

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

**Date:** Wednesday 14 February 2018  
**Time:** 4.00 pm  
**Meeting Room:** Council Chambers  
**Venue:** Horowhenua District Council  
Levin

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## Finance, Audit & Risk Subcommittee

### OPEN AGENDA

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#### MEMBERSHIP

<b>Chairperson</b>	Mr Phillip Jones	
<b>Deputy Chairperson</b>	Cr Barry Judd	
<b>Members</b>	Deputy Mayor Wayne Bishop	
	Cr Ross Brannigan	
	Cr Ross Campbell	
	Mayor Michael Feyen	
	Cr Neville Gimblett	
	Cr Victoria Kaye-Simmons	
	Cr Jo Mason	
	Cr Christine Mitchell	
	Cr Piri-Hira Tukapua	
	Cr Bernie Wanden	
<b>Reporting Officer</b>	Mr D Law	(Chief Financial Officer)
<b>Meeting Secretary</b>	Mrs K J 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**  
**Foxton Service Centre/Library, Clyde Street, Foxton,**  
**Shannon Service Centre/Library, Plimmer Terrace, Shannon**  
**and Te Takeretanga o Kura-hau-pō, Bath Street, Levin**



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<b>ITEM</b>	<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
<b>PROCEDURAL</b>		
1	Apologies	5
2	Public Participation	5
3	Late Items	5
4	Declarations of Interest	5
5	Confirmation of Minutes – 13 December 2017	5
6	Announcements	5
<b>REPORTS</b>		
7	Reports	
7.1	Financial Report for the six months to 31 December 2017	7
7.2	Treasury Report	91
7.3	Audit New Zealand - Final Management Report for the year ended 30 June 2017	109
7.4	Infrastructure Projects Update	111
7.5	Mayoral Discretionary Fund	133
7.6	Amendment to Elected Members – Allowances and Recovery of Expenses Policy – February 2018	135
<b>IN COMMITTEE</b>		
8	Procedural motion to exclude the public	142
C1	Chairperson's Report	142



**1 Apologies**

**2 Public Participation**

Notification to speak is required by 12 noon on the day of the meeting. Further information is available on [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz) or by phoning 06 366 0999.

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 Subcommittee, 13 December 2017**

**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.

# Financial Report for the six months to 31 December 2017

File No.: 18/54

## 1. Purpose

To present to the Finance, Audit & Risk Subcommittee the financial report for the six months to 31 December 2017.

## 2. Recommendation

- 2.1 That Report 18/54 Financial Report for the six months to 31 December 2017 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 2017 - Final	8

### 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	
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Approved by	Mark Lester Acting Chief Executive	
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# Six Month Report

1 July 2017 - 31 December 2017





## Executive Summary

### A. Trends and Activity of Interest

1. Resource Consenting
  - 95 consents have been lodged as at 31 December 2017, compared to 105 at the same time last year.
  - 43 subdivision consents approved as at 31 December 2017, compared to 41 at the same time last year.
  - 26 consents have reached 223 stage and 25 have reached 224 stage as at 31 December 2017.
  - Approved subdivisions have resulted in the creation of 74 new allotments as at 31 December 2017.
2. Building Consents
  - Value of consents issued as at 31 December 2017 is \$44,356,884 compared to \$45,734,491 for the same period last year - 288 consents issued as at 31 December 2017, compared to 324 for the same period last year.
  - 111 new dwelling consents at 31 December 2017 against 109 for the same period in the 2016/2017 year.
  - 335 building consents were lodged as at 31 December 2017, compared to 283 for the same period in the 2016/17 year.

Both Resource Consent and Building Consent numbers, and the level of enquiries, continue to hold steady.

### B. Financial Performance

Council has achieved a loss of \$881,000 as at 31 December 2017 against a budgeted surplus of \$615,000.

The following variances are evident

- Fees and charges has pensioner housing rental \$343K that was not budgeted for due to sale, which occurred 27 November 2017.
- Other revenue is over budget reflecting the income generated by the Alliance covering the Operations and Projects team overhead costs (\$628K YTD). This will continue and grow due to the change on operations from when the budgets were formulated.
- Finance costs are below budget by \$231K reflecting the lower interest rates on loans; 4.06% against the Annual Plan assumption of 4.75%
- Depreciation expense is \$1,207K higher than budget due to the revaluations of assets last year that were not reflected in the Annual Plan budgets. This trend will continue for the rest of the year.

Rates rebates applications continue to be strong. 1,767 applications totalling \$971,041 processed to the end of December (Last year at this time 1,751 applications totalling \$955,396).

**Doug Law**  
Chief Financial Officer  
14 February 2018

# Operational Summary

Total revenue	Total expenditure	Total surplus/(deficit)
<b>\$27.06m</b> is 3% less than the total budget of \$27.88m	<b>\$27.94m</b> is 2% more than the total budget of \$27.27m	<b>(\$0.88m)</b> is 244% less than the total budget of 0.61m

## SUSTAINABILITY

### Rates to operating revenue 65%

Rates revenue	\$17.65m
Operating revenue	\$27.04m

65% of operating revenue is derived from rates revenue. Rates revenue excludes penalties and includes water supply by meter and gross of remissions. Operating revenue excludes vested assets, development contributions, asset revaluation gains and gains on derivatives.

### Balance budget ratio 97%

Operating revenue	\$27.04m
Operating expenditure	\$27.94m

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 97% of operating expenditure.

### Essential services ratio 105%

Capital expenditure	\$6.16m
Depreciation	\$5.88m

Capital expenditure should be equal or more than depreciation for essential services, for year to date capex is 105% of depreciation. Essential Services are Water Supply, Wastewater, Stormwater and Roding.

### Net Debt to total projected revenue 132%

Total net borrowing	\$69.63m
Total projected operating revenue	\$52.71m

With net borrowing of \$69.63m we are still under the set limit of 175% of operating revenue. Total net borrowing is external borrowing less cash at bank.

### Interest to rates revenue (LGFA Cov.) 9%

Net Interest	\$1.59m
Rates revenue	\$17.65m

9% 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 and includes water supply by meter and gross of remissions.

### Interest to operating revenue (LGFA Cov.) 6%

Net Interest	\$1.59m
Operating revenue	\$27.04m

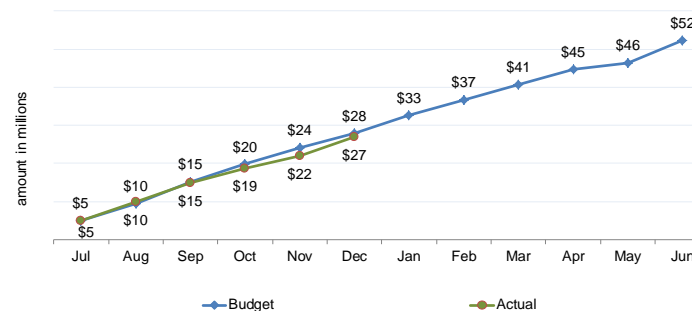
6% of operating revenue is paid in interest. Our set limit is 20% of operating revenue. Net interest is interest paid less interest received.

### Available financial accommodation to external 114%

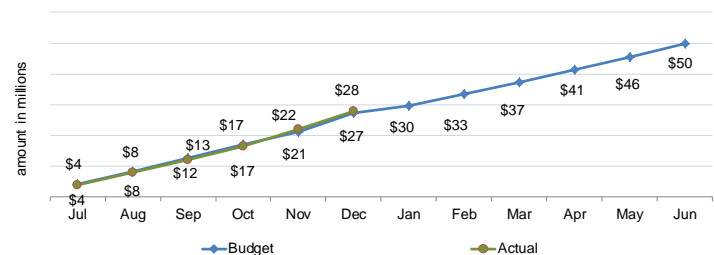
Net debt	\$69.63m
Undrawn committed facilities	\$10.00m

Committed bank facility to enable us to borrow at least 14% of our current external debt immediately, currently we can borrow 114% more than our current debt. Net debt is external debt less cash at bank.

