 2019/20	Actual 2019/20	Variance
<i>Queen / Cambridge St Safety Improvements</i>	\$840,000	\$808,576	\$31,424
<i>Queen / Cambridge St Rehabilitation</i>	\$150,000	\$242,726	\$92,726
<i>Total</i>	\$990,000	\$1,051,302	\$61,302

### 3.3 HOROWHENUA ALLIANCE

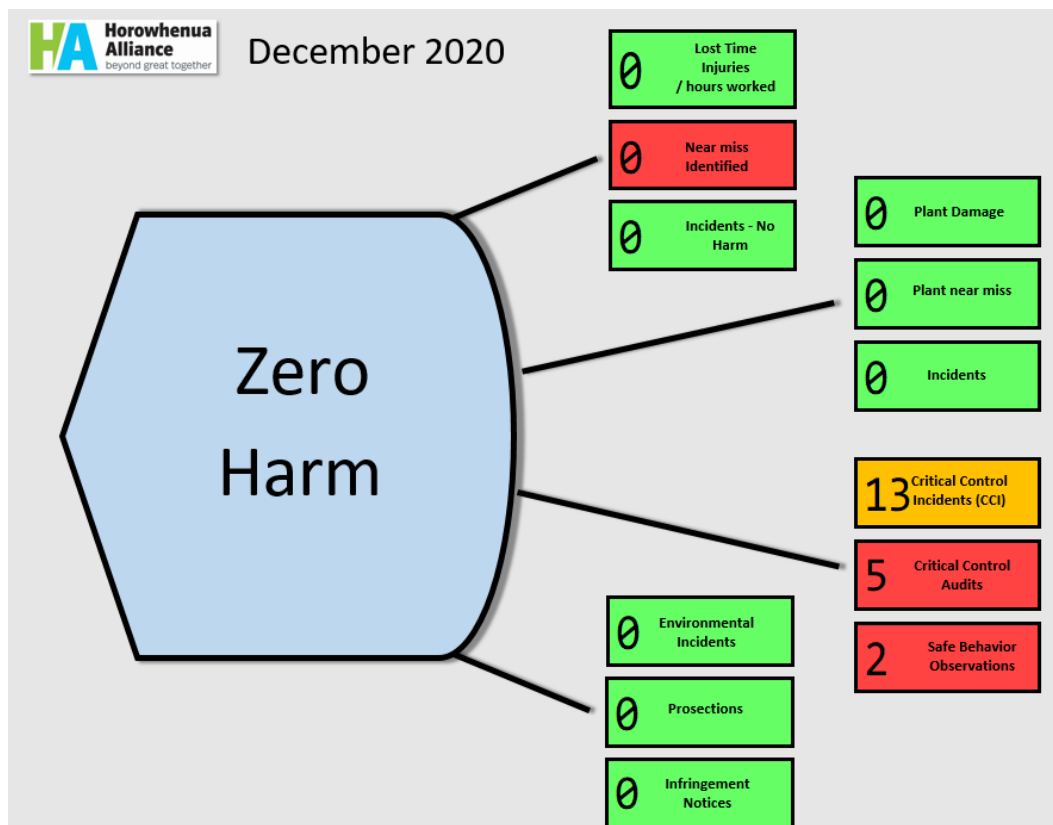
It has been a busy December and January with various weather conditions impacting on projects and the network. Heavy rains and then dropping water levels were managed well with quality levels and supply maintained throughout area.

Unfortunately, whilst there were no staff leave in the December period, further staff have resigned this month (January). The Alliance Management Team continue to manage the resource shortage situation through a mixture of recruitment, temp staff and contractors.

Health and Safety levels have been kept on track and the Alliance staff have a focus day on Health & Safety scheduled for the end of the month.

There is a concerted effort going into the plan to complete this financial year's Capex work. Further talks have been held with Tatana on a collaborative approach to assist delivery.

- Zero Harm



- Water Supply

Monthly Compliance Report for HDC Drinking Water Supply – December 2020

Parameter	Foxton	Foxton Beach	Levin	Shannon	Tokomaru
Protozoal	Passed	Passed	Passed	Passed	Passed
Bacteriological	Passed	Passed	Passed	Passed	Passed
Chemical	Passed	N/A	N/A	N/A	Passed
Res. Consents	Passed	Passed	Passed	Passed	Passed

Water Reticulation Bacteriological:

Parameter	Foxton	Foxton Beach	Levin	Shannon	Tokomaru
Compliance	Passed	Passed	Passed	Passed	Passed
Samples Taken	5	5	6	5	5
Samples Analysed	5	5	6	5	5
Transgressions	0	0	0	0	0

Log Credits

Water Supply	Required Log Credits	Log Credits Available	Achieved Log Credits
Levin	3	7	3
Foxton	0	3	3
Foxton Beach	0	2.5	2.5
Shannon	4	4	4
Tokomaru	3	5	3

A flood event on the 23<sup>rd</sup> and reduced sand quantity in the clarifier (at Levin) during this event allowed breakthrough in two filters, which failed the Individual Filters and Enhanced, filters compliance. The minimum log credit requirement of 3.0 was achieved due to UV which saw passes in all areas for December.

Resource Consent Status

Consent Number	Town & Description	Purpose	Compliance	Expiry Date
MWC901962 – ATH1991006011.01	Levin – Water Abstraction	Drinking Water Supply	Passed	01/07/2042
105378 – ATH2010013405.00	Foxton – Water Abstraction	Drinking Water Supply	Passed	01/07/2028
102678 – ATH2005010241.03	Shannon – Water Abstraction	Drinking Water Supply	Passed	10/12/2019
ATH1994001627.01	Tokomaru – Water Abstraction	Drinking Water Supply	Passed	01/07/2038
ATH2003010237.01	Foxton Beach – Water Abstraction	Drinking Water Supply	Passed	01/07/2048
ATH2001009425.01				
107374	Levin WTP –Daily Discharge Volume (1000m <sup>3</sup> /day)	Discharge to Water	Passed	01/07/2042
106794	Shannon – Abstraction (Bryce St bore)	Raw water supply	Passed	01/07/2028

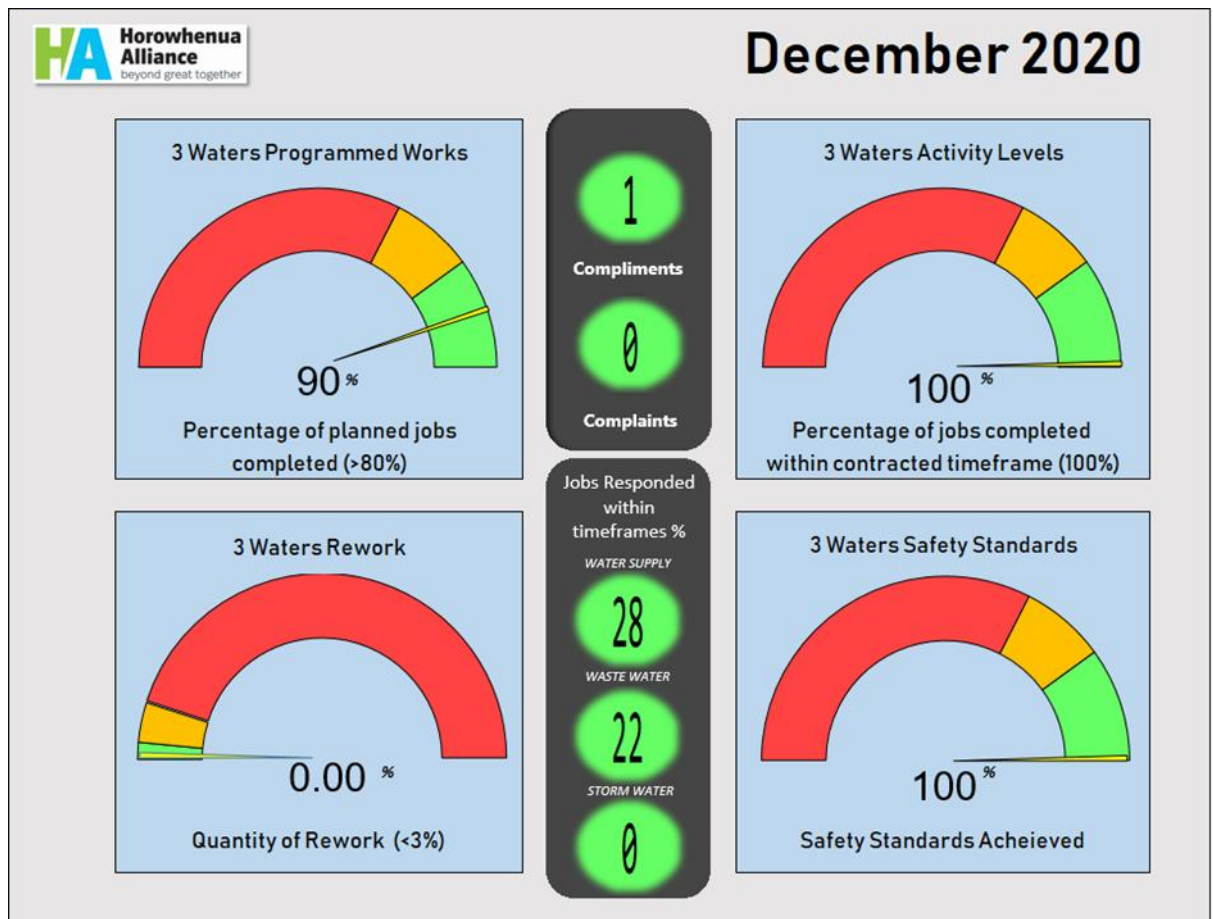
103322	Levin WTP – River Scarifications	Improve inflow from intake	Passed	06/05/2043
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• **KPI Reporting**

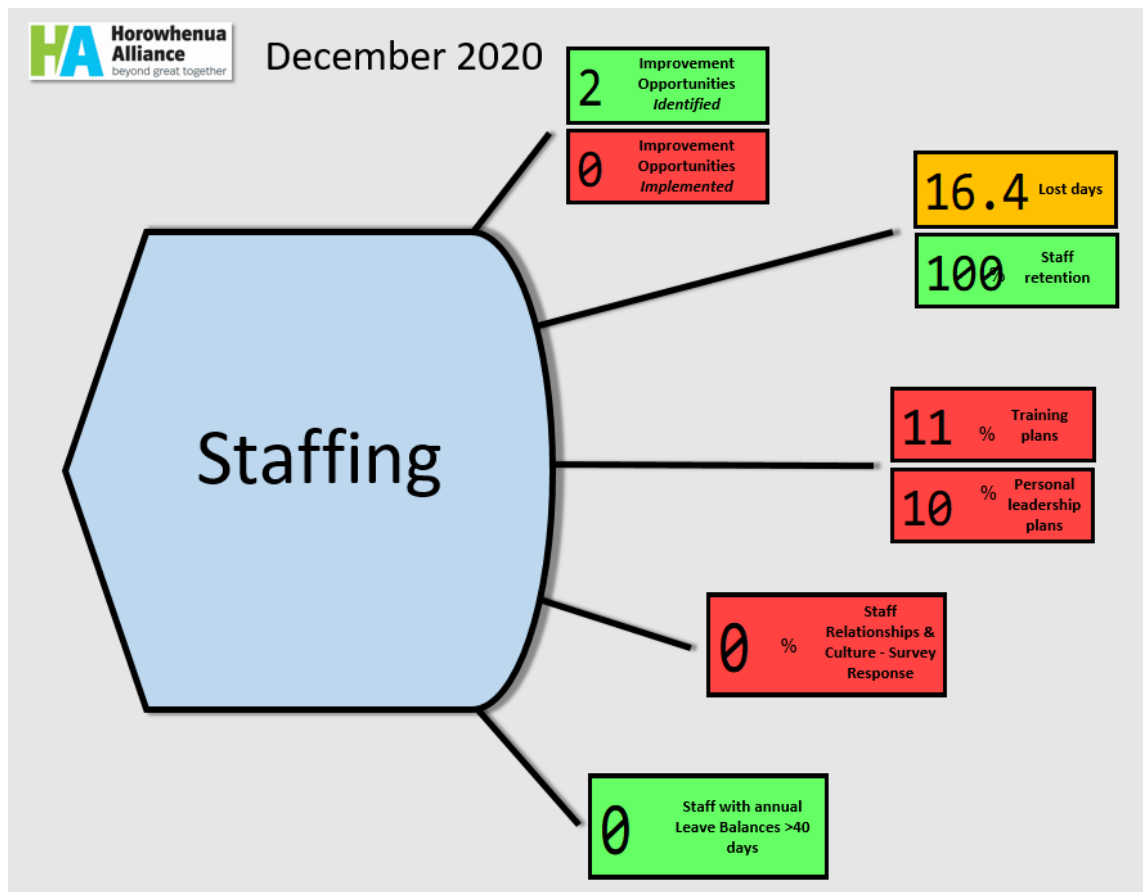
Programmed Works shows a deferral for servicing the blowers at Levin WWTP; this is waiting on scheduling in January/February. The Levin WTP filter inspection & washing is also on hold due to resourcing issues, this work is on the February plan.

All Water and Wastewater jobs completed within contracted timeframes. There were no stormwater events. Response times to site were 28 and 22 minutes. December saw all safety standards met. There were no rework jobs in December for Horowhenua Alliance work.

One compliment received from a member of the public in relation to the quality of work completed by the operations team and the customer service approach to assisting customers. There were no complaints.



No lost time injuries or incidents reported in December; Two SBO's recorded and 13 CCI occurrences with five CCA's completed. No infringement notices or prosecutions.



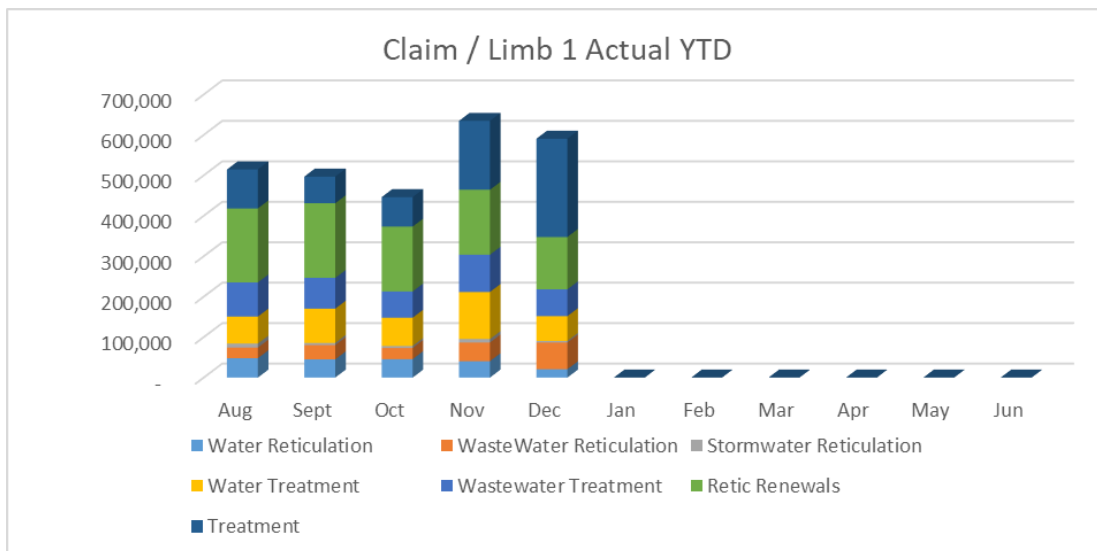
16.4 lost days through sickness or absence, 100% retention for the December month, changes in early January will be reported in the January KPI update. No changes to the performance plans and training situation.

• **3 Waters Strategic Update - Operations**

- Job start safety plans are being performed for all works carried out in the network
- CRM Response has been very good with all targets met.
- We have advertised for 3 new treatment operators but are finding it extremely difficult to source qualified people in these roles
- Maintenance figures for current financial period:
  - Water lateral repairs 58
  - Toby Replacements 110
  - Water mains repairs 10
  - Meter installations 148
  - New water connections 26
  - New sewer connections 18

• **OPEX Financials**

December Claim was lower than the previous month as the close-off date for the claim was earlier, due to the Christmas shut down period.



## Attachments



There are no attachments for this report.

### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

## Signatories

Author(s)	James Wallace <b>Roading Services Manager</b>	
Approved by	Kevin Peel <b>Group Manager - Infrastructure Operations</b>	

# Six Month Report 1 July 2020 - 31 December 2020

File No.: 20/566

## 1. Purpose

To present to the Finance, Audit & Risk Subcommittee the financial report for the six months to 31 December 2020.

## 2. Recommendation

- 2.1 That Report 20/566 Six Month Report 1 July 2020 - 31 December 2020 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Issues for Consideration

As included in the **attached** report.

## Attachments



No.	Title	Page
A	Financial Reporting - Monthly Report - 31 December 2020	32

### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

## Signatories

Author(s)	Doug Law Chief Financial Officer	
Approved by	Nicki Brady Deputy Chief Executive	



# Six Month Report

1 July 2020 - 31 December 2020





## Executive Summary

Council's result shows an overall surplus of \$4.08M against a budget year-to-date (YTD) surplus of \$3.04M. This difference relates to extra operational grants and subsidies received as discussed in the report. The operational deficit is also \$1.09M less than the YTD budget, however this needs to be tempered by the fact that expenditure for the 6 months is \$1.4M higher than the YTD budget. Explanations for this are also within the report.