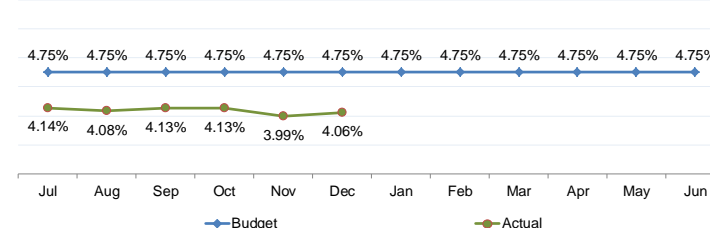
Total Revenue \$m



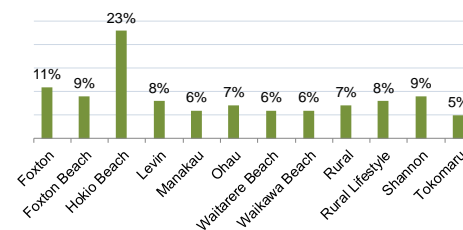
Total Expenditure \$m



Interest rate movement



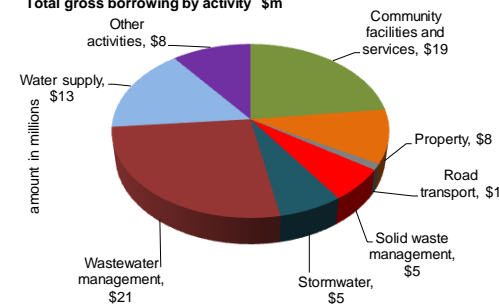
Rates debtors % with arrears



Sundry debtors by activities \$000



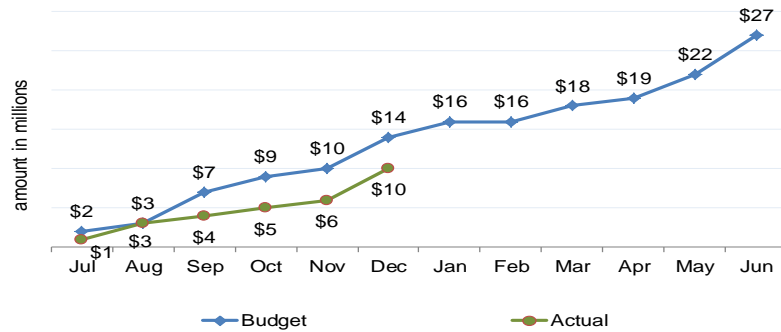
Total gross borrowing by activity \$m



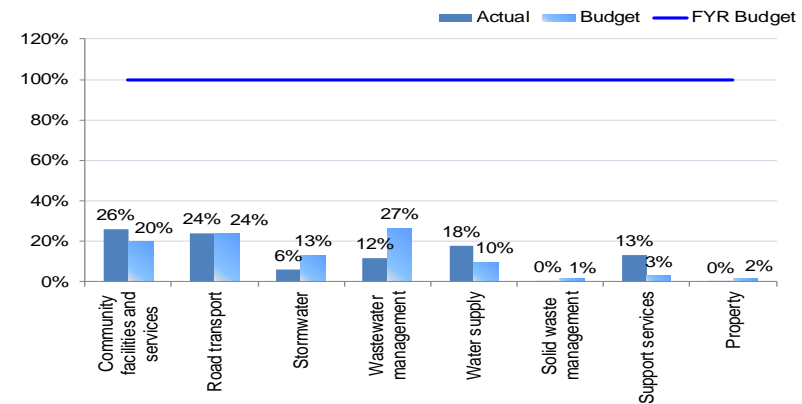
# Capital

To meet growth	To improve service	To replace
<b>\$0.984m</b>	<b>\$4.285m</b>	<b>\$5.054m</b>
is 55% less than the YTD budget of \$2.213m	is 19% less than the TD budget of \$5.292m	is 29% less than the total budget of \$7.154m

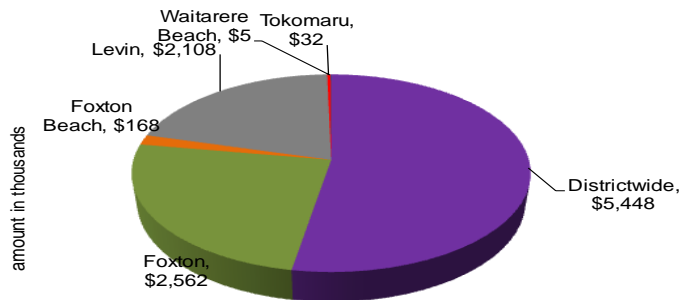
Total Capital Expenditure



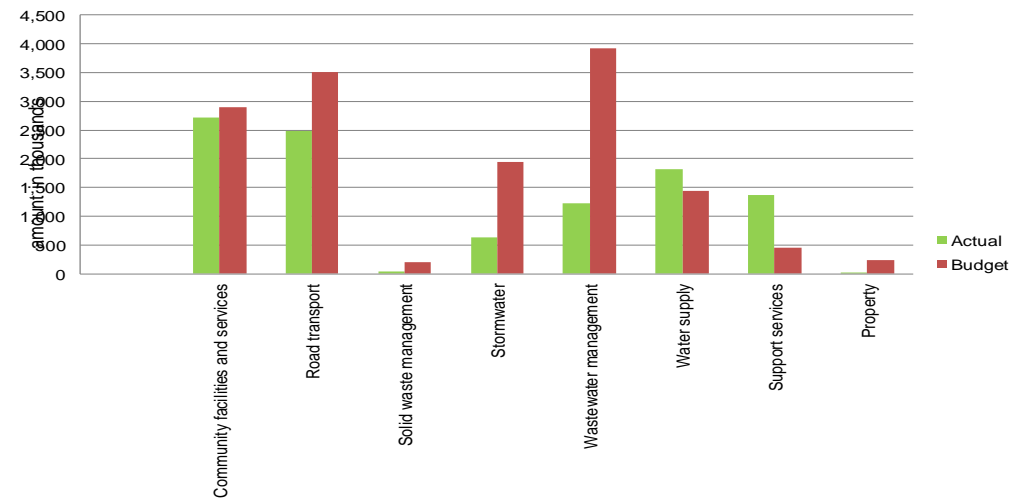
Capital Expenditure By Activity % Percentage



District View - Capital Expenditure \$000



Capital Expenditure By Activity \$000



## Statement of Capital Projects over \$50,000

Group of activities	Work Order	Description	Type	Full year Budget	Year to date Costs vs YTD Budget				Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments
					Actual	Budget	Variance in \$	Variance in % to total budget					
<b>Land Transport</b>	8512	Foxton Townscape Main Street Upgrade	LOS	1,225,000	535,218	635,000	99,782	8%	338,796	Higgins	Mar-18	25%	Extra engagement has gone well for North end of Main Street and we should be able to complete entire project this year.
<b>Total Land Transport</b>				<b>1,225,000</b>	<b>535,218</b>	<b>635,000</b>	<b>99,782</b>	<b>16%</b>	<b>338,796</b>				
Group of activities	Work Order	Description	Type	Full year Budget	Actual	Budget	Variance in \$	Variance in % to total budget	Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments
<b>Stormwater</b>													
	8475	Levin Queen Street	LOS	150,000	0	0	0	0%	150,000			0%	This money is to assist with the Ministry for the Environment (MFE) project. The MFE project will determine the timeframes for this work. This is a stormwater (SW) quality improvement project (SW discharge to the Lake) possibly contracting wetland areas.
	8474	Stormwater Telemetry	LOS	65,001	28,624	44,006	15,382	24%	65,001				Cost of fully reticulated stormwater network was obtained to give options to manage stormwater. Draft catchment management plan has been received and have been presented to the Council as part of stormwater network analysis.
	8714	Shannon Catchment Management Plan	LOS	56,867	0	18,444	18,444	32%	56,867				
	8883	District Wide Improvement Works	Grwth/LOS	534,552	42,426	0	(42,426)	(8%)	534,552	Different contractors will be used.	Jun-18	10%	Planning started and some minor improvements undertaken. Draft designs to extend Queen Street stormwater pipe have been prepared. We expect all of this money will be spent before the end of year.
	8715	Development Planning Foxton Beach	GRWTH	155,700	56	129,750	129,694	83%	60,000	no	Jun-18	5%	Planning started. We may not spend all this money this year unless we use external consultants.
	8480	Improvements NE Levin	Grwth/LOS	2,462,904	528,679	884,211	355,532	14%	1,600,000	Higgins	Jun 18 (excluding attenuation ponds)	50%	Contract awarded to Higgins. Stormwater pipe installed, Pump stations almost complete and roading commenced. The timing of the construction of the attenuation ponds depends upon consent being granted however, we may have to carry over around \$1,000,000 at the end of the financial year. The works on Fairfield is to be completed by Jun 2018.
<b>Total Stormwater</b>				<b>3,425,024</b>	<b>599,785</b>	<b>1,076,411</b>	<b>476,626</b>	<b>44%</b>	<b>2,466,420</b>				

## Statement of Capital Projects over \$50,000 (cont.)

Group of activities	Work Order	Description	Type	Full year	Year to date Costs vs YTD Budget				Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments	
				Budget	Actual	Budget	Variance in \$	Variance in % to total budget						
Wastewater	8483	Foxton Wastewater Treatment Plant - Strategic Upgrade	LOS	2,092,918	(13,041)	410,000	423,041	20%	2,092,918	no		5%	At consent stage. The YTD costs include costs recovered from Horizons (\$200k). T this stage it is unclear whether we will get all of this work completed this financial year or just part of it.	
	8890	Foxton Wastewater Treatment Plant - Pond Desludge	Ren/LOS	450,000	17,154	324,750	307,596	68%	450,000	no	Jun-18	5%	Currently tendering for desludging contract. Tenders close 21 Dec 2017	
	8891	Foxton Beach Wastewater Treatment Plant - Strategic Upgrade	LOS	267,275	99,133	33,200	(65,933)	(25%)	267,275	no		5%	At consent stage	
	8892	Foxton Beach Wastewater Treatment Plant - Planned Renewals	Renewal	142,190	0	51,000	51,000	36%	142,190					
	8491	Tokomaru Wastewater Treatment Plant - Consent Renewal	Renewal	65,000	50,378	24,000	(26,378)	(41%)	65,000					
	8720	Waitarere Wastewater Treatment Plant - Strategic Upgrade	LOS	240,548	0	15,500	15,500	6%	240,548	no	Jun-18	0%	This is currently awaiting consent.	
	8498	Foxton Reticulation - Renewals	Renewal	167,265	0	16,000	16,000	10%	167,265	Horowhenua Alliance	Jun-18	5%	Work being undertaken as part of the District Wide renewals by the Horowhenua Alliance. Construction commenced.	
	8499	Levin Reticulation - Renewals	Renewal	433,889	370,864	133,000	(237,864)	(55%)	433,889	Horowhenua Alliance	Jun-18	40%	Work being undertaken by the Horowhenua Alliance. Construction progressing well.	
	8500	Districtwide - Reticulation Unplanned Renewals	Renewal	192,973	38,701	66,000	27,299	14%	192,973	Horowhenua Alliance	Jun-18	20%	For reactive repairs. To cover unscheduled maintenance issues.	
	8501	Levin Treatment Plant - Planned Renewals	Renewal	1,826,673	124,219	870,000	745,781	41%	1,826,673					
	8502	Levin Wastewater Treatment Plant - Strategic Upgrade	LOS	545,241	164,684	242,000	77,316	14%	545,241					
	8503	Levin Treatment Plant - Unplanned Renewals	Renewal	94,592	23,780	41,500	17,720	19%	94,592					
	8722	Development Planning Foxton Beach	Growth	144,738	9,890	44,000	34,110	24%	80,000	Horowhenua Alliance	Jun-18	5%	Planning started. Unlikely to spend all of this money this financial year. We may spend \$80k.	
	8893	Development Work - North East Levin	Growth	245,893	205,185	245,893	40,708	17%	245,893	Higgins	Mar-18	80%	Majority of work completed. Full invoicing not yet received.	
	8894	Development Planning Waitarere Beach	Growth	160,365	84	23,000	22,916	14%	75,000	no	Jun-18	0%	Not yet started. We are unlikely to spend all of this money unless we use external consultants to assist.	
8505	Levin Tararua Industrial Development	Growth	88,287	0	0	0	0%	88,287	no		0%	On hold until decision made whether Council develops this site. Unlikely to spend this money this financial year.		
<b>Total Wastewater</b>				<b>7,157,847</b>	<b>1,091,032</b>	<b>2,539,843</b>	<b>1,448,811</b>	<b>57%</b>	<b>7,007,744</b>					

## Statement of Capital Projects over \$50,000 (cont.)

Group of activities	Work Order	Description	Type	Year to date Costs vs YTD Budget					Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments
				Full year Budget	Actual	Budget	Variance in \$	Variance in % to total budget					
Water Supply	8456	Levin Reticulation- RENEWAL	Renewal	1,069,601	950,270	404,188	(546,082)	(51%)	1,069,601	Horowhenua Alliance Construction	Jun-18	35%	Work being undertaken by the Horowhenua Alliance. Construction progressing well.
	8887	Foxton Beach consents- RENEWAL	Renewal	53,455	0	30,000	30,000	56%	53,455				
	8888	Tokomaru Consents- RENEWAL	Renewal	106,910	0	0	0	0%	106,910				
	8889	Shannon - Mangaore Consents- RENEWAL	Renewal	106,910	0	40,000	40,000	37%	106,910				
	8466	Levin Clarifier Installation	LOS	250,000	92,121	250,000	157,879	63%	250,000	Veolia for main works	Apr-18	80%	Additional costs to come.
	8719	Levin treatment plant upgrade	LOS	600,000	180,221	196,000	15,779	3%	600,000	Reliant for Foxton New Reservoir	Jun-18	15%	Carried forward from last year. To be used for Foxton New Reservoir and Foxton Beach Green Sand Filters. Project to be completed by June 18.
	8718	Foxton Beach Development plan	Growth	83,000	0	50,500	50,500	61%	40,000	Horowhenua Alliance	Jun-18	10%	Planning started. We are unlikely to require all of these funds unless we use external consultants.
	8468	Reactive renewals - District Wide	Renewal	160,365	137,849	76,240	(61,609)	(38%)	160,365	Horowhenua Alliance	Jun-18	50%	For reactive repairs. To cover unscheduled maintenance issues. We are likely to overspend this budget as additional works have been identified on Bartholomew Road.
	<b>Total Water Supply</b>				<b>2,430,241</b>	<b>1,360,461</b>	<b>1,046,928</b>	<b>(313,533)</b>	<b>(30%)</b>	<b>2,387,241</b>			
Group of activities	Work Order	Description	Type	Full year Budget	Actual	Budget	Variance in \$	Variance in % to total budget	Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments
Solid Waste	8516	Cap Shape Correction	Renewal	62,050	28,594	62,049	33,455	54%	62,050				
	8518	Landfill Development	Growth	329,704	35,205	197,822	162,617	49%	329,704				
	<b>Total Solid Waste</b>				<b>391,754</b>	<b>63,799</b>	<b>259,871</b>	<b>196,072</b>	<b>75%</b>	<b>391,754</b>			