Note that staff have produced a prediction of the end of year result which continues the trend evident in the 6 month result.

Council has spent \$9.6M on assets (capital) expenditure to date but has committed to more in the next 6 months with some projects being delayed. Council has not needed to borrow externally as the available cash has been sufficient to cover the expenditure needs.

**Doug Law**  
Chief Financial Officer

20/01/2020

## Operational Summary

Total revenue	Total expenditure	Total surplus/(deficit)
<b>\$35.16m</b> is 8% more than the total budget of \$32.68m	<b>\$31.08m</b> is 5% more than the total budget of \$29.64m	<b>\$4.08m</b> is 34% more than the total budget of 3.04m

## SUSTAINABILITY

### Rates to operating revenue 56%

Rates revenue	\$19.57m
Operating revenue	\$35.16m

56% of operating revenue is derived from rates revenue. Rates revenue excludes penalties, water supply by meter and is gross of remissions. Operating revenue excludes vested assets, development contributions, asset revaluation gains and gains on derivatives.

### Balance budget ratio 112%

Operating revenue	\$34.71m
Operating expenditure	\$31.08m

Operating revenue should be equal or more than operating expenditure. Operating revenue excludes vested assets, development contributions, asset revaluation gains and gains on derivatives. Operating expenditure includes depreciation and excludes loss on derivatives, landfill liability and loss on asset revaluations. Year to date revenue is 112% of operating expenditure.

### Net Debt to total projected revenue (LGFA Cov.) 148%

Total net borrowing	\$89.61m
Total budgeted operating revenue	\$60.41m

With net borrowing of \$89.61m we are still under the set limit of 195% of operating revenue. Total net borrowing is external borrowing less cash at bank.

### Interest to rates revenue (LGFA Cov.) 7%

Net Interest	\$1.39m
Rates revenue	\$19.57m

7% of rates revenue is paid in interest. Our set limit is 25% of rates revenue. Net interest is interest paid less interest received. Rates revenue excludes penalties, water supply by meter and gross of remissions.

**Interest to operating revenue (LGFA Cov.)**

**4%**

Net Interest	\$1.39m
Operating revenue	\$34.71m

4% of operating revenue is paid in interest. Our set limit is 20% of operating revenue. Net interest is interest paid less interest received.

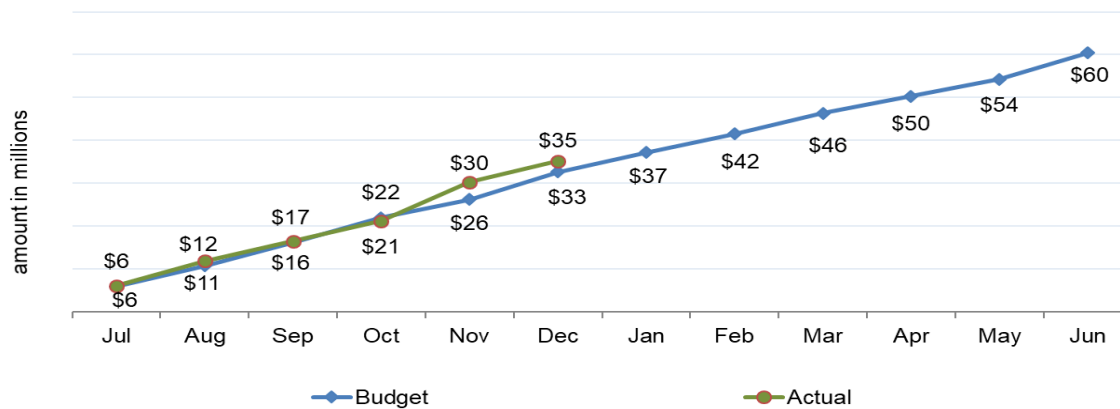
**Available financial accommodation to external indebtedness (LGFA Cov.)**

**111%**

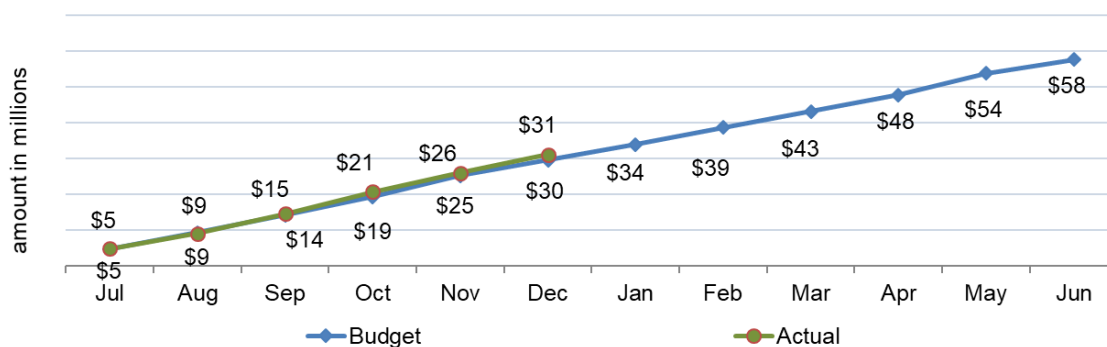
Net debt	\$89.61m
Undrawn committed facilities	\$10.00m

The committed bank facility enables us to borrow up to 111% of our current external debt immediately. The LGFA covenant minimum is 110%.