## Statement of Capital Projects over \$50,000 (cont.)

Group of activities	Work Order	Description	Type	Full year Budget	Year to date Costs vs YTD Budget				Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments
					Actual	Budget	Variance in \$	Variance in % to total budget					
<b>Property</b>													
	8535	General Property Renewals	Renewal	186,900	16,931	0	(16,931)	(9%)	186,900	no	Jun-18	2%	
	8651	Tararua Industrial Development	Growth	142,100	55	0	(55)	(0%)	142,100	no	Jun-18	0%	
		<b>Total Property</b>		<b>329,000</b>	<b>16,986</b>	<b>0</b>	<b>(16,986)</b>	<b>(5%)</b>	<b>329,000</b>				
Group of activities	Work Order	Description	Type	Full year Budget	Actual	Budget	Variance in \$	Variance in % to total budget	Projected Spend to 30 June 2018	Contract Awarded	Estimated date of Project Completion	Project % Completed	General Comments
<b>Community Facilities and Services</b>													
	8852	Levin Aquatic - Replace the Hydroslide	Renewal	120,000	0	15,000	15,000	13%	120,000				
	8543	Foxton Aquatic Centre Plan Renewals	Renewal	114,996	87,841	75,000	(12,841)	(11%)	114,996				
	8579	Te Awahou -Community Centre - Site works and museum fitout	Gwth/Los/Ren	3,252,200	3,159,248	3,252,200	92,952	3%	3,252,200			98%	Opened to public 18 November 2017.
	8826	IT equipment Te Awahou	Growth	109,000	102,800	109,000	6,200	6%	102,800		Nov-17	100%	Completed.
	8871	Shared pathways	LOS	250,000	105	62,500	62,395	25%	250,000	no	n/a	n/a	Share pathways funding is an infrastructure project
	8551	Waitarere Dune management Dune management - flatten recountour	Renewal	102,900	4,944	0	(4,944)	(5%)	102,900	no	Jun-17	5%	
	8561	Reserves Renewals	Renewal	158,752	4,383	84,000	79,617	50%	158,752	no	Jun-17	3%	
	8568	District Play Equipment	Renewal	75,000	8,163	25,000	16,837	22%	75,000	no	Jun-17	11%	
	8574	Foxton Beach Reserves Projects per LTP 2015-2025 (Endowment)	Renewal	276,060	8,987	25,000	16,013	6%	350,000	yes	Apr-17	15%	Foxton Community Board elected to install the second option (50m x 50m) pump track and meet the extra cost from the 18-19 Freehold account contribution.
		<b>Total Community Facilities and Services</b>		<b>4,458,908</b>	<b>3,376,470</b>	<b>3,647,700</b>	<b>271,230</b>	<b>7%</b>	<b>4,526,648</b>				

## Statement of Comprehensive Revenue and Expense

Percentage of year completed: 25%	Council	Annual	Annual	Council	Council	YTD	YTD
	Actual \$	Plan to 30-	Forecast	Actual \$	Budget \$	Variance	Variance
	30-Jun-17	Jun-18	Jun-18	31-Dec-17	31-Dec-17	\$000	%
	\$000	\$000	\$000	\$000	\$000		
	A			B	C	D=C-B	E=D/C
<b>Revenue</b>							
Rates	34,498	36,790	36,800	18,203	18,095	(108)	-1%
Finance revenue	53	70	100	3	35	32	91%
Grants and subsidies	3,900	7,226	5,809	3,268	5,142	1,874	36%
Fees and charges	6,321	5,154	5,262	2,848	2,577	(271)	-11%
Other revenue	3,857	3,294	3,293	2,507	1,947	(560)	-29%
Vested assets	459	-	25	17	-	(17)	0%
Development contributions	488	-	-	-	-	-	0%
Gain on derivative financial instruments	630	-	-	-	-	-	0%
Other gains	983	359	393	214	90	(124)	-138%
<b>Total revenue</b>	<b>51,189</b>	<b>52,893</b>	<b>51,682</b>	<b>27,060</b>	<b>27,886</b>	<b>826</b>	<b>3%</b>
<b>Expenditure</b>							
Employee benefit expenses	12,234	13,174	13,172	6,432	6,583	151	2%
Depreciation and amortisation	14,154	11,604	14,010	7,009	5,802	(1,207)	-21%
Finance costs	3,106	3,658	3,252	1,597	1,829	232	13%
Other losses	733	1,877	1,862	1,862	1,877	15	1%
Increase / (decrease) in landfill provision	221	95	95	-	-	-	0%
Other expenses	21,683	21,507	21,650	11,041	11,180	139	1%
<b>Total expenses</b>	<b>52,131</b>	<b>51,915</b>	<b>54,041</b>	<b>27,941</b>	<b>27,271</b>	<b>(670)</b>	<b>-2%</b>
<b>Operating surplus / (deficit) before tax</b>	<b>(942)</b>	<b>978</b>	<b>(2,359)</b>	<b>(881)</b>	<b>615</b>	<b>1,496</b>	<b>243%</b>
Income tax expense	-	-	-	-	-	-	-
<b>Operating surplus / (deficit) after tax</b>	<b>(942)</b>	<b>978</b>	<b>(2,359)</b>	<b>(881)</b>	<b>615</b>	<b>1,496</b>	<b>243%</b>
Write back of revaluation losses on land & buildings	2,963	-	-	-	-	-	0%
<b>Surplus (deficit) after tax attributed to Horowhenua District Council</b>	<b>2,021</b>	<b>978</b>	<b>(2,359)</b>	<b>(881)</b>	<b>615</b>	<b>1,496</b>	<b>243%</b>
<b>Other comprehensive revenue and expense</b>							
Gain / (loss) on infrastructural assets revaluations	29,272	5,963	5,963	-	-	-	0%
Gain / (loss) on operational assets revaluation	6,418	-	-	-	-	-	0%
Gain / (loss) on restricted assets revaluation	6,091	-	-	-	-	-	0%
<b>Total other comprehensive revenue and expense for the year</b>	<b>41,781</b>	<b>5,963</b>	<b>5,963</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive revenue and expense for the year</b>	<b>43,802</b>	<b>6,941</b>	<b>3,604</b>	<b>(881)</b>	<b>615</b>	<b>1,496</b>	<b>243%</b>

## Notes

### Revenue

**Rates penalties** – The penalties above budgets with an increase prior in years arrears debt and increase in current year debt. It is forecasted the the total penalties for the year will be above budget due to current year debt.

**Interest Revenue** – The is below budget with lower interest rates in the market coupled with lower cash balances than anticipated on order to defer long-term borrowing as long as possible.

**Grants and Subsidies** – The capital grant for Libraries received is \$1,416K under budget. Subsidised Roding Capital Project Foxton Main Street and reseals are under way and the Capital Subsidies are below budget budget, though this will increase with increased activity in the next few months.

**Fees and Charges** – Residential Housing income is \$343K above budget with rents received for Pension Housing and not budgeted for as the portfolio was sold 25 August 2017.

Wastewater income is above budget with Trade Waste in Foxton and Levin.



**Other Revenue –**

- Building consents revenue is \$142K above budget with increased activity.
- Parking revenue received is \$134K below budget. Paid Car Parking in the Mall Car Park was originally budgeted however following a pre-consultative process and subsequent decision of Council it did not eventuate. The timing of our tickets issued to court and recovery of fines from the courts is also a contributing factor. This trend is anticipated to continue through to 30 June 2018.
- Dog Infringement revenue is \$116K below budget. The higher percentage of dogs registered on time results in a lower income in relation to infringements which are issued, it is also noted that less prosecutions have occurred..
- People and Capability have unbudgeted \$9K for payroll work with other businesses.
- Water Supply is \$81K over budget with increased usage in Foxton and Levin Water Supply's.