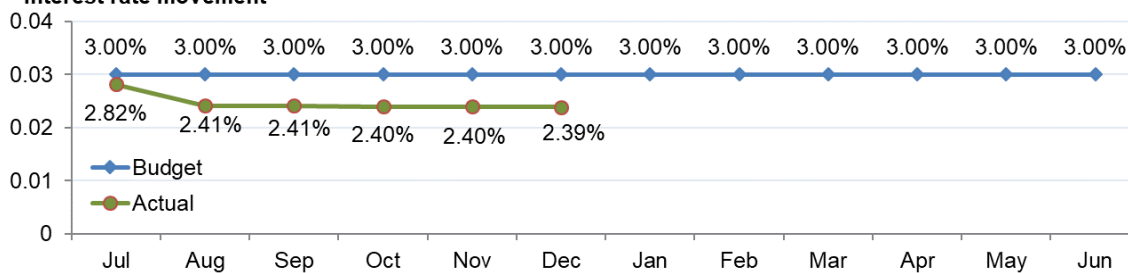
**Total Revenue \$m**



**Total Expenditure \$m**

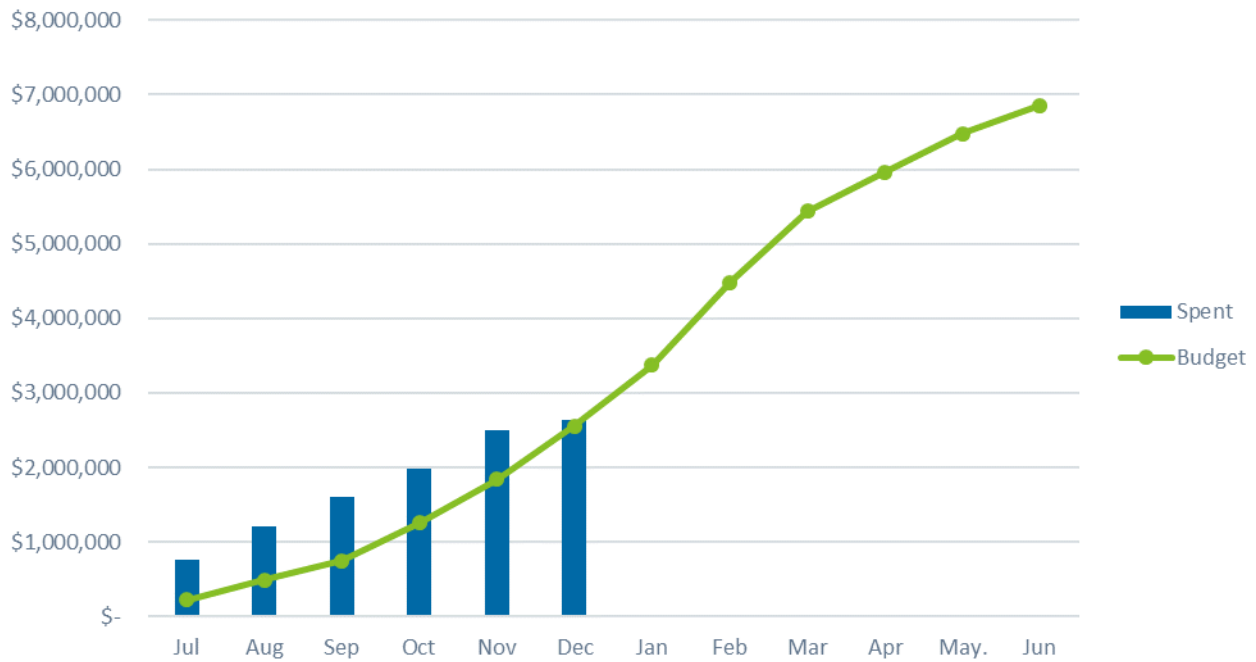


**Interest rate movement**

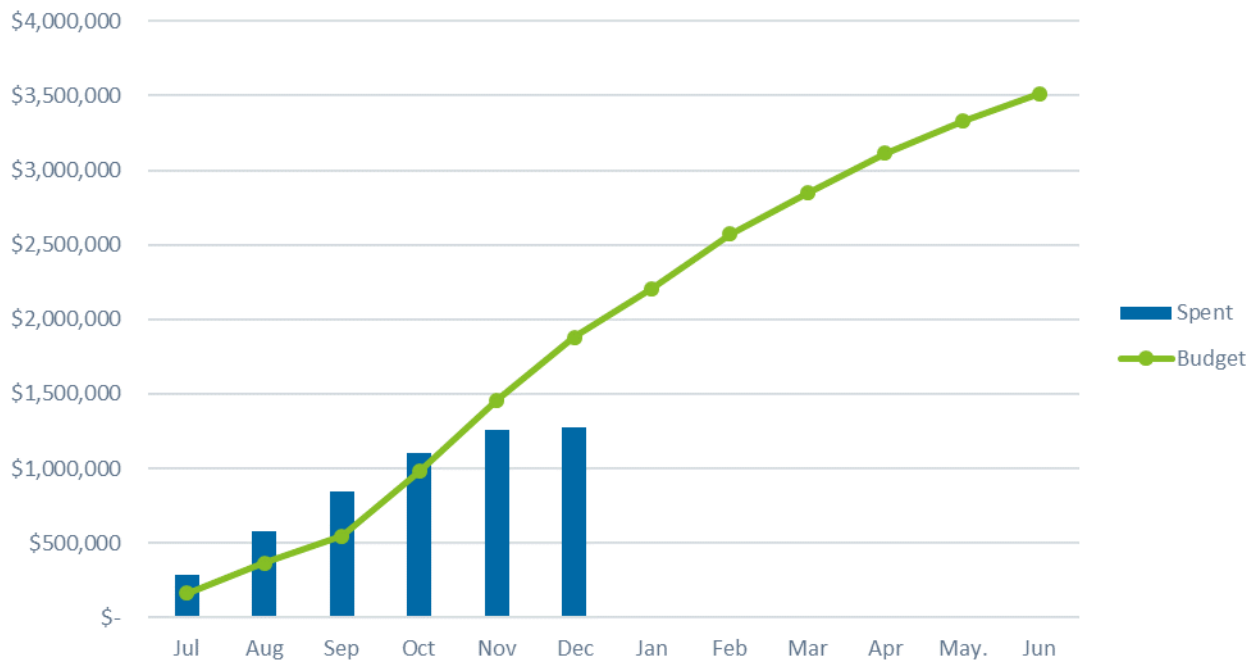


## Capital Expenditure Summary

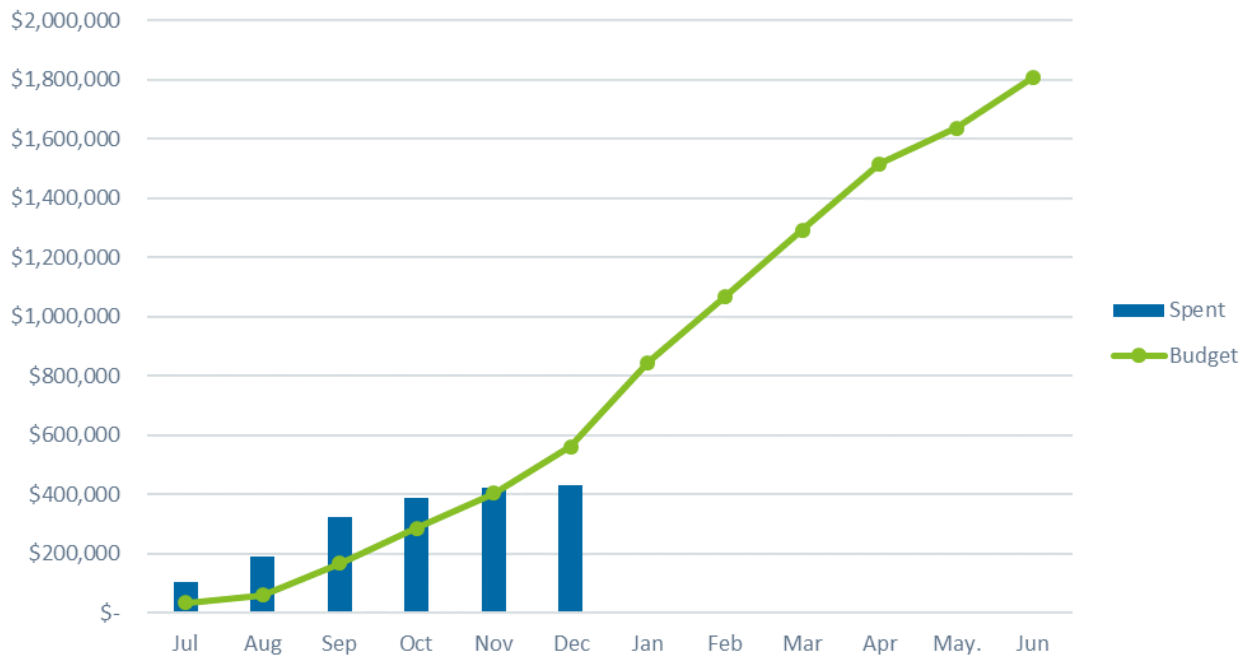
### Wastewater



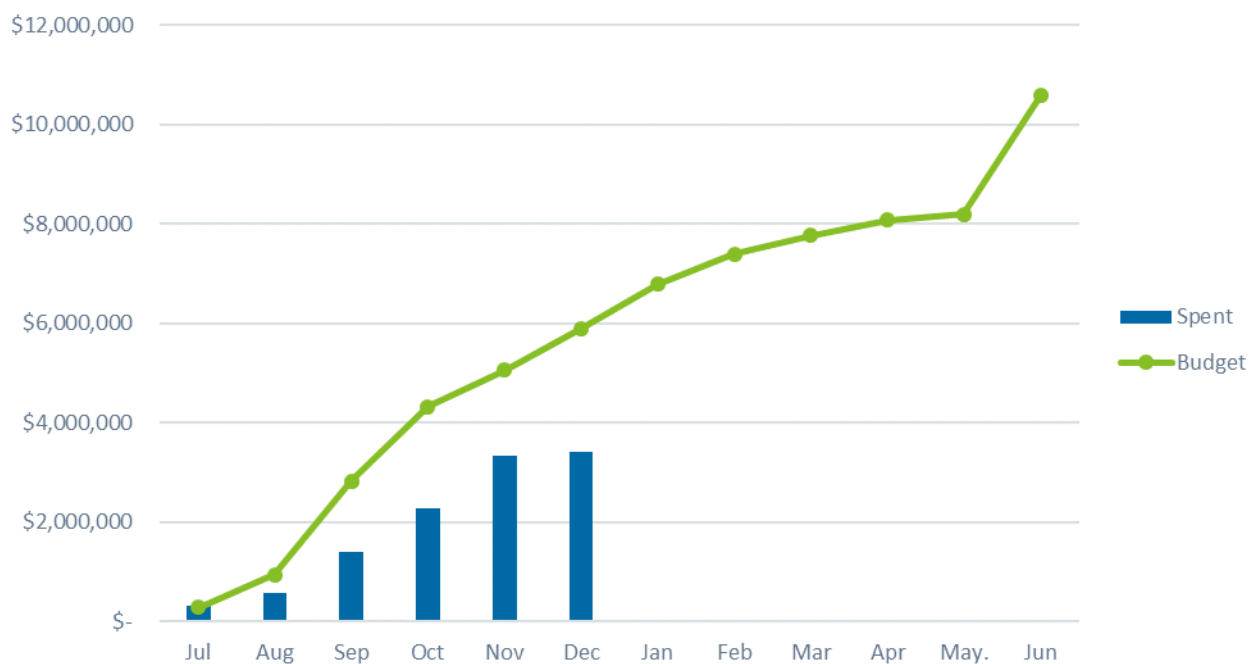
### Water Supply



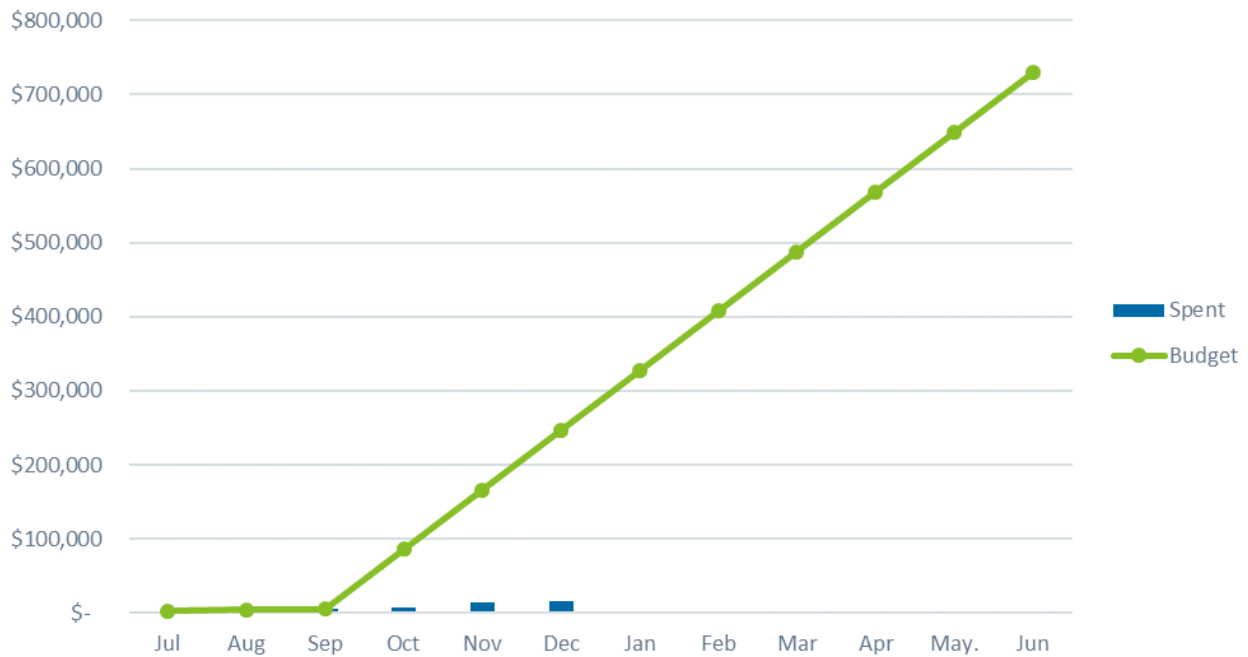
### Stormwater



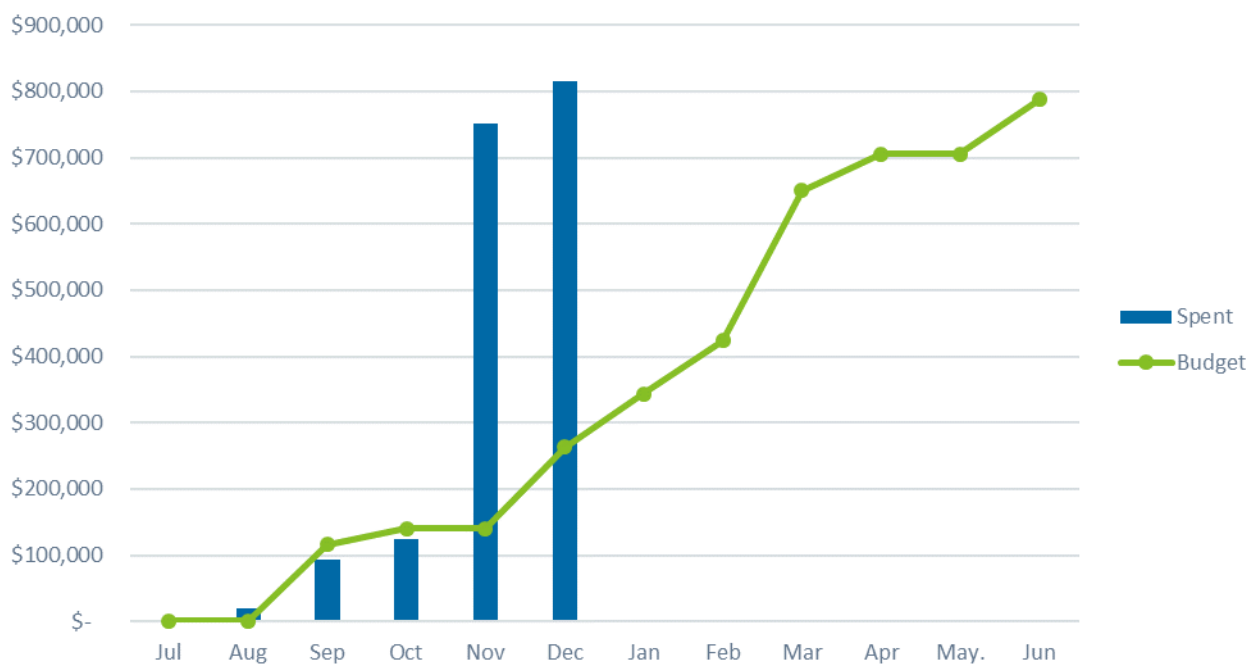
### Roading



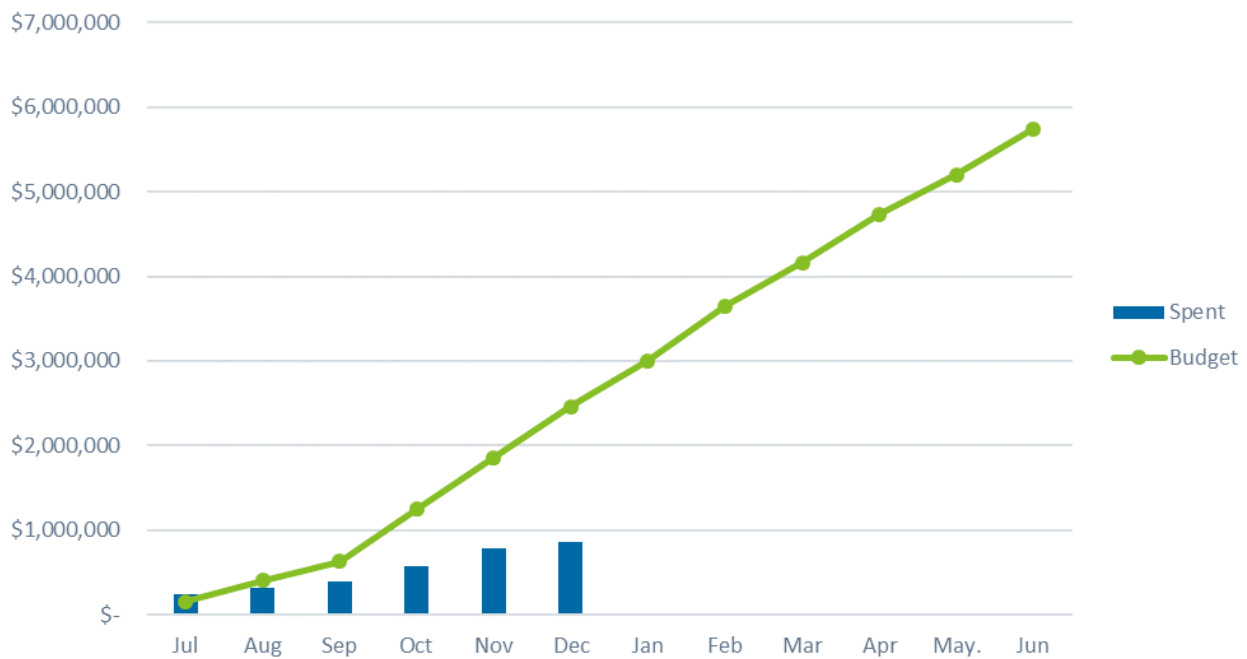
### Solid Waste



### Properties



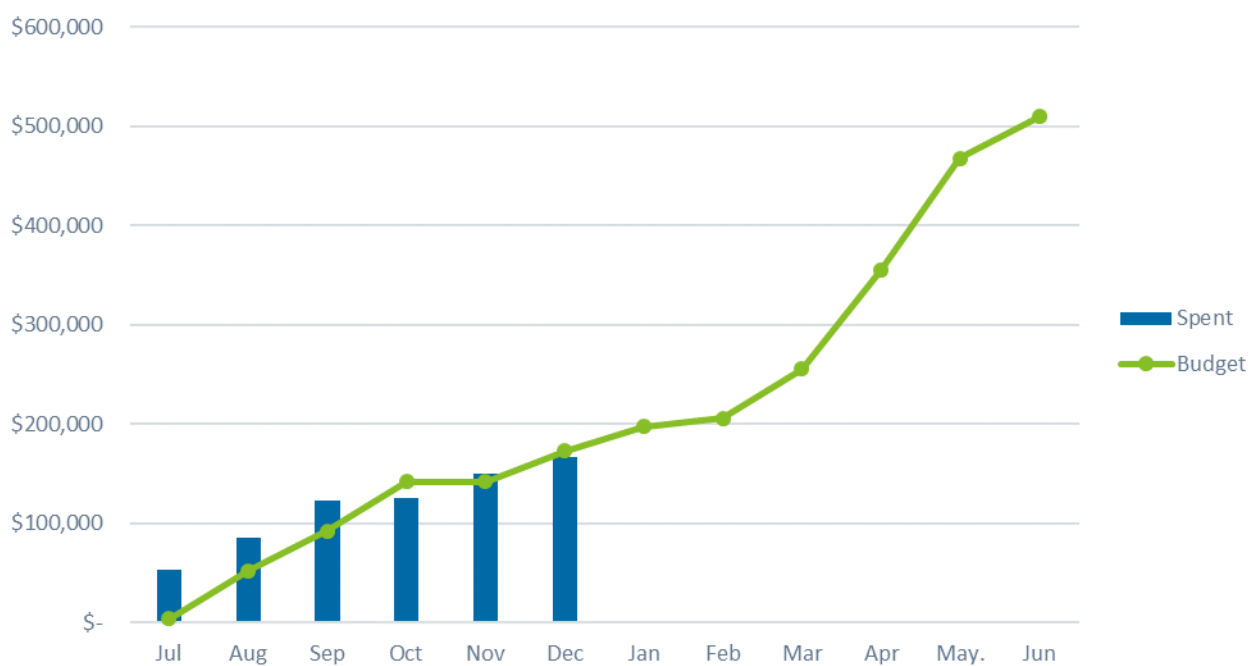
### Community Facilities

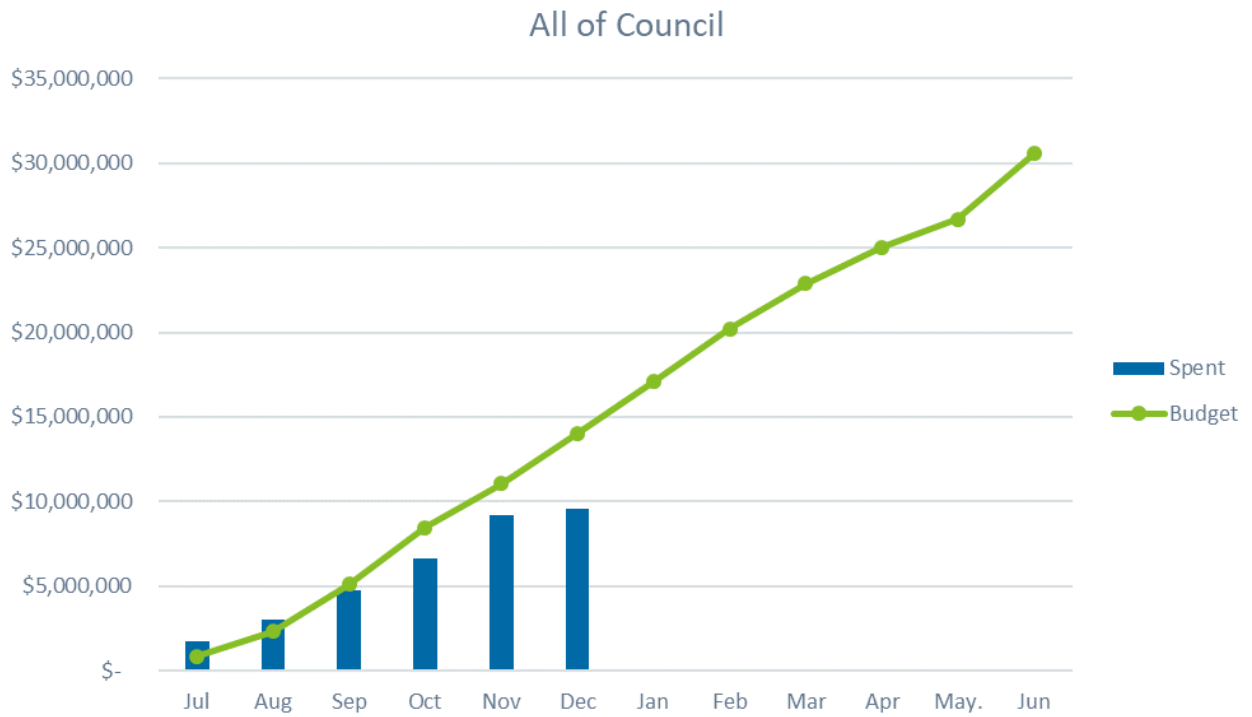


**Notes:**

The Community Facilities budget includes the capital budget provision for the first phase of the PGF funded Manawatū River Loop at Foxton project. The project expenditure of \$3.8M was budgeted as a CAPEX line item, however as previously reported to Council the Manawatū River is not an asset of Council and therefore a significant component of the works cannot be capitalised.

### Treasury and Support







## Statement of Comprehensive Revenue and Expense

Statement of Comprehensive Revenue and Expense											
As at 31 December 2020											
	Annual Report 2019/2020 \$000	Year End Projection 2021 \$000	Annual Plan 2021 \$000	Variance 2021 \$000	Annual Plan YTD Dec-20 \$000	Actual YTD Dec-20 \$000	C/A % Actual to Budget	Variance YTD 2020 \$000	Var/Bud %	% of Total Bud %	Notes
<b>Revenue</b>											
Rates Revenue	(40,386)	(39,614)	(39,684)	70	(19,657)	(19,571)	49.3%	86	0%	-0.3%	
Operational Grants & Subsidies	(1,999)	(4,225)	(2,104)	(2,121)	(1,003)	(3,386)	161.0%	(2,383)	238%	9.6%	1
Finance Income	(370)	(150)	(200)	50	(100)	(10)	5.0%	90	-90%	-0.4%	
Fees & Charges,	(4,858)	(4,268)	(4,551)	283	(2,179)	(2,098)	46.1%	81	-4%	-0.3%	
Other Revenue	(4,005)	(3,535)	(3,197)	(338)	(1,825)	(2,143)	67.0%	(318)	17%	1.3%	2
Gains on Disposal of Assets	(847)	(86)	-	(86)		(86)		(86)		0.3%	
<b>Total Revenue</b>	<b>(52,465)</b>	<b>(51,878)</b>	<b>(49,736)</b>	<b>(2,142)</b>	<b>(24,764)</b>	<b>(27,294)</b>	<b>54.88%</b>	<b>(2,530)</b>	<b>10%</b>	<b>10%</b>	
<b>Expenditure</b>											
Employee Benefit Expenses	15,197	15,880	15,771	109	7,966	7,427	47.1%	(539)	-7%	-1.8%	
Finance Costs	3,343	2,702	3,202	(500)	1,492	1,400	43.7%	(92)	-6%	-0.3%	
Depreciation and Amortisation	14,516	14,848	14,848	(0)	7,424	7,491	50.5%	67	1%	0.2%	
Other Expenses	25,341	24,864	23,892	972	12,758	13,920	58.3%	1,162	9%	3.9%	3
Loss on Disposal of Assets	99	842	-	842	-	842		842		2.8%	
<b>Total Expenses</b>	<b>58,496</b>	<b>59,136</b>	<b>57,713</b>	<b>1,423</b>	<b>29,640</b>	<b>31,080</b>	<b>53.85%</b>	<b>1,440</b>	<b>5%</b>	<b>4.9%</b>	
<b>Operating (surplus) deficit before taxation</b>	<b>6,031</b>	<b>7,258</b>	<b>7,977</b>	<b>(719)</b>	<b>4,876</b>	<b>3,786</b>	<b>47.5%</b>	<b>(1,090)</b>	<b>-22%</b>	<b>-22.3%</b>	
Capital Grants and Subsidies	(3,039)	(12,949)	(10,676)	(2,273)	(7,915)	(7,420)	69.5%	495	-6%	1.7%	
Prior Year Adjustment										0.0%	
Increase on Landfill provision	1,614										
Vested Assets	(730)					(23)		(23)		-0.1%	
Investment (Gains)/Losses											
Taxation	36	-									
Gain on Derivatives						(424)		(424)			4
Loss on Derivatives	1,318				0					0.0%	
<b>Operating (surplus) deficit after taxation</b>	<b>5,230</b>	<b>(5,691)</b>	<b>(2,699)</b>	<b>(2,992)</b>	<b>(3,039)</b>	<b>(4,080)</b>	<b>151.2%</b>	<b>(1,041)</b>	<b>34%</b>	<b>34.2%</b>	

**Note 1** Operational Grants and Subsidies **favourable** variance of \$2.383M. The significant activities that derive the operating grants and subsidies revenue relate to Community Facilities and Services, Community Support and Road Transport. The majority of the variance reported at 31 December 2020 relates to PGF funding received in particular for the Manawatū River Loop at Foxton. This funding in prior months was allocated to Capital Grants and Subsidies; however, as work within the river is not a Council asset this could not be capitalised and therefore is incurred as an operational expenditure.