**Gains/Loss**– Property gains on sale for Endowment land. Property Loss of for residential housing.

Activity	Gain	Loss	Total
Endowment	213,993	0	213,993
Residential Housing		1,862,138	(1,862,138)
	213,993	1,862,138	(1,648,145)

**Expenditure**

**Depreciations and amortisation** – This is \$1,207K over budget due to the revaluation on Water and Wastewater assets last financial year unknown when the depreciation budgets were formulated.

**Finance Costs** – Due to the lower interest rates for Council loans. This is expected to remain under budget to 30 June 2018.

**Other Expenses –**

- Maintenance and Material costs are under budget for;
  - Community Facilities and Service by \$25K,
  - Wastewater \$239K,
  - Solid Waste \$190K,
  - Property \$15K and
  - Roothing \$341K.
  - These costs are over budget for;
    - Storm Water by \$16K and
    - Water Supply \$589K. This overspend is offset with reduction in internal costs.

## Statement of Financial Position

	Council Actual 30 June 2017 \$000	Council Actual 31 Dec 2017 \$000	Council Annual Plan Budget 30 June 2018	Notes
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	5,074	10,370	4,953	
Debtors and other receivables	6,790	3,672	6,045	1
Other financial assets	365	365	0	
Assets held for sale	7,508	-	285	
<b>Total current assets</b>	<b>19,737</b>	<b>14,407</b>	<b>11,283</b>	
<b>Non-current assets</b>				
Operational assets	52,008	55,353	42,388	
Infrastructural assets	428,046	428,188	419,880	
Restricted assets	44,979	44,692	41,511	
Intangible assets	1,854	1,729	1,608	
Forestry assets	1,500	1,422	1,010	
Commercial property	5,879	5,879	6,219	
Council Controlled Organisations	220	220	1,285	
Investment in other entities	1,121	1,264	0	
<b>Total non-current assets</b>	<b>535,607</b>	<b>538,747</b>	<b>513,901</b>	
<b>Total assets</b>	<b>555,344</b>	<b>553,154</b>	<b>525,184</b>	
<b>Liabilities</b>				
<b>Current liabilities</b>				
Creditors and other payables	10,579	6,718	11,984	
Provisions	1,129	1,129	940	
Employee entitlements	1,155	646	993	
Borrowings	14,000	14,000	14,000	
<b>Total current liabilities</b>	<b>26,863</b>	<b>22,493</b>	<b>27,917</b>	
<b>Non-current liabilities</b>				
Provisions	2,272	2,272	2,431	
Employee entitlements	166	166	161	
Derivative and other financial liabilities	1,038	1,038	1,668	
Borrowings	63,000	66,000	69,000	
Other	461	522	784	2
<b>Total non-current liabilities</b>	<b>66,937</b>	<b>69,998</b>	<b>74,044</b>	
<b>Total liabilities</b>	<b>93,800</b>	<b>92,491</b>	<b>101,961</b>	
<b>Net assets</b>	<b>461,544</b>	<b>460,663</b>	<b>423,223</b>	
<b>Equity</b>				
Retained earnings	263,895	263,014	261,439	
Revaluation reserves	189,230	189,230	153,411	
Other reserves	8,419	8,419	8,373	
<b>Total equity</b>	<b>461,544</b>	<b>460,663</b>	<b>423,223</b>	
<b>Total equity attributable to Horowhenua District Council</b>	<b>461,544</b>	<b>460,663</b>	<b>433,223</b>	

## Notes

### 1. Debtors and other receivables:

Sundry Debtors	\$795K
Rates	\$3,738K
Water Billing	\$696K
Infringements and Other	\$2,224K
Provision for Current Doubtful Debts	<u>(\$3,781K)</u>
Total	\$3,672K

A breakdown of Current Sundry Debtors is shown on the Statement of Sundry Debtors.

### 2. Non-current liabilities – Other

LGFA Amortisation Reserve	\$339K
Development Contributions	<u>\$183K</u>
Total	\$522K

Development Contributions of \$183,427 are for 15 properties. In January 2018 \$125,613 will be released for 9 sold properties, this will increase income across Water, Wastewater, Reserves and Roading.

Section 197A of the Local Government Act 2002 enables territorial authorities to recover a contribution for developments to fund infrastructure required due to growth. Council made the decision not to collect any further Development Contributions effective from 1 July 2015.

## Funding Impact Statement for Whole of Council

	Annual Plan		
	Forecast	Actual	Variance
	31-Dec-17	31-Dec-17	31-Dec-17
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	4,818	4,830	12
Targeted rates	13,277	13,373	96
Subsidies and grants for operating purposes	818	708	(110)
Fees and charges	2,577	2,848	271
Interest and dividends from investments	35	3	(32)
Local authorities fuel tax, fines, infringement fees, and other receipts	1,947	2,507	560
<b>Total Operating Funding (A)</b>	<b>23,472</b>	<b>24,269</b>	<b>797</b>
Applications of Operating Funding			
Payments to staff and suppliers	17,763	17,473	(290)
Finance Costs	1,829	1,597	(232)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>19,592</b>	<b>19,070</b>	<b>(522)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>3,880</b>	<b>5,199</b>	<b>1,319</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	4,324	2,560	(1,764)
Development and financial contributions	-	-	-
Increase (decrease) in debt	4,155	3,000	(1,155)
Gross proceeds from sale of assets	3,445	6,144	2,699
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>11,924</b>	<b>11,704</b>	<b>(220)</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	2,213	984	(1,229)
- to improve the level of service	5,292	4,285	(1,007)
- to replace existing assets	7,154	5,054	(2,100)
Increase (decrease) in reserves	1,106	6,580	5,474
Increase (decrease) of investments	40	-	(40)
<b>Total applications of capital funding (D)</b>	<b>15,804</b>	<b>16,903</b>	<b>1,097</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(3,880)</b>	<b>(5,199)</b>	<b>(1,318)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	5,802	7,009	1,207

## Statement of Cashflow

	<b>Council Actual \$ 31/12/2017 \$000</b>
<b>Cashflow from Operating Activities</b>	
<b>Cash was provided from:</b>	
Revenue from Rates	17,538
Other Revenue	11,471
Interest Received	-
Net GST movement	-
	<b>29,009</b>
<b>Cash was disbursed to:</b>	
Suppliers, services and employees	19,554
Interest Paid	1,536
Net GST movement	(231)
	<b>20,859</b>
<b>Net Cashflow from Operating Activity</b>	<b>8,150</b>
<b>Cashflows from Investing Activities</b>	
<b>Cash was provided from:</b>	
Proceeds from asset sales	6,145
Proceeds from investments	-
	<b>6,145</b>
<b>Cash was disbursed to:</b>	
Purchases of investments	143
Purchase of Assets	11,856
	<b>11,999</b>
<b>Net Cashflow from Investing Activity</b>	<b>(5,854)</b>
<b>Cashflows from Financing Activities</b>	
<b>Cash was provided from:</b>	
Loans Raised	23,000
	<b>23,000</b>
<b>Cash was disbursed to:</b>	
Repayment of Public Debt	20,000
	<b>20,000</b>
<b>Net Cashflow from Financing Activity</b>	<b>3,000</b>
Net Increase (Decrease) in Cash Held	5,296
Add Opening Cash bought forward	5,074
<b>Closing Cash Balance</b>	<b>10,370</b>