**Note 2** Other Revenue **favourable** variance of \$318k. The significant variance reported at 31 December 2020 relates to revenue ahead of forecasted budget in the Planning and Regulatory statutory charges reflecting activity levels.

**Note 3** Other Expenses **unfavourable** variance \$1.162M as detailed below:

Note 3 Other Expenses	Annual Report 2018/2019 \$000	Year End Projection 2020 \$000	Annual Plan 2020 \$000	Variance 2020 \$000	Annual Plan YTD Dec-20 \$000	Actual YTD Dec-20 \$000	% Actual to Budget	Variance YTD 2020 \$000	% Var/Bud	% of Total Bud	Notes
Professional Services	5,240	4,782	4,282	500	2,308	2,815	65.7%	507	22%	1.7%	3A
Materials	88	107	107	(0)	41	58	54.1%	17	41%	0.1%	
Maintenance	14,083	14,439	14,683	(243)	7,278	8,657	59.0%	1,379	19%	4.7%	3B
Grants Paid	590	571	670	(99)	278	291	43.5%	13	5%	0.0%	
Utilities	1,091	1,014	1,113	(99)	568	396	35.6%	(172)	-30%	-0.6%	3C
Communications	231	218	216	2	105	96	44.4%	(9)	-9%	0.0%	
Other Expenses	5,167	5,178	5,058	120	3,369	2,352	46.5%	(1,017)	-30%	-3.4%	3D
Vehicle Expenses	133	113	129	(16)	66	52	40.4%	(14)	-21%	0.0%	
Treasury Expenses	160	164	163	1	54	64	39.2%	10	19%	0.0%	
Labour Recoveries for Capex projects	(1,442)	(1,722)	(2,529)	807	(1,309)	(861)	34.0%	448	-34%	1.5%	3E
<b>Total Other Expenses</b>	<b>25,341</b>	<b>24,864</b>	<b>23,892</b>	<b>972</b>	<b>12,758</b>	<b>13,920</b>	<b>58.3%</b>	<b>1,162</b>	<b>9%</b>	<b>3.9%</b>	

- Note 3A Professional Services **unfavourable** variance of \$507k.  
The majority of the variance (\$389k) is within Community Facilities and Services Reserves activity, and relates to expenditure for the PGF funded phase 1 of the shovel ready Manawatū River Loop at Foxton project. This project was originally budgeted as a CAPEX project however, a significant portion of the work is deemed to be OPEX.
- Note 3B Maintenance **unfavourable** variance of \$1.379M.  
The majority of the variance relates to the maintenance expenditure within the Reserves activity. The forecasted budget to 31 December 2020 was 574k, however actual expenditure is \$2.060M, and relates to expenditure for the PGF funded phase 1 of the shovel ready Manawatū River Loop at Foxton project.
- Note 3C Utilities **favourable** variance of \$172k.  
The \$172k variances relates to electricity expenditure tracking under projected budgets which is a combination of energy efficiencies and facility closures/reduced hours as a result of Covid-19 alert levels restriction and transitions.
- Note 3D Other Expenses **favourable** variance of \$1.017M.  
\$779k of the reported variance relates to the forecasted allocation of insurance expenditure at 31 December 2020; however, these costs will be allocated in the first quarter of 2021. In addition, the People and Culture expenditure is tracking under budget (\$230k) which is driven by the projected software licensing and cloud hosting expenses for this point in the year being less than estimated.
- Note 3E Labour recoveries for CAPEX projects **unfavourable** variance \$448k reflecting the lower capital project expenditure and staff time allocation than budgeted. With the construction season commencing this trend is expected to align to year-end projections.
- Note 4** Gain on derivatives **favourable** variance \$424k  
Long-term interest rates have begun to rise meaning the some of the historical revaluation losses have been clawed back.

## Statement of Comprehensive Revenue and Expense by Activity

As at 31 December 2020										
50.0%	A	C	D	E	F	G	H	I	J	
REVENUE	Annual Plan 2019/2020 \$000	Year to date (YTD) This Year \$000 Budget \$000		% Actual to Budget		D-C YTD Variance \$000	G/D % Var/Bud	% of Total Bud	Notes to Accounts	
<b>Significant Activities</b>										
Regulatory Sevices	(5,186)	(3,038)	(2,837)	58.6%	😊	201	7.1%	0.4%		
Community Facilities and Services	(17,141)	(9,688)	(10,386)	56.5%	😞	(698)	-6.7%	-1.5%		
Road Transport	(13,004)	(6,583)	(7,055)	50.6%	😞	(472)	-6.7%	-1.0%		
Water Supply	(6,859)	(3,231)	(3,364)	47.1%	😞	(133)	-4.0%	-0.3%		
Wastewater Management	(7,486)	(3,726)	(3,571)	49.8%	😊	155	4.3%	0.3%		
Solid Waste	(2,990)	(1,437)	(1,491)	48.1%	😞	(54)	-3.6%	-0.1%		
Stormwater	(1,505)	(693)	(693)	46.0%	😊	0		0.0%		
Treasury	(2,429)	(1,604)	(1,520)	66.0%	😊	84	5.5%	0.2%		
Property	(1,317)	(695)	(547)	52.8%	😊	148	27.1%	0.3%		
Community Support	(2,779)	(1,389)	(1,386)	50.0%	😊	3	0.2%	0.0%		
Representation & Com. Leadership	(3,608)	(4,766)	(1,802)	132.1%	😊	2,964	164.5%	6.4%		1
<b>Total Activity Revenue</b>	<b>(64,304)</b>	<b>(36,850)</b>	<b>(34,652)</b>	<b>57.3%</b>	😊	<b>2,198</b>	<b>6.3%</b>	<b>4.7%</b>		
<b>Business Units</b>										
	(22,818)	(10,289)	(11,731)	45.1%	😞	(1,442)	-12.3%	-3.1%		
<b>Total Operating Revenue</b>	<b>(87,122)</b>	<b>(47,139)</b>	<b>(46,383)</b>	<b>54.1%</b>	😊	<b>756</b>	<b>1.6%</b>	<b>0.9%</b>		
50.0%	A	C	D	E	F	G	H	I	J	
EXPENDITURE	Annual Plan 2019/2020 \$000	Year to date This Year \$000 Budget \$000		% Actual to Budget		D-C YTD Variance \$000	G/D % Var/Bud	% of Total Bud	Notes to Accounts	
<b>Significant Activities</b>										
Regulatory Sevices	5,186	2,251	2,665	43.4%	😊	414	15.5%	1.0%		2
Community Facilities and Services	13,354	8,399	6,914	62.9%	😞	(1,485)	-21.5%	-3.4%		3
Road Transport	9,730	4,464	4,898	45.9%	😊	434	8.9%	1.0%		
Water Supply	7,125	3,331	3,640	46.8%	😊	309	8.5%	0.7%		
Wastewater Management	7,835	3,927	4,107	50.1%	😊	180	4.4%	0.4%		
Solid Waste	3,669	1,940	1,777	52.9%	😞	(163)	-9.2%	-0.4%		
Stormwater	1,644	726	843	44.2%	😊	117	13.9%	0.3%		
Treasury	4,133	1,870	1,949	45.2%	😊	79	4.1%	0.2%		
Property	1,299	1,512	660	116.4%	😞	(852)	-129.1%	-2.0%		4
Community Support	2,778	1,594	1,658	57.4%	😊	64	3.9%	0.1%		
Representation & Com. Leadership	4,819	2,534	2,503	52.6%	😞	(31)	-1.2%	-0.1%		
<b>Total Activity Expenditure</b>	<b>61,572</b>	<b>32,548</b>	<b>31,614</b>	<b>52.9%</b>	😊	<b>(934)</b>	<b>-3.0%</b>	<b>-2.2%</b>		
<b>Business Units</b>										
	22,851	10,511	11,731	46.0%	😊	1,220	10.4%	2.8%		5
<b>Total Operating Expenditure</b>	<b>84,423</b>	<b>43,059</b>	<b>43,345</b>	<b>51.0%</b>	😊	<b>286</b>	<b>0.7%</b>	<b>0.7%</b>		
<b>Operating (Surplus)/Deficit</b>	<b>(2,699)</b>	<b>(4,080)</b>	<b>(3,038)</b>		😊	<b>1,042</b>	<b>34.3%</b>	<b>2.40%</b>		

**Note 1** Representation and Community Leadership income **favourable** variance \$2.964M. The significant reported variance relates to the first milestone payment of the PGF funded Fale Lotu Connections (\$730k) and Crown Infrastructure Funding (\$2.172M)

- Note 2** Regulatory Services expenditure **favourable** variance \$414k.  
The reported variance is a result of lower internal charges allocated to the Regulatory Services activity than projected.
- Note 3** Community Facilities and Services **unfavourable** variance of \$1.485k.  
Refer to notes 3A and 3B for the explanation which outlines the expenditure for the PGF funded phase 1 of the shovel ready Manawatū River Loop at Foxton project.
- Note 4** Property expenditure **unfavourable** variance \$852k.  
The reported variance relates to the loss on sale at 31 December 2020.
- Note 5** Business Unit expenditure **favourable** variance \$1.2M.  
The reported variance is a result of lower internal charges allocated to Business Units than projected.

## Statement of Financial Position as at 31 December 2020

	Council Actual 31 Dec 2020 \$000	Council Budget 30 June 2021 \$000	Council Actual 30 June 2020 \$000
	Note		
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16,386	13,049	15,892
Debtors and other receivables	6,307	6,766	6,593
Other financial assets	375	-	375
Non-current assets held for sale	4,011	5,360	4,011
<b>Total current assets</b>	<b>27,079</b>	<b>25,175</b>	<b>26,871</b>
<b>Non-current assets</b>			
Plant, property and equipment			
- Operational assets	54,844	49,908	56,727
- Infrastructural assets	470,108	481,592	471,107
- Restricted assets	60,052	51,466	60,177
Intangible assets	1,314	811	1,479
Forestry assets	1,090	942	1,090
Commercial property	-	-	-
Other financial assets:			
- Investments CCO's & similar entities	204	204	204
- Investments in associates	16	16	16
- Other	1,720	1,585	1,691
<b>Total non-current assets</b>	<b>589,348</b>	<b>586,524</b>	<b>592,491</b>
<b>Total assets</b>	<b>616,427</b>	<b>611,699</b>	<b>619,362</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables and deferred revenue	11,261	9,643	13,972
Provisions	30	30	30
Employee benefit liabilities	1,060	899	1,060
Derivative Financial instruments	465	378	465
Borrowings and other financial liabilities	25,000	24,000	35,000
<b>Total current liabilities</b>	<b>47,817</b>	<b>34,950</b>	<b>50,527</b>
<b>Non-current liabilities</b>			
Provisions	6,425	4,811	6,425
Employee benefit liabilities	207	167	207
Borrowings and other financial liabilities	81,000	92,062	71,000
Derivative financial instruments	2,626	1,819	3,050
Other	15	176	100
<b>Total non-current liabilities</b>	<b>80,274</b>	<b>99,035</b>	<b>80,782</b>
<b>Total liabilities</b>	<b>128,091</b>	<b>133,985</b>	<b>131,309</b>
<b>Net assets</b>	<b>488,337</b>	<b>477,714</b>	<b>488,053</b>
<b>Equity</b>			
Retained earnings	249,469	257,132	245,387
Revaluation reserves	229,257	210,531	233,055
Other reserves	9,611	10,051	9,611
<b>Total equity</b>	<b>488,337</b>	<b>477,714</b>	<b>488,053</b>

## Funding Impact Statement for Whole of Council as at 31 December 2020

	LTP Budget 2021 \$000	Annual Report Actual 2020 \$000	AP YTD Budget Dec 2020 \$000	Actual YTD 2020 \$000	Variance YTD \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	10,869	10,501	5,005	5,013	8
Targeted rates	31,942	29,886	14,652	14,558	(94)
Subsidies and grants for operating purposes	1,511	1,998	1,003	3,386	2,383
Fees and charges	5,385	4,857	2,179	2,098	(81)
Interest and dividends from investments	214	370	106	14	(92)
Local authorities fuel tax, fines, infringement fees, and other receipts	3,706	4,006	1,818	2,139	321
<b>Total operating funding (A)</b>	<b>53,627</b>	<b>51,618</b>	<b>24,763</b>	<b>27,208</b>	<b>2,445</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	37,225	40,538	20,725	21,346	621
Finance costs	4,988	3,343	1,492	1,400	(92)
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>42,213</b>	<b>43,881</b>	<b>22,217</b>	<b>22,746</b>	<b>529</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>11,414</b>	<b>7,737</b>	<b>2,546</b>	<b>4,462</b>	<b>1,916</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	4,634	3,039	7,915	7,420	(495)
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	10,775	10,000	4,663	-	(4,663)
Gross proceeds from sale of assets	-	5,302	2,500	-	(2,500)
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>15,409</b>	<b>18,341</b>	<b>15,078</b>	<b>7,420</b>	<b>(7,658)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	3,043	759	1,000	405	(595)
- to improve the level of service	12,257	10,308	8,091	5,442	(2,649)
- to replace existing assets	11,523	12,023	6,213	3,741	(2,472)
Increase (decrease) in reserves	-	2,867	2,320	4,224	1,904
Increase (decrease) of investments	-	121	-	(1,930)	(1,930)
<b>Total applications of capital funding (D)</b>	<b>26,823</b>	<b>26,078</b>	<b>17,624</b>	<b>11,882</b>	<b>(5,742)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(11,414)</b>	<b>(7,737)</b>	<b>(2,546)</b>	<b>(4,462)</b>	<b>(1,916)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	14,867	14,516	7,424	7,491	67
<b>Loans as at 31 December 2020</b>					
					<b>External \$000</b>
Loans as at 1/07/2020					106,000
Raised during period					26,000
Repaid during period					(26,000)
<b>Loans as at 31/12/2019</b>					<b>106,000</b>
Interest expense					1,400

## Statement of Cashflow as at 31 December 2020

	Council Actual 31 Dec 2020 \$000	Council Budget 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000
<b>Cashflow from operating activities</b>			
<b>Cash was provided from:</b>			
Revenue from rates	18,305	39,684	40,985
Other revenue	17,499	20,528	15,613
Interest received	10	200	373
Dividends	-	-	226
<b>Total cash provided</b>	<b>35,814</b>	<b>60,412</b>	<b>57,197</b>
<b>Cash was disbursed to:</b>			
Suppliers, services and employees	22,579	39,663	39,544
Interest paid	1,557	3,202	3,455
Net GST movement	1,727	-	-
<b>Total cash disbursed</b>	<b>25,863</b>	<b>42,865</b>	<b>42,999</b>
<b>Net cash flow from operating activity</b>	<b>9,951</b>	<b>17,547</b>	<b>14,198</b>
<b>Cashflows from investing activities</b>			
<b>Cash was provided from:</b>			
Proceeds from asset sales	-	5,000	5,301
Proceeds from investments	-	-	-
<b>Total cash provided</b>	<b>-</b>	<b>5,000</b>	<b>5,301</b>
<b>Cash was disbursed to:</b>			
Purchases of investments	29	-	120
Purchase of assets	9,428	30,607	21,968
<b>Total cash disbursed</b>	<b>9,457</b>	<b>30,607</b>	<b>22,088</b>
<b>Net cash flow from investing activity</b>	<b>(9,457)</b>	<b>(25,607)</b>	<b>(16,787)</b>
<b>Cashflows from financing activities</b>			
<b>Cash was provided from:</b>			
Loans raised	26,000	23,325	67,000
<b>Total cash provided</b>	<b>26,000</b>	<b>23,325</b>	<b>67,000</b>
<b>Cash was disbursed to:</b>			
Repayment of public debt	26,000	14,000	57,000
<b>Total cash disbursed</b>	<b>26,000</b>	<b>14,000</b>	<b>57,000</b>
<b>Net cash flow from financing activity</b>	<b>(0)</b>	<b>9,325</b>	<b>10,000</b>
<b>Net increase (decrease) in cash held</b>	<b>494</b>	<b>1,265</b>	<b>7,411</b>
Add opening cash bought forward	15,892	11,770	8,481
<b>Closing cash balance</b>	<b>16,386</b>	<b>13,035</b>	<b>15,892</b>
<b>Closing balance made up of cash and cash equivalents</b>	<b>16,386</b>	<b>13,049</b>	<b>15,892</b>

## Statement of Rates Debtors

Rate Zone	Assessment Count	Assessments Matching	% Matching Criteria	Total Rates Due	Year to Date Rates Due	Instalment 1 Due	Instalment 2 Due	Penalties Arrears	Prior Year Arrears
Cancelled Assessment	527	13	2%	\$133,517	\$10	\$0	\$0	\$10	\$133,507
Foxton	1,275	99	8%	\$189,906	\$80,931	\$23,526	\$45,942	\$11,460	\$108,975
Foxton Beach	1,609	88	5%	\$185,526	\$83,881	\$21,372	\$45,781	\$17,079	\$101,646
Hokio Beach	187	24	13%	\$211,148	\$17,066	\$7,265	\$8,138	\$1,662	\$194,081
Levin	7,571	458	6%	\$524,028	\$384,836	\$107,570	\$237,761	\$39,348	\$139,192
Manakau	86	4	5%	\$4,664	\$2,934	\$832	\$1,677	\$424	\$1,729
No Charges	503		0%						
Non Rateable	129	3	2%	\$6,702	\$766	\$109	\$608	\$50	\$5,936
Ohau	152	5	3%	\$10,859	\$5,440	\$1,793	\$2,475	\$1,172	\$5,419
Rural	2,164	140	6%	\$387,421	\$80,412	\$20,137	\$46,941	\$13,887	\$307,010
Rural Lifestyle	2,801	170	6%	\$231,895	\$116,775	\$30,264	\$70,294	\$16,092	\$115,120
Shannon	683	86	13%	\$165,548	\$74,879	\$20,170	\$39,140	\$15,564	\$90,670
Tokomaru	164	12	7%	\$8,269	\$6,313	\$1,341	\$4,281	\$695	\$1,956
Utilities	17		0%						
Waikawa Beach	231	6	3%	\$8,592	\$4,370	\$1,230	\$2,410	\$731	\$4,222
Waitarere Beach	995	37	4%	\$38,151	\$26,833	\$6,716	\$16,777	\$3,348	\$11,319
<b>Totals:</b>	<b>19,094</b>	<b>1,145</b>	<b>6%</b>	<b>\$2,106,227</b>	<b>\$885,446</b>	<b>\$242,325</b>	<b>\$522,224</b>	<b>\$121,520</b>	<b>\$1,220,781</b>

## Notes and Comments

- This report excludes assessments with total arrears under \$99 and assessment with credit balances.
- The total arrears of \$2,112,601 are for total arrears over \$99 as at 30 September 2020.