## Statement of Sundry Debtors

Category	Total Outstanding	Current Outstanding	31 - 60 days Outstanding	61 - 90 days Outstanding	Over 90 days	Notes
<b>Current debtors</b>						
Aquatic Centre	8,586	6,774	1,392	420	0	
Building Consents	76,491	39,857	23,525	145	12,964	1
Building Fee - BWOFF	1,920	1,060	300	150	410	
Cemeteries	15,675	11,250	4,425	0	0	
Dogs	392	0	0	0	392	
Dogs - Debt Collection	5,853	0	373	0	5,480	
Dogs Arrange to pay	1,355	10	509	32	805	
Dogs Pre Payments	1	0	0	0	1	
Fines	1,591	0	0	0	1,591	
General	177,651	137,552	29,206	0	10,894	
Health Accreditation Renewals	6,943	3,413	1,238	150	2,143	2
Hire	9,319	1,408	2,350	3,525	2,036	
Liquor - Renewals incl Annual renewal	1,449	0	0	1,449	0	
On Charges	53,063	38,447	2,178	0	12,437	3
Pension Housing	810	293	517	0	0	
Resource Consent Fees	35,314	7,635	6,974	1,913	18,793	4
Rubbish Bags	32,300	30,400	1,900	0	0	
Staff Account	1,364	0	1,235	0	129	
Swimming Pools	150	0	150	0	0	
Te Takere	10,918	6,971	2,830	130	988	
Waste Transfer Station	2,362	2,164	65	134	0	
Water & Trade Waste	223,169	6,663	97,961	150	118,395	
Water Septage - Septic Tank Disposal	8,381	3,292	2,824	2,265	0	
<b>Total current debtors</b>	<b>675,055</b>	<b>297,187</b>	<b>179,949</b>	<b>10,462</b>	<b>187,457</b>	
<b>Non current debtors</b>						
Dev Cont New Policy	30,340	0	0	0	30,340	5
Develop Cont Old Policy	11,070	0	0	0	11,070	5
Rental Income Monthly	78,195	1,959	15,060	0	61,176	
<b>Total non-current debtors</b>	<b>119,605</b>	<b>1,959</b>	<b>15,060</b>	<b>0</b>	<b>102,586</b>	
<b>Total as at 31 December 2017</b>	<b>794,660</b>	<b>299,146</b>	<b>195,009</b>	<b>10,462</b>	<b>290,042</b>	
<b>Total as at 31 December 2016</b>	<b>755,132</b>	<b>166,919</b>	<b>321,026</b>	<b>7,059</b>	<b>260,128</b>	

## Notes and Comments

1. Amongst the Building Consents category, there are some damage deposit bonds in here, as well as extensions of time for a number of the older aged consents.
2. In this category there are charges for grazing leases, new connections, car access way and HR charges. This also includes the Alliance Contract recharge which has increased current period debtors.
3. In the On Charges category, the majority of the 90+ Days debtors have been provided for as Doubtful Debts.
4. Amongst the Resource Consent category, there are some land use bonds. The debtors in this category are being actively pursued, and some of the 90+ Days debtors have been provided for as Doubtful Debts.
5. These Development Contribution debtors are being actively pursued. The batch of debt letters sent had a positive effect with several payments being made. Most of the Development Contributions – Old Policy are with the Debt Collection Agency, with the balance of them either being paid off or having an arrangement to pay when the sections sell.

1.

## Statement of Loans by Parcel

Loan parcels	Maturity	Interest	Opening balance	Raised	Repaid	Closing balance
<b>Due within a year</b>						
LGFA CP	21 Aug 17	1.8950%	0	2,000,000	2,000,000	0
LGFA CP	20 Sep 17	1.9100%	0	2,000,000	2,000,000	0
LGFA FRN	15 Dec 17	3.1225%	2,000,000		2,000,000	0
LGFA CP	08 Dec 17	2.0750%	12,000,000		12,000,000	0
LGFA CP	18 Dec 17	1.8950%		2,000,000	2,000,000	0
LGFA CP	07 Jun 18	2.0050%		12,000,000		12,000,000
Stock	15 Nov 18	5.5950%	2,000,000			2,000,000
<b>Total due within a year</b>			<b>16,000,000</b>	<b>18,000,000</b>	<b>20,000,000</b>	<b>14,000,000</b>
<b>Due within 2 - 5 years</b>						
LGFA Bond	15 Mar 19	4.4500%	4,000,000			4,000,000
LGFA Bond	15 Mar 19	4.7064%	5,000,000			5,000,000
LGFA FRN	15 Mar 19	3.0125%	3,000,000			3,000,000
LGFA Bond	15 Apr 20	2.6324%		5,000,000		5,000,000
LGFA FRN	15 May 21	2.9125%	4,000,000			4,000,000
LGFA Bond	15 May 21	4.5650%	5,000,000			5,000,000
LGFA Bond	15 May 21	5.9852%	5,000,000			5,000,000
LGFA Bond	15 May 21	5.8516%	5,000,000			5,000,000
LGFA FRN	18 May 22	2.4750%	3,000,000			3,000,000
LGFA Bond	15 Apr 23	5.1336%	4,000,000			4,000,000
<b>Total due within 2 - 5 years</b>			<b>38,000,000</b>	<b>5,000,000</b>		<b>43,000,000</b>
<b>Due after 5 years</b>						
LGFA Bond	15 Apr 25	4.2046%	3,000,000			3,000,000
LGFA BOND	15 Mar 24	3.7200%	4,000,000			4,000,000
LGFA BOND	15 May 24	3.7600%	4,000,000			4,000,000
LGFA FRN	19 May 25	2.5400%	7,000,000			7,000,000
LGFA Bond	15 Jul 26	3.3700%	5,000,000			5,000,000
<b>Total due after 5 years</b>			<b>23,000,000</b>			<b>23,000,000</b>
<b>Total</b>			<b>77,000,000</b>	<b>23,000,000</b>	<b>20,000,000</b>	<b>80,000,000</b>

## Notes and Comments

Our weighted average interest rate has increased to 4.06 % at 31 December 2017. This is a saving of \$552K in interest payable compared to the Annual Plan interest rate assumption of 4.75% for 2017/18.

The weighted average rate is calculated by multiplying the opening loan balance by the interest rate for that loan and dividing the total interest payable for all loans by the total loans. It is recorded in bands as required under GAAP or IPSAS.

## Statement of External Loans and Interest by Activity

Activity	Loans as at 30 June 2017	Loans as at 31 Dec 2017	Internal Interest Allocated YTD
<b>Land Transport</b>	<b>300,000</b>	<b>910,000</b>	<b>6,290</b>
<b>Stormwater</b>	<b>4,600,000</b>	<b>5,280,000</b>	<b>96,445</b>
<b>Water supply</b>			
Water Levin	9,600,000	9,970,000	201,276
Water Shannon	1,300,000	1,300,000	27,256
Water Foxton	900,000	900,000	18,870
Water Foxton Beach	200,000	200,000	4,193
Water Tokomaru	300,000	350,000	6,290
<b>Total for water supply</b>	<b>12,300,000</b>	<b>12,720,000</b>	<b>257,885</b>
<b>Wastewater Disposal</b>			
Wastewater Levin	8,000,000	8,500,000	167,730
Wastewater Shannon	8,700,000	8,750,000	182,407
Wastewater Foxton	3,400,000	3,360,000	71,285
Wastewater Foxton Beach	0	100,000	0
Wastewater Tokomaru	500,000	550,000	10,483
Wastewater Waitarere	0	50,000	0
<b>Total for wastewater disposal</b>	<b>20,600,000</b>	<b>21,310,000</b>	<b>431,906</b>
<b>Solid Waste</b>	<b>4,800,000</b>	<b>4,880,000</b>	<b>100,638</b>
<b>Community Facilities &amp; Services</b>			
Libraries	9,600,000	10,080,000	201,276
Pools	4,600,000	4,610,000	96,445
Reserves	1,300,000	1,450,000	27,256
Sports grounds	1,400,000	1,410,000	29,353
Halls	250,000	250,000	5,242
Toilets	500,000	500,000	10,483
Cemeteries	200,000	220,000	4,193
<b>Total for Community Facilities &amp; Service</b>	<b>17,850,000</b>	<b>18,520,000</b>	<b>374,248</b>
<b>Properties</b>			
General properties	1,050,000	1,040,000	22,015
Council building	5,900,000	5,940,000	123,701
Commercial properties	1,200,000	1,000,000	25,160
Residential housing	5,000,000	0	87,568
<b>Total for Properties</b>	<b>13,150,000</b>	<b>7,980,000</b>	<b>258,444</b>
<b>Other activities</b>			
Information technology	1,400,000	1,420,000	29,353
District plan	2,000,000	1,980,000	41,933
To be allocated	0	5,000,000	0
<b>Total for other</b>	<b>3,400,000</b>	<b>8,400,000</b>	<b>71,285</b>
<b>Total</b>	<b>77,000,000</b>	<b>80,000,000</b>	<b>1,597,142</b>



## Statement of Internal Loans and Interest by Activity

Activity	Loans as at 30 Jun 2017	Loans as at 31 Dec 2017	Internal Interest Allocated YTD
<b>Land Transport</b>	<b>135,009</b>	<b>3,993</b>	<b>2,741</b>
<b>Stormwater</b>	<b>99,422</b>	<b>6,916</b>	<b>2,018</b>
<b>Water supply</b>			
Water Levin	96,308	4,425	1,955
Water Shannon	36,465	4,745	740
Water Foxton	4,849	12,959	98
Water Foxton Beach	88,438	87,679	1,795
Water Tokomaru	84,042	201	1,706
<b>Total for water supply</b>	<b>310,102</b>	<b>110,009</b>	<b>6,295</b>
<b>Wastewater Disposal</b>			
Wastewater Levin	127,192	293	2,582
Wastewater Shannon	12,178	7,528	247
Wastewater Foxton	35,112	1,395	713
Wastewater Foxton Beach	43,898	55,054	891
Wastewater Tokomaru	25,972	713	527
Wastewater Waitare	66,261	5,682	1,345
<b>Total for wastewater disposal</b>	<b>310,613</b>	<b>70,665</b>	<b>6,305</b>
<b>Solid Waste</b>	<b>90,393</b>	<b>6,694</b>	<b>69</b>
<b>Community Facilities &amp; Services</b>			
Libraries	87,885	5,829	1,784
Pools	84,155	1,315	1,708
Reserves	62,672	9,802	1,272
Sports grounds	14,216	6,709	289
Halls	7,220	4,648	147
Toilets	10,776	5,668	219
Cemeteries	35,312	27,161	717
Beautification	21,267	1,054	432
<b>Total for Community Facilities &amp; Services</b>	<b>323,503</b>	<b>62,186</b>	<b>6,567</b>
<b>Properties</b>			
Commercial properties	3,724	7,103	76
General properties	4,086	3,545	83
Residential housing	69,818	0	0
Council building	63,549	3,913	1,290
<b>Total for properties</b>	<b>141,177</b>	<b>14,561</b>	<b>1,449</b>
<b>Other activities</b>			
Information technology	23,561	14,505	478
District plan	3,496	3,461	71
<b>Total for other</b>	<b>27,057</b>	<b>17,966</b>	<b>549</b>
<b>Total</b>	<b>1,437,276</b>	<b>292,990</b>	<b>25,994</b>

## PLANNING AND REGULATORY Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	967	971	4
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2	6	4
Local authorities fuel tax, fines, infringement fees, and other receipts	1,605	1,491	(114)
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,574</b>	<b>2,468</b>	<b>(106)</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	212	193	(19)
Finance Costs	53	43	(10)
Internal charges and overheads applied	1,993	2,109	116
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,258</b>	<b>2,345</b>	<b>87</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>316</b>	<b>123</b>	<b>(193)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(9)	(20)	(12)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(9)</b>	<b>(20)</b>	<b>(12)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	-	-	-
- to improve the level of service	26	-	(26)
- to replace existing assets	18	-	(18)
Increase (decrease) in reserves	264	103	(161)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>308</b>	<b>103</b>	<b>(205)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(316)</b>	<b>(123)</b>	<b>193</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	41	41	-

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Animal Control	120	124	4
Building Consents	532	575	43
Building Policy	135	140	5
Dog Control	283	287	4
Environmental Health	132	151	19
Environmental Health Policy	34	39	5
Liquor Licensing	102	112	10
Liquor Policy	16	18	2
Parking	258	243	(15)
Planning Policy	274	264	(10)
Resource Management	292	327	35
Safety Licensing	121	106	(15)
<b>Total Expenditure</b>	<b>2,299</b>	<b>2,386</b>	<b>87</b>

## REGULATORY SERVICES – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>District Planning</b>			
Processing of applications under the Resource Management Act (RMA).	Applications under the RMA will be processed within statutory timeframes.	100% compliance with relevant statutory timeframes.	<p><b>Achieved</b></p> <p>As at 31 December 2017: 93 applications have been received year-to-date. 100% of applications were completed within statutory timeframes.</p> <p><b>Note:</b> It is possible that the total number of consents approved and still being processed may exceed the total number of applications that have been received. This is due to the fact that the number of applications received cover the period of 1 July in any one year to 30 June the following year, however consents approved or still being processed in the same period will include applications that may have been received in another year but were not completed from a processing perspective in that year.</p>
Monitoring of District Plan requirements, resource consent compliance and complaints.	Known and reported instances of non-compliance with the District Plan and any resource consents will be responded to and appropriate action will be taken.	100% responded to within 2 working days	<p><b>Achieved</b></p> <p>As at 31 December 2017: 29 complaints have been received year-to-date. 100% were responded to within 2 working days.</p>
	Resource consents are monitored for compliance with conditions.	100%	<p><b>In Progress</b></p> <p>As at 30 December 2017: 265 consents have been identified as requiring monitoring this year. 124 consents (46%) have been monitored year-to-date, and 117 have been found to be compliant, with 1 non-compliant and requiring further monitoring, and the other 6 were on track.</p>
The District Plan provides for a balanced regulatory framework that protects important community and environmental values.	Percent of non-complying resource consents approved as a proportion of all approved consents.	<10%	<p><b>Achieved</b></p> <p>As at 31 December 2017, of the 90 consents that have been approved year-to-date, there have been zero (0) non-complying resource consents approved.</p>

## REGULATORY SERVICES – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Building Control</b>			
Carry out Building Consent Authority accreditation functions including enforcement of legislation relating to construction of buildings and structures.	Percent of building consent applications granted within 20 working days or less.	100% of applications	<p><b>Achieved</b> As at 31 December 2017: 323 consents were granted year-to-date 100% have been granted &lt;21 days.</p> <p><b>Note:</b> It is possible that the total number of consents approved and still being processed may exceed the total number of applications that have been received. This is due to the fact that the number of applications received cover the period of 1 July in any one year to 30 June the following year, however consents approved or still being processed in the same period will include applications that may have been received in another year but were not completed from a processing perspective in that year.</p>
	Consent applications for new residential dwellings are processed in 18 days or less.	100% of applications	<p><b>Not Achieved</b> As at 31 December 2017: 111 new residential dwelling consents were granted 74% have been granted within 18 days</p>
	Reported cases of illegal building work will be responded to within 3 working days.	100% of cases	<p><b>Achieved</b> As at 31 December 2017: There has been one (1) reported instance received by Council. 100% have been responded to within 3 working days.</p>

## REGULATORY SERVICES – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Building Control</b>			
Carry out Building Consent Authority accreditation functions including enforcement of legislation relating to construction of buildings and structures.	Percent of private swimming pools on register inspected annually for compliance.	33% of private swimming pools are inspected.	<p><b>In Progress</b></p> <p>As at 31 December 2017: There are 255 pools on the register (1/3rd = 85 inspections to be conducted before 30 June 2018). 56% have been inspected year-to-date. Two (2) Notices to Fix have been issued for non-compliant fencing. The measure is reported as “In Progress”, as inspections are conducted throughout 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>
	Council will maintain its accredited status as a Building Consent Authority.	Accreditation maintained	<p><b>Achieved</b></p> <p>Council is an accredited BCA. The latest assessment was held 26-28 April 2017 and the BCA received re-accreditation with 1 Corrective Action Requirement which has subsequently been cleared. The next assessment is due in 2019.</p>