## Statement of Sundry Debtors

### Statement of Sundry Debtors

Category	Total Outstanding	Current Outstanding	31 - 60 days Outstanding	61 - 90 days Outstanding	Over 90 days Outstanding
<b>Current debtors</b>					
Aquatic Centre	20,227	15,664	1,435	180	2,949
Building - Exempt Work	830	335	495	0	0
Building Consents	157,747	81,247	24,089	2,474	49,938
Building Fee - BWOF	7,273	2,388	1,430	630	2,825
Cemeteries	15,695	13,635	2,060	0	0
Dogs - Debt Collection	468	0	468	0	0
Dogs Arrange to pay	3,681	210	1,016	130	2,325
Dogs Pre Payments	25	0	0	0	25
General	91,685	6,837	1,996	1,620	81,231
Health Accreditation Renewals	7,988	2,100	1,300	1,275	3,313
Hire	5,990	1,055	220	283	4,432
On Charges	49,970	39,593	1,431	270	8,675
Rental income Annual	592	0	0	0	592
Resource Consent Fees	40,274	6,772	14,029	1,144	18,329
Rubbish Bags	47,120	39,140	5,700	380	1,900
Staff Account	4,856	2,053	1,267	0	1,536
Swimming Pools	3,245	775	310	620	1,540
Te Awahou	3,042	1,298	220	837	688
Te Takere	5,750	2,865	745	587	1,554
Trade Waste	385,362	289,258	200	95,897	8
Water Septage - Septic Tank Disposal	3,424	3,424	0	0	0
Total current debtors	855,243	508,647	58,411	106,326	181,858
<b>Non current debtors</b>					
Dev Cont New Policy	19,741	0	0	0	19,741
Develop Cont Old Policy	6,055	0	0	0	6,055
Rental Income Monthly	81,441	4,115	17,249	3,150	56,926
Total non-current debtors	107,237	4,115	17,249	3,150	82,723
<b>Total</b>	<b>962,480</b>	<b>512,762</b>	<b>75,661</b>	<b>109,476</b>	<b>264,581</b>

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## Statement of Loans by Parcel

Loan parcels	Maturity Date	Interest Rate	Opening balance	Raised	Repaid	Closing balance
<b>Due within a year</b>						
LGFA CP	18 Dec 20	0.5550%	16,000,000		16,000,000	0
LGFA CP	18 Jun 21	0.4602%		16,000,000		16,000,000
LGFA FRN	17 May 21	1.1025%	4,000,000			4,000,000
LGFA Bond	17 May 21	4.5650%	5,000,000			5,000,000
LGFA Bond	17 May 21	5.9852%	5,000,000		5,000,000	0
LGFA Bond	17 May 21	5.8516%	5,000,000		5,000,000	0
<b>Total due within a year</b>			<b>35,000,000</b>	<b>16,000,000</b>	<b>26,000,000</b>	<b>25,000,000</b>
<b>Due within 2 - 5 years</b>						
LGFA FRN	14 Apr 22	0.7650%	9,000,000			9,000,000
LGFA FRN	18 May 22	0.7050%	3,000,000			3,000,000
LGFA Bond	15 Apr 23	5.1336%	4,000,000			4,000,000
LGFA FRN	15 Apr 23	0.8450%	6,000,000			6,000,000
LGFA Bond	15 Apr 23	1.4800%	4,000,000			4,000,000
LGFA Bond	15 Mar 24	3.7200%	4,000,000			4,000,000
LGFA Bond	15 Mar 24	3.7600%	4,000,000			4,000,000
LGFA Bond	15 Apr 24	2.5200%	3,000,000			3,000,000
LGFA Bond	15 Apr 25	4.2046%	3,000,000			3,000,000
LGFA FRN	15 Apr 25	1.0800%	5,000,000			5,000,000
LGFA FRN	19 May 25	0.7700%	7,000,000			7,000,000
LGFA Bond	20 Mar 26	3.3800%	9,000,000			9,000,000
<b>Total due within 2 - 5 years</b>			<b>61,000,000</b>	<b>0</b>	<b>0</b>	<b>61,000,000</b>
<b>Due after 5 years</b>						
LGFA Bond	15 Jul 26	3.3700%	5,000,000			5,000,000
LGFA FRN	15 Apr 27	1.0300%	5,000,000			5,000,000
LGFA Bond	15 Apr 27	1.6550%		5,000,000		5,000,000
LGFA Bond	15 Apr 28	1.6750%		5,000,000		5,000,000
<b>Total due after 5 years</b>			<b>10,000,000</b>	<b>10,000,000</b>	<b>0</b>	<b>20,000,000</b>
<b>Total</b>			<b>106,000,000</b>	<b>26,000,000</b>	<b>26,000,000</b>	<b>106,000,000</b>

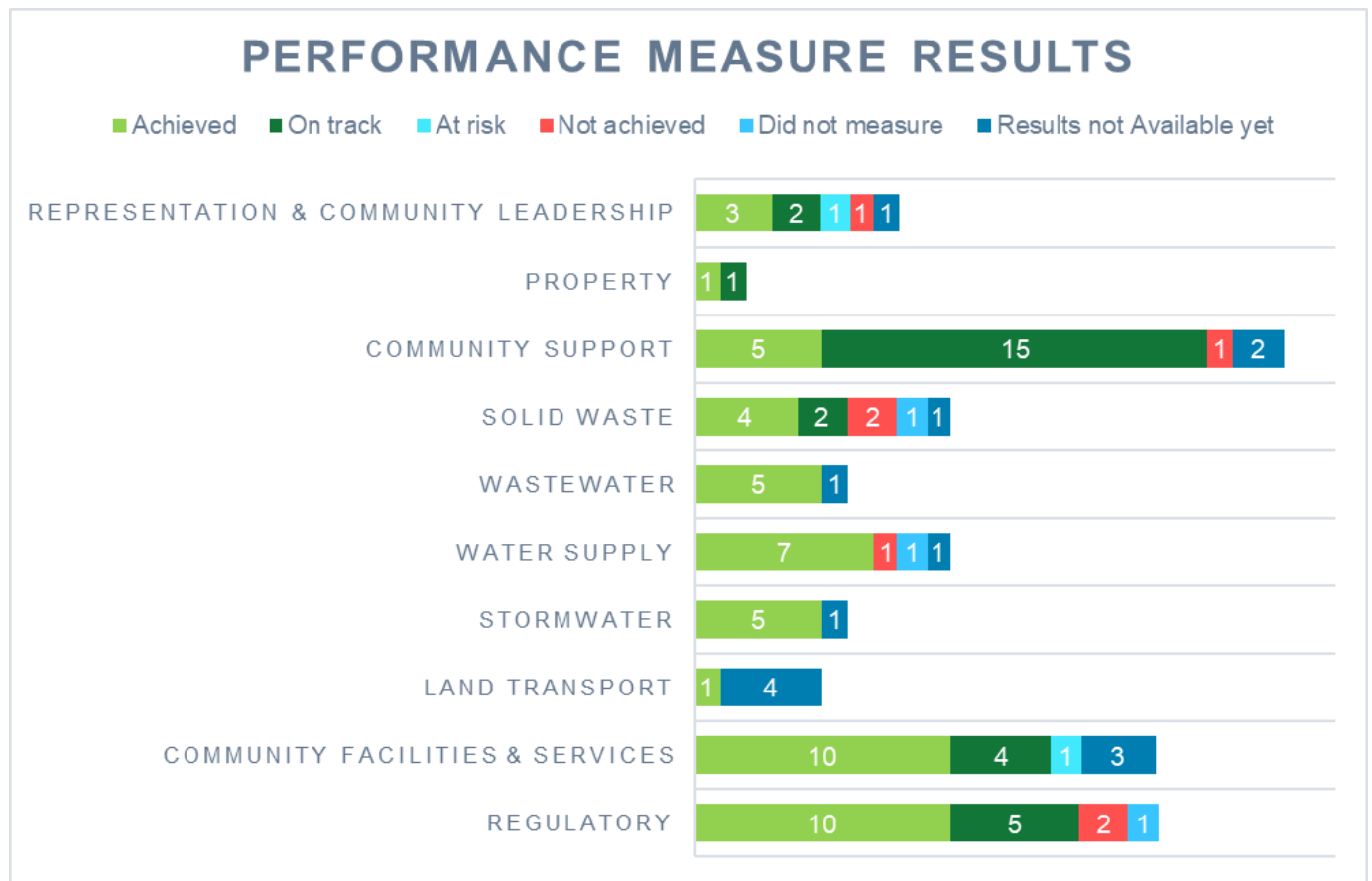
## Notes and Comments

Our weighted average interest rate has decreased to 2.39% at 31 December 2020. This is a predicted saving of \$646k in interest payable compared to the Annual Plan interest rate assumption of 3% for 2020/21.

## Statement of Loans by Activity

Activity	External Loans as at 31/12/2020 \$000	Internal Loans as at 31/12/2020 \$000	Total Loans as at 31/12/2020 \$000	AP Year 3 Budget 2020/21 \$000	Interest Allocated YTD \$000	Loans as at 30/06/2020 \$000
<b>Land Transport</b>	<b>2,800</b>	<b>191</b>	<b>2,991</b>	<b>2,688</b>	<b>35</b>	<b>2,495</b>
<b>Shared Pathways</b>	<b>900</b>	<b>24</b>	<b>924</b>	<b>784</b>	<b>11</b>	<b>788</b>
<b>Stormwater</b>	<b>8,300</b>	<b>12</b>	<b>8,312</b>	<b>7,902</b>	<b>112</b>	<b>8,044</b>
<b>Water supply</b>						
Water Levin	11,800	34	11,834	11,287	167	12,029
Water Shannon	1,100	73	1,173	1,197	17	1,197
Water Foxton	1,200	10	1,210	1,239	17	1,234
Water Foxton Beach	300	28	328	330	5	332
Water Tokomaru	400	33	433	525	6	442
<b>Total for water supply</b>	<b>14,800</b>	<b>178</b>	<b>14,978</b>	<b>14,577</b>	<b>212</b>	<b>15,234</b>
<b>Wastewater Disposal</b>						
Wastewater Levin	11,400	50	11,450	12,535	155	11,104
Wastewater Shannon	7,600	39	7,639	7,822	108	7,794
Wastewater Foxton	8,100	90	8,190	5,694	99	7,116
Wastewater Foxton Beach	200	70	270	216	3	230
Wastewater Tokomaru	800	78	878	1,004	12	847
Wastewater Waitarere	400	73	473	429	5	376
<b>Total for wastewater disposal</b>	<b>28,500</b>	<b>399</b>	<b>28,899</b>	<b>27,700</b>	<b>382</b>	<b>27,467</b>
<b>Solid Waste</b>						
Landfill	4,400	25	4,425	4,688	63	4,508
Recycling	2,200	58	2,258	2,934	27	1,963
<b>Total Solid Waste</b>	<b>6,600</b>	<b>82</b>	<b>6,682</b>	<b>7,622</b>	<b>90</b>	<b>6,471</b>
<b>Community Facilities &amp; Services</b>						
Aquatic Centres	4,200	1	4,201	4,327	59	4,285
Reserves	2,200	61	2,261	2,751	31	2,197
Sports grounds	1,300	70	1,370	1,438	19	1,375
Cemeteries	700	32	732	691	10	687
Beautification	0	45	45	56	1	46
Libraries/ Community Centres	10,400	62	10,462	10,688	149	10,675
Halls	200	23	223	228	3	228
Toilets	400	43	443	510	6	452
<b>Total for Community Facilities &amp; Services</b>	<b>19,400</b>	<b>337</b>	<b>19,737</b>	<b>20,690</b>	<b>278</b>	<b>19,945</b>
<b>Properties</b>						
General properties	3,700	27	3,727	3,188	43	3,103
Council building	5,400	56	5,456	5,418	78	5,567
<b>Total for Properties</b>	<b>9,100</b>	<b>83</b>	<b>9,183</b>	<b>8,606</b>	<b>121</b>	<b>8,670</b>
<b>Other activities</b>						
Information Technology	1,700	80	1,780	1,677	23	1,681
District/strategic planning	3,400	70	3,470	4,227	51	3,650
Animal control	0	25	25	26	0	25
Treasury	10,500	0	10,500	21,000	37	13,200
<b>Total for other</b>	<b>15,600</b>	<b>175</b>	<b>15,775</b>	<b>26,930</b>	<b>111</b>	<b>18,556</b>
<b>Total Gross Debt</b>	<b>106,000</b>	<b>1,481</b>	<b>107,481</b>	<b>117,500</b>	<b>1,352</b>	<b>107,670</b>
Less Cash and Cash equivalents	16,386		16,386	13,049		15,892
<b>Net Debt</b>	<b>89,614</b>	<b>1,481</b>	<b>91,095</b>	<b>104,451</b>		<b>91,778</b>

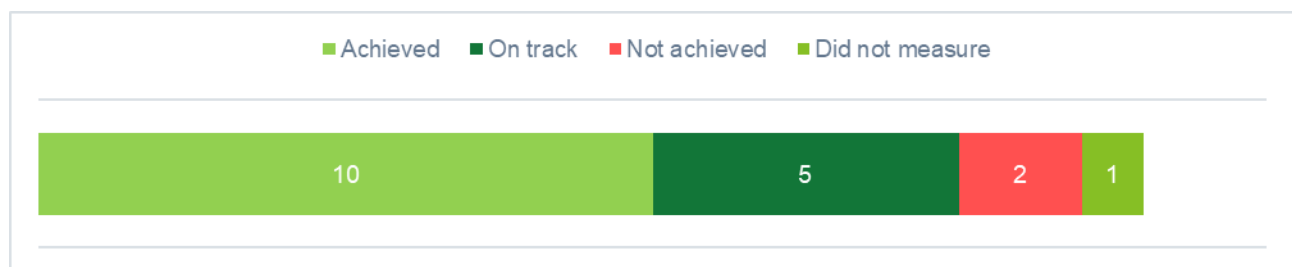
## Performance Measure Results



## PLANNING AND REGULATORY

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	2,115	2,213	1,168	1,168	-
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	9	9	4	5	1
Local authorities fuel tax, fines, infringement fees, and other receipts	2,760	2,860	1,664	1,866	202
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>4,884</b>	<b>5,082</b>	<b>2,836</b>	<b>3,039</b>	<b>203</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	434	475	223	275	52
Finance costs	2	5	2	-	(2)
Internal charges and overheads applied	4,368	4,521	2,410	1,948	(462)
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,804</b>	<b>5,001</b>	<b>2,635</b>	<b>2,223</b>	<b>(412)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>80</b>	<b>81</b>	<b>201</b>	<b>816</b>	<b>615</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	42	(23)	(11)	(1)	10
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>42</b>	<b>(23)</b>	<b>(11)</b>	<b>(1)</b>	<b>10</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	2	-	-	-	-
- to replace existing assets	117	58	18	13	(5)
Increase (decrease) in reserves	3	-	172	802	630
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>122</b>	<b>58</b>	<b>190</b>	<b>815</b>	<b>625</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(80)</b>	<b>(81)</b>	<b>(201)</b>	<b>(816)</b>	<b>(615)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	79	79	29	29	-

## PLANNING AND REGULATORY Performance Measures – LTP/Annual Plan Summary



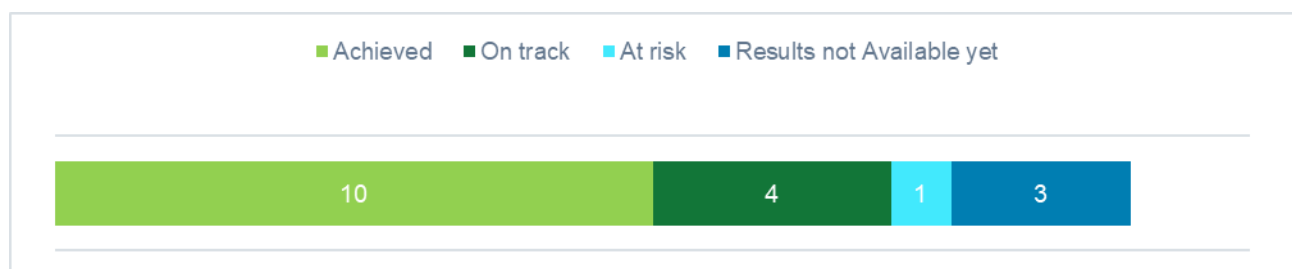
## REGULATORY SERVICES - Performance Measures Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2020/21)	Actual Performance	CM9 Ref
<b>Resource Consenting</b>					
RS1	Processing of applications under the Resource Management Act (RMA) 1991.	Applications under the RMA will be processed within statutory timeframes.	Achieve	<p><b>Not Achieved</b></p> <p>As at 31 December 2020, 130 consents have been approved YTD for Land Use, Subdivision and Boundary Activities, 97% were approved within statutory timeframes.</p> <p>Four (4) resource consents were approved outside of statutory timeframes. This has been due to high volume of applications received compared to the number of staff and contractors available to process applications. Two (2) new resource management planners have been appointed this year and recruitment of staff is ongoing.</p>	D21/1323
<b>Building Consenting</b>					
RS2	Carry out Building Consent Authority functions including enforcement of legislation relating to construction of buildings and structures.	Number of months in which all building consent applications are processed within 20 working days or less.	12	<p><b>Not achieved</b></p> <p>As at 31 December 2020, 348 building consents were granted YTD, 99% within statutory timeframes.</p> <p>This measure has been achieved for five (5) out of six (6) months YTD.</p> <p>One (1) consent was processed outside the statutory timeframe in November, this was due to an administrative error. A new staff member has been appointed to the Support Officer role that has been vacant from August to November; this will provide the capacity to carry out appropriate checks to ensure the same error does not occur again in future.</p>	D21/1385

## Community Facilities

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	5,163	5,439	2,542	2,541	(1)
Targeted rates	7,094	7,306	3,286	3,284	(2)
Subsidies and grants for operating purposes	14	14	3	966	963
Fees and charges	1,665	1,734	743	571	(172)
Local authorities fuel tax, fines, infringement fees, and other receipts	214	211	11	38	27
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>14,150</b>	<b>14,704</b>	<b>6,585</b>	<b>7,400</b>	<b>815</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	9,403	9,615	4,458	5,923	1,465
Finance costs	1,037	1,192	336	278	(58)
Internal charges and overheads applied	2,326	2,422	1,323	1,342	19
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>12,766</b>	<b>13,229</b>	<b>6,117</b>	<b>7,543</b>	<b>1,426</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,384</b>	<b>1,475</b>	<b>468</b>	<b>(143)</b>	<b>(611)</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	3,800	2,264	(1,536)
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	3,091	345	289	(208)	(497)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,091</b>	<b>345</b>	<b>4,089</b>	<b>2,056</b>	<b>(2,033)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	26	37	-	-	-
- to improve the level of service	843	463	2,078	190	(1,888)
- to replace existing assets	3,551	1,259	795	655	(140)
Increase (decrease) in reserves	55	61	1,685	1,068	(617)
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,475</b>	<b>1,820</b>	<b>4,557</b>	<b>1,913</b>	<b>(2,644)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,384)</b>	<b>(1,475)</b>	<b>(468)</b>	<b>143</b>	<b>611</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	1,165	1,249	796	863	67

## COMMUNITY FACILITIES AND SERVICES Performance Measures – LTP/Annual Plan Summary



## REPRESENTATION AND COMMUNITY LEADERSHIP

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	505	575	20	20	-
Targeted rates	3,625	3,898	1,782	1,781	(1)
Subsidies and grants for operating purposes	-	-	-	731	731
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	91	2	-	61	61
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>4,221</b>	<b>4,475</b>	<b>1,802</b>	<b>2,593</b>	<b>791</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1,419	1,296	806	926	120
Finance costs	117	134	61	51	(10)
Internal charges and overheads applied	3,074	3,224	1,635	1,556	(128)
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,610</b>	<b>4,654</b>	<b>2,502</b>	<b>2,533</b>	<b>(18)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(389)</b>	<b>(179)</b>	<b>(700)</b>	<b>60</b>	<b>809</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	2,173	2,173
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	330	203	608	(136)	(744)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>330</b>	<b>203</b>	<b>608</b>	<b>2,037</b>	<b>1,430</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	1	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	3	3
Increase (decrease) in reserves	(60)	24	(93)	2,094	2,187
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>(59)</b>	<b>24</b>	<b>(93)</b>	<b>2,097</b>	<b>2,190</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>389</b>	<b>179</b>	<b>700</b>	<b>(60)</b>	<b>(760)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49</b>
Depreciation	13	14	-	-	-

## REPRESENTATION AND COMMUNITY LEADERSHIP Performance Measures – LTP/Annual Plan Summary





## REPRESENTATION AND COMMUNITY LEADERSHIP– Performance Measures Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2020/21)	Actual Performance	RM8 Ref
RCL2	Council provides open, accessible processes to local government.	LGOIMA requests responded to within 20 working days.	Achieve	<p><b>Not Achieved</b></p> <p>As at 31 December 2020, 105 LGOIMA requests were received. 82 were sent on time 7 remain open (current) 5 remain open with a full extension applied/approved 0 remain open with a partial extension applied/approved 8 responses had extensions/ were overdue:</p> <ul style="list-style-type: none"> <li>• 3 requests sent had partial/full extensions applied/approved (were within the timeframe of extension)</li> <li>• 4 requests were 1 day overdue due to administrative errors</li> <li>• 1 request was sent 4 days overdue, due to administrative error – staff absence and concurrent work demands</li> </ul>	

## COMMUNITY SUPPORT

Note	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	2,471	2,540	1,369	1,369	-
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	28	28	17	17	-
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	134	137	1	2	1
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>2,633</b>	<b>2,705</b>	<b>1,387</b>	<b>1,388</b>	<b>1</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1,247	1,276	1,043	1,032	(11)
Finance costs	1	1	8	-	(8)
Internal charges and overheads applied	1,370	1,414	601	555	(46)
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,618</b>	<b>2,691</b>	<b>1,652</b>	<b>1,587</b>	<b>(65)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>15</b>	<b>14</b>	<b>(265)</b>	<b>(199)</b>	<b>66</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(1)	(1)	3	-	(3)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(1)</b>	<b>(1)</b>	<b>3</b>	<b>-</b>	<b>(3)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	3	-	(3)
- to replace existing assets	-	-	-	3	3
Increase (decrease) in reserves	14	13	(265)	(202)	63
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>14</b>	<b>13</b>	<b>(262)</b>	<b>(199)</b>	<b>63</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(15)</b>	<b>(14)</b>	<b>265</b>	<b>199</b>	<b>(66)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	13	12	6	6	-

## COMMUNITY SUPPORT

### Performance Measures – LTP/Annual Plan Summary



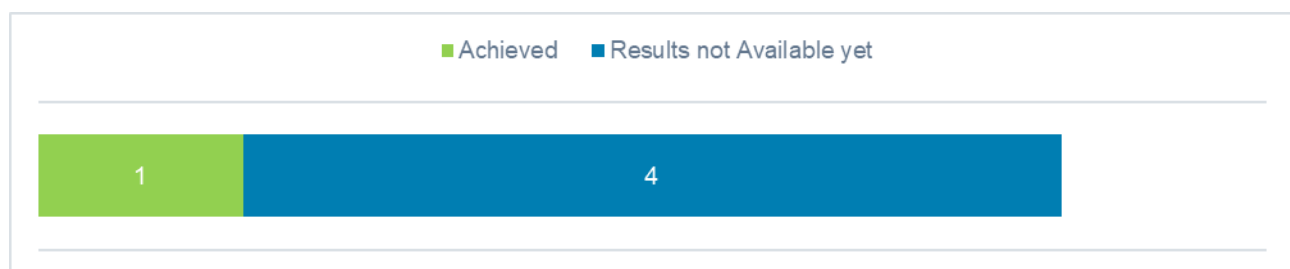
## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Emergency Management) – Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2020/21)	Actual Performance	RM8 Ref
CS2	Council maintains a functional EOC and trained staff.	Civil defence and emergency management assessment of readiness and capability.	100% of Council staff with EOC roles	<p><b>Not Achieved</b></p> <p>As at 31 December 2020 all Incident Management Team fully trained, however due to the impacts of Covid-19 pandemic not all new staff are fully trained.</p>	

## LAND TRANSPORT

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	3,486	3,681	1,813	1,812	(1)
Subsidies and grants for operating purposes	1,436	1,468	984	1,662	678
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	359	365	143	126	(17)
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>5,281</b>	<b>5,514</b>	<b>2,940</b>	<b>3,600</b>	<b>660</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	2,593	2,653	1,742	1,589	(153)
Finance costs	185	277	56	46	(10)
Internal charges and overheads applied	961	988	505	235	(270)
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,739</b>	<b>3,918</b>	<b>2,303</b>	<b>1,870</b>	<b>(433)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,542</b>	<b>1,596</b>	<b>637</b>	<b>1,730</b>	<b>1,093</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	4,308	4,634	4,115	2,983	(1,132)
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	1,835	1,970	1,142	2,282	1,140
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>6,143</b>	<b>6,604</b>	<b>5,257</b>	<b>5,265</b>	<b>8</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	-	-	-	3	3
- to improve the level of service	4,209	4,693	3,477	2,345	(1,132)
- to replace existing assets	3,458	3,535	1,812	1,059	(753)
Increase (decrease) in reserves	18	(28)	605	3,588	2,983
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>7,685</b>	<b>8,200</b>	<b>5,894</b>	<b>6,995</b>	<b>1,101</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,542)</b>	<b>(1,596)</b>	<b>(637)</b>	<b>(1,730)</b>	<b>(1,093)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	5,143	5,305	2,594	2,594	-

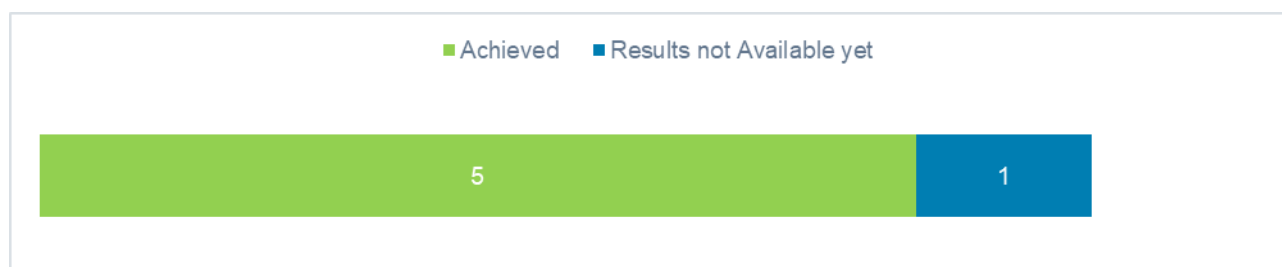
## LAND TRANSPORT Performance Measures – LTP/Annual Plan Summary



## STORMWATER

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	1,331	1,417	693	693	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	92	95	-	-	-
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>1,423</b>	<b>1,512</b>	<b>693</b>	<b>693</b>	<b>-</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	421	432	226	98	(128)
Finance costs	412	462	128	112	(16)
Internal charges and overheads applied	98	102	159	185	26
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>931</b>	<b>996</b>	<b>513</b>	<b>395</b>	<b>(118)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>492</b>	<b>516</b>	<b>180</b>	<b>298</b>	<b>118</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	1,006	780	676	268	(408)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,006</b>	<b>780</b>	<b>676</b>	<b>268</b>	<b>(408)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	285	245	235	44	(191)
- to improve the level of service	1,050	905	621	385	(236)
- to replace existing assets	75	98	49	3	(46)
Increase (decrease) in reserves	88	48	(48)	134	182
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,498</b>	<b>1,296</b>	<b>856</b>	<b>566</b>	<b>(290)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(492)</b>	<b>(516)</b>	<b>(180)</b>	<b>(298)</b>	<b>(118)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	657	690	330	330	-

## STORMWATER Performance Measures – LTP/Annual Plan Summary

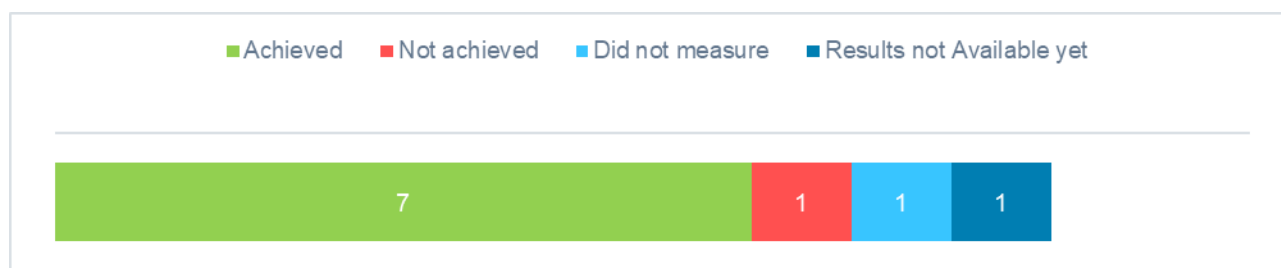


## WATER SUPPLY

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	6,748	6,925	3,300	3,196	(104)
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	126	129	64	34	(30)
Local authorities fuel tax, fines, infringement fees, and other receipts	122	117	-	1	1
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>6,996</b>	<b>7,171</b>	<b>3,364</b>	<b>3,231</b>	<b>(133)</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	3,093	3,143	1,614	1,332	(282)
Finance costs	674	706	261	212	(49)
Internal charges and overheads applied	497	519	393	416	23
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,264</b>	<b>4,368</b>	<b>2,268</b>	<b>1,960</b>	<b>(308)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,732</b>	<b>2,803</b>	<b>1,096</b>	<b>1,271</b>	<b>175</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	625	656	694	1,247	553
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>625</b>	<b>656</b>	<b>694</b>	<b>1,247</b>	<b>553</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	1,138	561	437	66	(371)
- to improve the level of service	24	25	28	(26)	(54)
- to replace existing assets	2,350	2,636	1,308	1,234	(74)
Increase (decrease) in reserves	(155)	237	17	1,244	1,227
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,357</b>	<b>3,459</b>	<b>1,790</b>	<b>2,518</b>	<b>728</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,732)</b>	<b>(2,803)</b>	<b>(1,096)</b>	<b>(1,271)</b>	<b>(175)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	2,611	2,654	1,371	1,371	-

## WATER SUPPLY

### Performance Measures – LTP/Annual Plan Summary



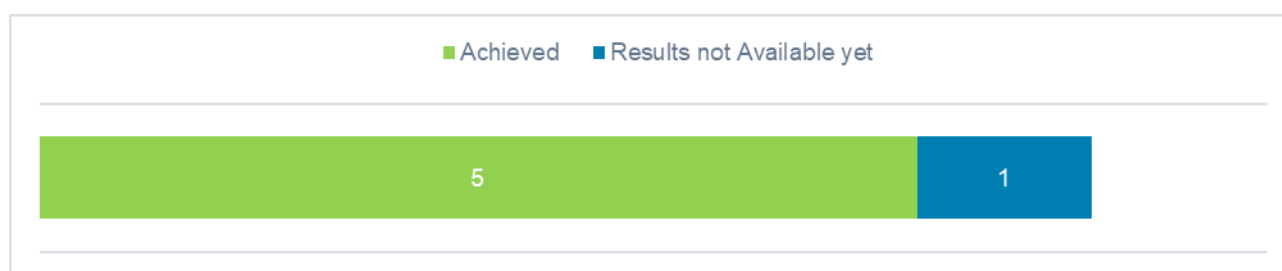
## WATER SUPPLY – Performance Measures Not Achieved Measures Only

Ref	Service	How will we measure our performance	Target (2020/21)	Actual Performance	RM8 Ref												
WS9	Minimal water losses*.	Real water loss performance of the network as measured by the standard World Bank Institute Band for Leakage.	Band "B"	<p><b>Partly achieved - Information as below</b></p> <p>A system for the monitoring of night flow trends, which form the basis of this performance assessment, has been implemented for all the supplies. The assessment which determines achievement/non achievement has been updated with the values for December 2020.</p> <table border="1" data-bbox="1240 603 1823 948"> <thead> <tr> <th>Supply</th> <th>"Snapshot" Infrastructure Leakage Index</th> </tr> </thead> <tbody> <tr> <td>Levin</td> <td>B</td> </tr> <tr> <td>Shannon &amp; Mangaore</td> <td>C</td> </tr> <tr> <td>Foxton</td> <td>C</td> </tr> <tr> <td>Foxton Beach</td> <td>A</td> </tr> <tr> <td>Tokomaru</td> <td>C</td> </tr> </tbody> </table> <p>Levin has achieved the performance target of Band B through the implementation of Pressure Management interventions, but also been greatly influenced by the reduction of private side leakage after the installation of meters on the properties identified through leak detection.</p> <p>With the Council side interventions of Pressure Management and Active Leakage Control completed, universal customer water metering is the only cost effective way remaining to monitor and further reduce water losses in the district.</p>	Supply	"Snapshot" Infrastructure Leakage Index	Levin	B	Shannon & Mangaore	C	Foxton	C	Foxton Beach	A	Tokomaru	C	D21/3786
Supply	"Snapshot" Infrastructure Leakage Index																
Levin	B																
Shannon & Mangaore	C																
Foxton	C																
Foxton Beach	A																
Tokomaru	C																

## WASTEWATER MANAGEMENT

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	7,734	8,364	3,161	3,160	(1)
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	1,085	1,110	409	537	128
Local authorities fuel tax, fines, infringement fees, and other receipts	178	196	-	29	29
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>8,997</b>	<b>9,670</b>	<b>3,570</b>	<b>3,726</b>	<b>156</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	2,546	2,599	1,618	1,470	(148)
Finance costs	1,474	1,662	427	382	(45)
Internal charges and overheads applied	449	467	398	409	11
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,469</b>	<b>4,728</b>	<b>2,443</b>	<b>2,261</b>	<b>(182)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>4,528</b>	<b>4,942</b>	<b>1,127</b>	<b>1,465</b>	<b>338</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	3,777	3,978	2,036	(549)	(2,585)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,777</b>	<b>3,978</b>	<b>2,036</b>	<b>(549)</b>	<b>(2,585)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	2,149	2,199	329	292	(37)
- to improve the level of service	3,363	3,422	1,359	1,689	331
- to replace existing assets	2,270	2,738	1,743	645	(1,098)
Increase (decrease) in reserves	523	561	(268)	(1,710)	(1,443)
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>8,305</b>	<b>8,920</b>	<b>3,163</b>	<b>916</b>	<b>(2,247)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(4,528)</b>	<b>(4,942)</b>	<b>(1,127)</b>	<b>(1,465)</b>	<b>(338)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	3,349	3,518	1,665	1,665	-

## WASTEWATER MANAGEMENT Performance Measures – LTP/Annual Plan Summary

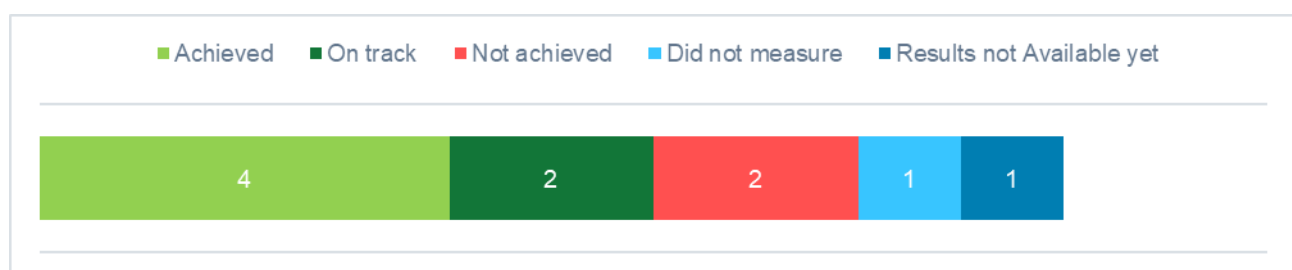




## SOLID WASTE MANAGEMENT

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
Note					
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates	350	350	616	616	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	2,187	2,233	875	819	(56)
Local authorities fuel tax, fines, infringement fees, and other receipts	22	34	-	2	2
Internal charges and overheads recovered	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>2,559</b>	<b>2,617</b>	<b>1,491</b>	<b>1,437</b>	<b>(54)</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1,551	1,581	1,296	1,466	170
Finance costs	286	295	124	90	(34)
Internal charges and overheads applied	85	89	172	200	28
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,922</b>	<b>1,965</b>	<b>1,592</b>	<b>1,756</b>	<b>164</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>637</b>	<b>652</b>	<b>(101)</b>	<b>(319)</b>	<b>(218)</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	185	(218)	624	(84)	(708)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>185</b>	<b>(218)</b>	<b>624</b>	<b>(84)</b>	<b>(708)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	413	23	289	16	(273)
- to replace existing assets	5	-	77	-	(77)
Increase (decrease) in reserves	404	411	158	(419)	(577)
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>822</b>	<b>434</b>	<b>523</b>	<b>(403)</b>	<b>(926)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(637)</b>	<b>(652)</b>	<b>101</b>	<b>319</b>	<b>218</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	325	340	185	185	-

## SOLID WASTE MANAGEMENT Performance Measures – LTP/Annual Plan Summary



## SOLID WASTE – Performance Measures – LTP/Annual Plan Not Achieved Measures Only

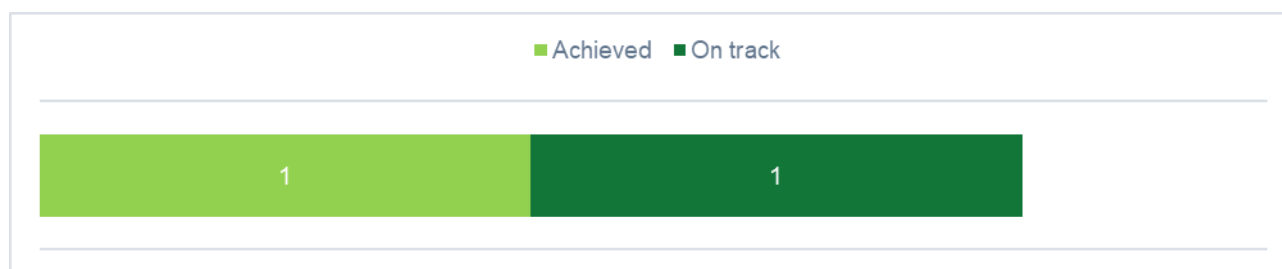
Ref	Service	How will we measure our performance	Target (2020/21)	Actual Performance	RM8 Ref									
SW4	Response to service requests regarding Council's Solid Waste Activities is timely.	Time all requests are responded to.	Within 3 working days	<p><b>Not Achieved</b> As at 31 December 2020:</p> <table border="1"> <thead> <tr> <th>For the Month</th> <th>Year to Date</th> </tr> </thead> <tbody> <tr> <td>62/76</td> <td>337/540</td> </tr> </tbody> </table>	For the Month	Year to Date	62/76	337/540	D21/3314					
For the Month	Year to Date													
62/76	337/540													
SW5	Recycling and refuse is collected on time and in a sanitary manner.	Number of complaints per-month about non collection of: Kerbside recycling Kerbside refuse	< 6 per month < 6 per month	<p><b>Not Achieved</b> As at 31 October 2020:</p> <table border="1"> <thead> <tr> <th></th> <th>For the Month</th> <th>Year to Date</th> </tr> </thead> <tbody> <tr> <td>Kerbside recycling</td> <td>16</td> <td>134</td> </tr> <tr> <td>Kerbside refuse</td> <td>6</td> <td>37</td> </tr> </tbody> </table> <p><b>Please note:</b> Not all complaints are due to genuine missed collections. Some bins may have not been collected for other reasons such as the bin not being out or the bin being contaminated. This month of the 16 recycling CRMs, 3 were noted as being not collected due to contamination or the bin not being out, 13 were either missed or unknown. Missed collection CRM's are actioned by Low Cost Bins.</p>		For the Month	Year to Date	Kerbside recycling	16	134	Kerbside refuse	6	37	D21/3314
	For the Month	Year to Date												
Kerbside recycling	16	134												
Kerbside refuse	6	37												

## PROPERTY

	LTP Forecast 2020 \$000	LTP Forecast 2021 \$000	Annual Plan Forecast Dec YTD 2020 \$000	Dec YTD 2020 \$000	Variance Dec YTD 2020 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	1,083	1,107	463	462	(1)
Targeted rates	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-
Fees and charges	169	170	84	132	48
Local authorities fuel tax, fines, infringement fees, and other receipts	134	129	-	15	15
Internal charges and overheads recovered	467	484	241	87	(154)
<b>Total operating funding (A)</b>	<b>1,853</b>	<b>1,890</b>	<b>788</b>	<b>696</b>	<b>(92)</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1,182	1,173	457	344	(113)
Finance costs	302	327	150	121	(29)
Internal charges and overheads applied	301	312	163	162	(1)
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,785</b>	<b>1,812</b>	<b>770</b>	<b>627</b>	<b>(143)</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>68</b>	<b>78</b>	<b>18</b>	<b>69</b>	<b>51</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	632	587	(1,493)	515	2,008
Gross proceeds from sale of assets	-	-	2,500	-	(2,500)
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>632</b>	<b>587</b>	<b>1,007</b>	<b>515</b>	<b>(492)</b>
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	1	1	-	-	-
- to improve the level of service	455	2,377	100	698	598
- to replace existing assets	434	589	294	105	(189)
Increase (decrease) in reserves	(190)	(2,302)	631	(219)	(850)
Increase (decrease) of investments	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>700</b>	<b>665</b>	<b>1,025</b>	<b>584</b>	<b>(441)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(68)</b>	<b>(78)</b>	<b>(18)</b>	<b>(69)</b>	<b>(51)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	215	251	130	130	-

## PROPERTY

### Performance Measures – LTP/Annual Plan Summary



## APPENDIX

Asset maintenance contract	General contract works, repairs, planned and unplanned maintenance, materials and consumables, cleaning and hygiene, inspections and reporting.
Finance cost	Interest on borrowings and interest on swaps.
Gains	Fair value revaluation gain and gain on sale.
General grants	Grants given to various organisations and individuals like Creative NZ, neighbourhood support, beach wardens, community development and youth scholarships.
Grants and subsidies	Grants and subsidies received from government and other organisations for roading, library, community hubs, cemeteries and aquatic centres.
Infringements and fines	Parking tickets, Prosecutions on WOFs and unregistered vehicles.
Employee benefits	Salaries and wages, training costs, FBT and ACC levies, superannuation, and staff recognition.
Other expenses	Printing, publication, postage, stationery, advertising, food and catering, photocopying, internet and communication and any other office expenses.
Professional services	Consultants, contractors, membership fees, legal fees, lab services, audit fees or any other professional services charges.
Regulatory revenue	Planning fees, building fees, animal fees, liquor fees and health fees.
Rendering of services	Commissions, car income, and any other income received for rendering services.
Rental income	Rent from Halls, residential and commercial properties, grazing land, reserves and other lease income.
Targeted rates	Rates for roading, waste management, representation and governance, stormwater, wastewater, water by meter and water supply.
User charges	Revenue received from admission, shop sale, Cemetery fees, trade waste, utility connection, events and exhibitions.
Utilities	Water use, electricity and gas charges

# Treasury Report

File No.: 20/567

## 1. Purpose

To present to the Finance, Audit & Risk (FAR) Committee the Bancorp Treasury Report for the December 2020 quarter.

## 2. Recommendation

- 2.1 That Report 20/567 Treasury Report be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Background/Previous Council Decisions

This Quarterly Treasury report is produced by our Treasury Advisors, Bancorp Treasury Services Limited, for the benefit of Senior Management and Council.

## 4. Issues for Consideration

- 4.1 The US election and the strength of recovery of the economy are the main headlines.
- 4.2 The financial markets are no longer factoring in a negative OCR, although some are predicting it to go to 0.1% from the current 0.25%.
- 4.3 Long-term interest rates are beginning to rise, refer to the yield curve graph on page 3 of the report. This has had the effect of reversing some of the loss on derivatives that occurred in the first 4 months of the year to now show \$424k gain on the revaluation of derivatives.
- 4.4 Because Council refinanced the \$10m of loans in August, before the increases in rates, Council's cost of funds dropped slightly lower from 2.41% to 2.39%.
- 4.5 No new borrowing was necessary during the quarter as available cash was used first to cover the cash-flow needs as borrowing is only considered when there is insufficient cash to cover expenditure.

## Attachments



No.	Title	Page
A	Bancorp Treasury Report December 2020	71

### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

## Signatories

Author(s)	Doug Law <b>Chief Financial Officer</b>	
Approved by	Nicki Brady <b>Deputy Chief Executive</b>	

CONFIDENTIAL

TREASURY REPORT

FOR



**HOROWHENUA  
DISTRICT  
COUNCIL**

AS AT

31 DECEMBER 2020



**BANCORP**

BANCORP TREASURY SERVICES LIMITED

AUCKLAND • WELLINGTON • CHRISTCHURCH

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BANCORP TREASURY SERVICES LIMITED

Page i



## 1. MARKET ENVIRONMENT

### 1.1 GLOBAL MARKETS OVERVIEW (AS AT 31 DECEMBER 2020)

Markets have had a lot to digest over the last quarter as COVID-19 second waves struck the Northern Hemisphere, the US election resulted in a change of President and central banks reinforced that they will do as much as they possibly can to engender economic growth. Despite a resurgence of COVID cases in several countries, markets seem to be adopting a forward looking approach to a time when a vaccine(s) will halt the global pandemic. Risk remains the clear victor as US sharemarkets posted record highs weekly, despite the 92 million COVID-19 cases recorded around the world and the never-ending geopolitical tensions, China, Iran etc.

The global benchmark interest rate, the US 10 year Treasury bond yield, started the September quarter at 0.67% and trended higher throughout the quarter, finishing December at 1.10%. This was due to the US Federal Reserve changing its inflation mandate to allow inflation to go beyond 2.0% which resulted in the market betting on the return of inflation in the medium term. This, along with the positive vaccine developments led to a 'risk on' market sentiment, resulting in US bond yields climbing.

It was different story for European bond yields as the German 10 year Bund remained relatively flat over the same period. Historically, Treasuries and Bunds have a relatively strong correlation, but over the quarter the correlation weakened dramatically. This was due, once again, to the 'average inflation' policy announced by the Fed, allowing inflation to move above 2.0% in the medium term. Another factor contributing to the deterioration of the correlation was the profit taking on US bonds and the expectation of inflation reaching its central bank target faster in the US than in Europe.

Reserve Bank of Australia ("RBA") Governor, Phillip Lowe, in November cut the cash rate and the target for the 3-year swap rate to 0.10% as expected, and the RBA confirmed that it would purchase \$100 billion of 5 to 10-year Government and State bonds over the next six months to push longer term rates lower. The RBA again ruled out a negative cash rate, stating it sees little benefit from such a move. It did, however, commit to maintaining the current cash rate of 0.10% well into 2023.

The Chinese economy is recovering quickly with GDP, retail sales and industrial production all up over the September quarter. The IMF is now projecting a 1.9% increase in GDP for China over 2020 and 8.2% over 2021. President Xi Jinping recently outlined his focus for the next five years with his Government earmarking hundreds of billions of dollars for infrastructure spending, a staggering US\$1.4 trillion for technology research, and a 'dual circulation' strategy that will see an increasing focus on domestic consumption, and also further opening up the Chinese economy further. This is expected to support average annual GDP growth of around 5.0%.

1.2 NEW ZEALAND MARKET OVERVIEW (AS AT 31 DECEMBER 2020)

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
30 Sept 2020	0.25%	0.31%	0.05%	0.05%	0.13%	0.28%	0.51%
31 Dec 2020	0.25%	0.27%	0.28%	0.36%	0.54%	0.74%	0.99%
Change	0 bps	-4bps	+23bps	+31bps	+41bps	+46bps	+48bps

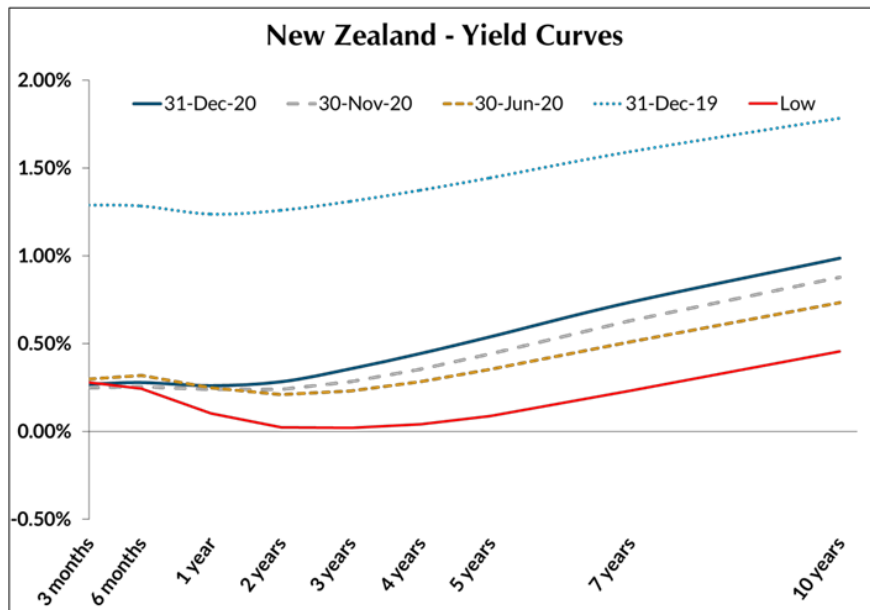
In the November *Monetary Policy Statement* (“MPS”), the Monetary Policy Committee of the Reserve Bank of New Zealand (“RBNZ”) “reached a consensus to hold the OCR at 0.25 percent, in accordance with the guidance issued on 16 March, maintain[ed] the existing Large Scale Asset Purchase (“LSAP”) programme of a maximum of \$100 billion by June 2022; and direct[ed] the Bank to implement a Funding for Lending Programme (“FLP”) in early December 2020.” The FLP involves the RBNZ providing banks with medium-term funding at the level of the OCR, secured against high-quality collateral. The programme aims to promote lending to businesses and households at lower interest rates, increasing investment and consumption.

Market expectations regarding future changes to the OCR changed dramatically after the November MPS, due to the unexpectedly bullish (or less dovish) tone of the statement. Prior to the MPS, markets were assigning a 100% probability of the OCR falling to zero by April 2021 and a 92% probability to it being at minus 0.25% by October 2021. By the end of December, market pricing implied an 8% chance that the OCR would be at zero by April and a 16% chance that it would be at zero by October. Bank economists also pared back expectations for a negative OCR in 2021 as the extent of the economic recovery became apparent.

NZ September quarter GDP skyrocketed 14.0% after contracting a revised 11.0% in June, achieving a so-called V shaped recovery as massive fiscal and monetary stimulus fuelled consumer spending. The economy grew 0.4% for the year, confounding the consensus forecast for a 1.8% decline. Still, the RBNZ and some economists have cautioned the economy may contract in the fourth quarter of 2020 and even face a double-dip recession early in 2021, citing slower global growth and the possibility that the border will remain closed to most visitors until at least the second half of 2021.

Swap rates have recovered aggressively since the Octobers lows, as the 10 year rate bottomed out at 0.45%, finishing the quarter at 0.99% This has been a similar story across the entire yield curve as bets on a negative OCR fall away, inflation expectations increased and the correlation with US interest rates returns. The first chart in Section 1.3 shows the correlation between the New Zealand 10 year swap (blue line) and the US 10 year Treasury bond (red line). The second chart shows the changes in the shape of the yield curve going back to December 2019, including the low in interest rates which was reached in October 2020.

1.3 CHARTS



#### 1.4 LOCAL AUTHORITY SECTOR

Listed below are the credit spreads and applicable interest rates as at 13 January (these were not published at the end of December) for Commercial Paper ("CP"), Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), at which Horowhenua District Council ("HDC") could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Margin	FRN (or CP) Rate	FRB
3 month CP	0.20%	0.47%	N/A
6 month CP	0.20%	0.485	N/A
May 2021	0.36%	0.63%	0.64%
April 2022	0.45%	0.72%	0.70%
April 2023	0.45%	0.72%	0.74%
April 2024	0.47%	0.74%	0.85%
April 2025	0.52%	0.79%	0.98%
April 2026	0.53%	0.80%	1.13%
April 2027	0.59%	0.86%	1.26%
April 2029	0.65%	0.92%	1.89%
April 2033	0.85%	1.12%	2.02%
April 2037	0.97%	1.24%	2.45%

During the quarter credit spreads for LGFA debt declined in line with an overall fall in spreads for non-sovereign debt in New Zealand. Despite this decrease in credit spreads there has been a sharp increase in the yields for FRBs due to the rise in underlying swap rates. At the end of September, the April 2025, April 2029 and April 2037 FRBs were trading at 0.64%, 1.12% and 1.80% respectively. As at 13 January, they were at 0.98%, 1.59% and 2.45% respectively.

## 2. FUNDING

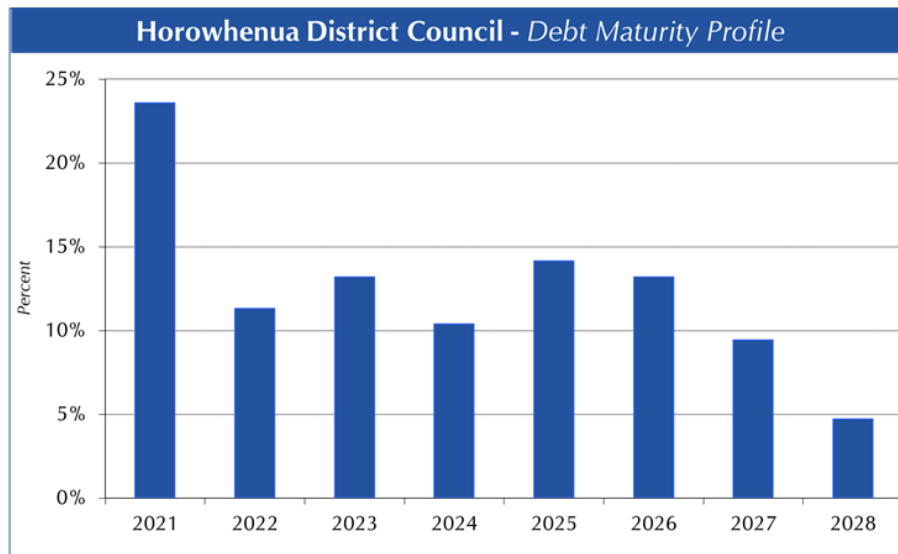
As at 31 December 2021, HDC had \$106.0 million of external debt, comprising a combination of CP, FRBs and FRNs, all sourced from the LGFA. Details of HDC's debt at 31 December 2020 are as follows:

Instrument	Inception	Maturity	Rate	Margin	Amount
CP	Jun-20	15-Apr-21	0.4602	20 bps	16,000,000
FRB	May-13	15-May-21	4.565%	79 bps	5,000,000
FRN	May-13	15-May-21	1.1025%	84 bps	4,000,000
FRN	July 18	14-Apr-22	0.765%	50 bps	9,000,000
FRN	May-15	18-May-22	0.675%	42.5 bps	3,000,000
FRB	Nov-14	15-Apr-23	5.1336%	81 bps	4,000,000
FRB	Aug-19	15-Apr-23	1.48%	55 bps	4,000,000
FRN	Feb-18	15-Apr-23	0.845%	57.5 bps	6,000,000
FRB	Apr-17	15-Mar-24	3.72%	63 bps	4,000,000
FRB	Mar-19	15-Apr-24	2.52%	54 bps	3,000,000
FRB	May-17	15-May-24	3.76%	58 bps	4,000,000
FRB	Mar-17	15-Apr-25	4.2046%	77 bps	3,000,000
FRN	Mar-20	15-Apr-25	1.08%	81 bps	5,000,000
FRN	May-15	19-May-25	0.74%	49 bps	7,000,000
FRB	Mar-19	20-Mar-26	3.38%	78 bps	9,000,000
FRB	Jul-16	15-Jul-26	3.37%	84 bps	5,000,000
FRN	Aug-19	15-Apr-27	1.03%	76 bps	5,000,000
FRB	Aug-20	15-Apr-27	1.655%	86 bps	5,000,000
FRB	Aug-20	15-Apr-28	1.675%	88 bps	5,000,000
				<b>TOTAL</b>	<b>\$106,000,000</b>

The only maturity during the December quarter was \$16.0 million of CP which was rolled over for four months to 15 April 2021 at an all-up rate of 0.4602. No new debt was raised during the quarter.

As at 31 December, HDC had no drawings under its BNZ \$10.0 million Customised Average Rate Loan facility that expires in November 2022.

HDC's current debt maturity profile (excluding the BNZ facility) is depicted in the graph on the following page which indicates a good spread of maturities between 2021 and 2028. Additionally, HDC is compliant with Section 4.6 of the Liability Management Policy ("LMP"), which governs HDC's funding risk management activities.



### 3. DEBT AND HEDGING PROFILE

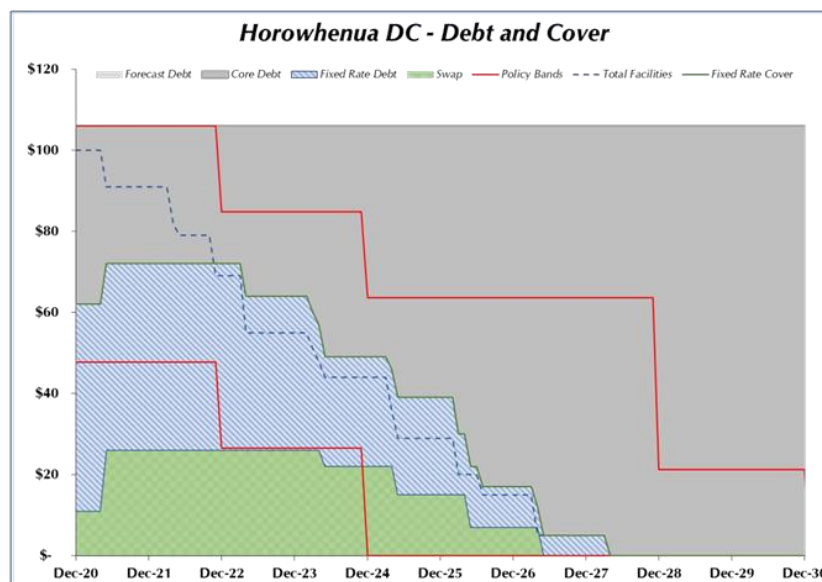
As at 31 December 2020, HDC had \$106.0 million of debt, and two current interest rate swaps and two forward starting interest rate swaps, as follows:

Start Date	Maturity Date	Rate	Amount
18-Feb-13	18-May-24	4.015%	\$4,000,000
18-May-15	18-May-25	4.75%	\$7,000,000
17-May-21	15-May-26	2.15%	\$8,000,000
17-May-21	17-May-27	2.25%	\$7,000,000
		<b>TOTAL</b>	<b>\$26,000,000</b>

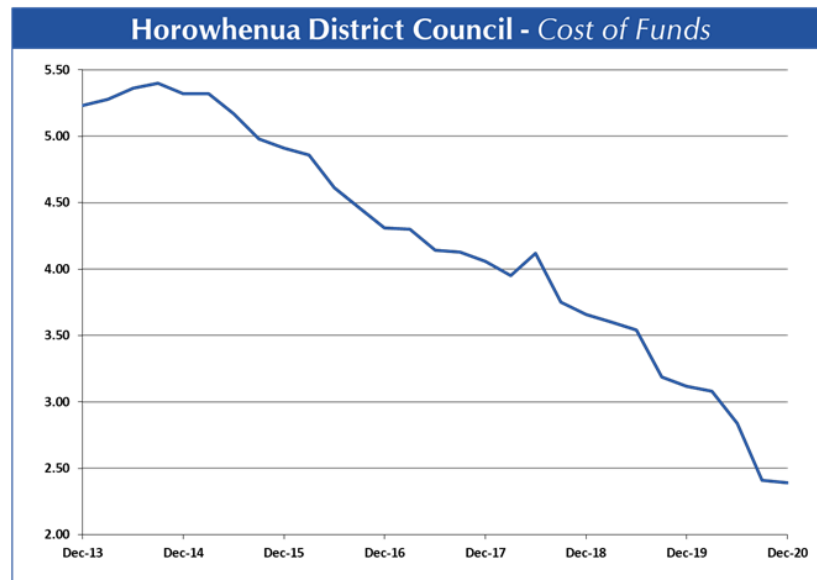
Section 4.3 of the LMP details the Fixed Rate Hedging Percentages that HDC shall adhere to in the management of its debt.

Fixed Rate Hedging Percentages		
	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0-2 years	45%	100%
2-4 years	25%	80%
4-8 years	0%	60%
8+ years	0%	20%

The debt and hedging profiles incorporating these parameters are depicted in the following graph. This shows that as at 31 December 2020, HDC was compliant with Section 4.3 of the LMP. The graph also incorporates the maturity profile of the debt facilities which is indicated by the dotted blue line.



HDC's cost of funds (inclusive of the bank line fee) as at 31 December 2020 was 2.39%, down from 2.41% at the end of September 2020. The cost of funds exclusive of the bank line fee was 2.37%. HDC's cost of funds remains lower (in many cases noticeably so) than the large majority of its peers in the local government sector, indicating the success of its funding and interest rate risk management programme over the last several years. The cost of funds dating back to December 2013 is depicted in the following graph.





#### 4. POLICY COMPLIANCE (AS AT 31 DECEMBER 2020)

	Yes/No
<i>Have all transactions been entered into compliance with policy?</i>	√
<i>Are the fixed rate hedging percentages within policy control limits?</i>	√
<i>Is HDC maintaining liquidity within policy control limits?</i>	√
<i>Are all counterparty exposures within policy control limits?</i>	√
<i>Is HDC compliant with the financial covenants contained in the LMP</i>	√

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## FAR Committee - Actions

File No.: 20/568

### 1. Purpose

To report back to the Finance, Audit & Risk Committee on requested actions.

### 2. Recommendation

- 2.1 That Report 20/568 FAR Committee - Actions be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

### 3. Issues for Consideration

As attached.

### Attachments


No.	Title	Page
A	Finance, Audit & Risk Committee - Officer Actions	84


#### Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

### Signatories

Author(s)	Lisa Slade <b>Group Manager - People &amp; Culture</b>	
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Approved by	Lisa Slade <b>Group Manager - People &amp; Culture</b>	
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**HOROWHENUA DISTRICT COUNCIL**  
**FINANCE, AUDIT & RISK COMMITTEE**  
**OFFICER ACTIONS**  
Queries from meeting to be addressed

Date	Item/Report No.	Item/Report Description	Query/Action	Responsible Officer	Date to Action by	Progress Status	Officer Comment
29/07/20	20/291	<u>Monitoring Report – Audit Recommendations 20/08/2019</u>	Letter requested from Audit noting recommendations that have been cleared	Susan Cameron		20/01/21	Awaiting report from Audit NZ
26/08/20	20/89	<u>Risk Appetite</u>	In terms of the timeframe for reporting back on potential changes.	Steve Magi		In progress as at 18/01/21	Awaiting Auditors' advice on risk management changes as a result of COVID-19 impacts. However, the Risk Appetite Statement was adopted by Council on 9 September 2020.
30/09/20	20/361	<u>Infrastructure Development – Activity Update – Horowhenua Alliance Review</u>	Audit report being finalised and the combined response to be brought back to the FAR Committee	Brent Maguire/ Kevin Peel		Complete	The combined response was reported to the FAR Committee at the 28 October 2020 meeting
30/09/20			A site visit to be arranged for Elected Members to the Foxton Wastewater Treatment Plant	Kevin Peel			Late 2020 scheduled visit postponed and will be re-scheduled for February 2021
28/10/20	20/462	<u>Infrastructure Development –</u>	Issues raised with regard to the review to be	Brent Maguire	Christmas 2020	Work in progress	

**HOROWHENUA DISTRICT COUNCIL**  
**FINANCE, AUDIT & RISK COMMITTEE**  
**OFFICER ACTIONS**  
Queries from meeting to be addressed

Date	Item/Report No.	Item/Report Description	Query/Action	Responsible Officer	Date to Action by	Progress Status	Officer Comment
		<u>Activity Update – Horowhenua Alliance Review</u>	considered by the Principals Group and then brought back to the FAR Committee by Christmas this year, including the wider scope, how the culture issue would be addressed and the development of key measures.				
	20/463	OPEX Financials	An explanation on the issue of erroneous expense coding to be provided to Committee Members prior to the next FAR meeting	Kevin Peel		Complete	Following discussion on a sub-contractor invoice being miscoded a complete check was undertaken with no further miscoded invoices found
	20/468	<u>Treasury Report</u>	Workshop to be held in tandem with the next FAR meeting on whether Council could or should take advantage of the current low interest rates	Doug Law		In progress	

**HOROWHENUA DISTRICT COUNCIL**  
**FINANCE, AUDIT & RISK COMMITTEE**  
**OFFICER ACTIONS**  
Queries from meeting to be addressed

Date	Item/ Report No.	Item/Report Description	Query/Action	Responsible Officer	Date to Action by	Progress Status	Officer Comment
25/11/20	20/496	<u>Infrastructure Development – Activity Update - Foxton River Loop Regeneration – Stage One</u>	Engagement to be undertaken with Matarapa Governance Group	Daniel Haigh		In progress	
	20/465	<u>Customer &amp; Strategy – Activity Update</u>	To provide further information with regard to current and future consenting activity – trends to be identified in the growth dashboard	Megan Leyland		In progress	Awaiting changes to reports and processes