## REGULATORY SERVICES – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Environmental Health – Food Safety</b>			
Food Safety – Food businesses are monitored to ensure compliance with legislation.	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulations 2015.	100%	<p><b>In Progress</b></p> <p>As at 31 December 2017: 108 premises are operating under the Food Act 2014 42% have been verified year-to-date.</p> <p>The measure is reported as “In Progress”, as verification is conducted throughout 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>
	Food premises operating under the Food Hygiene Regulations 1974 are inspected.	100%	<p><b>In Progress</b></p> <p>As at 31 December 2017: 55 premises are operating under the Food Hygiene Regulations 2% have been inspected year-to-date.</p> <p>The measure is reported as “In Progress”, as inspections are conducted throughout 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>
Food Safety – Existing food businesses are provided with assistance to transition onto the requirements of the Food Act 2014.	Food businesses are provided with written material about the Food Act 2014 and have opportunities to attend training sessions/seminars	100% of businesses required to transition in Year 2 of the Act (by 31 March 2018) are provided with written information and access to training / mentoring activities.	<p><b>In Progress</b></p> <p>As at 31 December 2017, it is estimated that there are 40 food businesses that are required to transition onto a Food Control Plan, and 20 businesses that are required to transition onto a National Programme over this period (by 31 March 2018).</p> <p>The measure is reported as “In Progress”, as transitions are conducted throughout 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>

## REGULATORY SERVICES – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Liquor Licensing</b>			
Monitoring of licensed premises to ensure compliance with relevant legislation.	Percent of premises that are inspected annually to check for compliance with their licence conditions.	100% of premises are inspected.	<b>In Progress</b> As at 31 December 2017: 72 licensed premises holding 73 operative licences exist. 42% have been inspected year-to-date. The measure is reported as “In Progress”, as inspections are conducted throughout 2017/2018. The target achievement/non-achievement will be reported in June 2018.
	Percent of applications for a licence that will be forwarded to Public Health and the Police for comment.	100% of licence applications	<b>Achieved</b> As at 31 December 2017: 118 applications for licences or certificates have been received. 100% were forwarded as required.
<b>Animal Control</b>			
Reported instances of non-compliance and dog nuisance will be responded to.	Percent of reported instances of non-compliance and dog nuisance will be responded to.	100%	<b>Achieved</b> As at 31 December 2017: 513 complaints have been received. 100% were responded to.
	An after-hours emergency response will be continuously provided.	Achieved	<b>Achieved</b> The service is provided by staff on a weekly roster.
Registration and classification of all known dogs within the District.	Percent of known dogs that will be registered or accounted for annually by 31 October.	100%	<b>Achieved</b> As at 31 December 2017, of the 6,327 known dogs in the District: 6,148 (97%) have been registered 179 (3%) remain unregistered – infringement notices have been issued. All dogs have now been accounted for as required by the performance measure. They are either registered or the owner has been issued with an infringement notice.



## REGULATORY SERVICES – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Parking Enforcement</b>			
All parking restricted areas in Levin will be enforced under the provisions of Council's Bylaw and the Transport Regulations.	Enforcement conducted each working day.	Achieved	<b>Achieved</b> Enforcement has been conducted each working day.
<b>General Regulatory Services</b>			
Noise complaints response service will be provided.	Noise complaints services are provided all year round and 90% of complaints will be responded to within 60 minutes.	Achieved	<b>Achieved</b> As at 31 December 2017: 766 complaints have been received 97% were responded to within 60 minutes  This service is provided by way of Contract.
Public safety bylaws and other legislation will be enforced.	Percent of reported non compliances and complaints that are responded to within 5 working days.	100%	<b>Achieved</b> As at 31 December 2017: 125 complaints have been received 100% were responded to within 5 working days  The breakdown of complaints is as follows: 32 Smoke complaints 6 Litter complaints (6 notices issued with 1 progressing to Court) 74 Abandoned Vehicle reports (8 impounded) 13 Health Act Nuisance complaints

## COMMUNITY FACILITIES AND SERVICES Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	2,426	2,436	10
Targeted rates	2,980	2,992	12
Subsidies and grants for operating purposes	36	4	(32)
Fees and charges	660	606	(54)
Local authorities fuel tax, fines, infringement fees, and other receipts	81	67	(14)
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>6,183</b>	<b>6,105</b>	<b>(78)</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	4,109	3,540	(569)
Finance Costs	430	393	(37)
Internal charges and overheads applied	1,150	1,113	(37)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>5,689</b>	<b>5,046</b>	<b>(643)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>494</b>	<b>1,059</b>	<b>565</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	2,820	1,401	(1,419)
Development and financial contributions	-	-	-
Increase (decrease) in debt	662	770	109
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,482</b>	<b>2,171</b>	<b>(1,311)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	151	222	72
- to improve the level of service	1,181	1,870	690
- to replace existing assets	1,564	1,531	(33)
Increase (decrease) in reserves	1,081	(393)	(1,474)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,976</b>	<b>3,230</b>	<b>(746)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(494)</b>	<b>(1,059)</b>	<b>(565)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	466	551	85

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Cemeteries	250	243	(7)
Public Toilets	170	157	(13)
Beautification	338	278	(60)
Reserves	958	909	(49)
Sportsgrounds	579	567	(12)
Halls	138	116	(22)
Libraries & Community Services	2,125	1,787	(338)
Aquatic Centres	1,405	1,370	(35)
Urban Cleaning	190	169	(21)
<b>Total Expenditure</b>	<b>6,153</b>	<b>5,596</b>	<b>(557)</b>

## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Reserves, Public Halls, Sports Grounds, Cemeteries and Beautification)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Reserves</b>			
Reserves are available for community use.	Sufficient space is available (ha/1000 population).	1	<b>Achieved</b> As at 31 December 2017, Council has over 100 hectares of space available, which is 3.3 ha/1000 population.
<b>Community Halls</b>			
Community Halls are available for public use.	Number of uses per fortnight for the Levin, Foxton and Shannon Halls.	10	<b>Achieved</b> As at 31 December 2017: Levin Memorial Hall was used 176 times Shannon Memorial Hall was used 5 times Foxton Memorial Hall was used 6 times Total = 187 times (an average of 14.38 times per fortnight)
<b>Sports Grounds</b>			
Sports grounds are available for community use.	Percent of time that sport grounds are available for use during their opening hours.	95%	<b>Achieved</b> As at 31 December 2017: 100% of sports grounds were available for use during their opening hours.
<b>Playgrounds</b>			
Playgrounds are safe for users.	Playground facilities comply with relevant standards.	100%	<b>Achieved</b> As at 31 December 2017: 100% of playground facilities complied.
<b>Cemeteries Management</b>			
Cemeteries are managed and maintained to an appropriate standard.	Meet needs according to legal requirements.	Meet	<b>Achieved</b> As at 31 December 2017, there were no legal or regulatory non-compliance instances identified.

## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Reserves, Public Halls, Sports Grounds, Cemeteries and Beautification)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<b>Cemeteries</b>			
Cemeteries operate to an acceptable level.	All arrangements and interments at Council cemeteries are made satisfactorily before 24 hours from interment.	Achieved	<b>Achieved</b> As at 31 December 2017: 102 interment arrangements were completed satisfactorily before 24 hours from interment.

## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Aquatic Centres and Recreation)

Service	How will we measure our performance	Target (17/18)	Actual Performance						
Safe aquatic facilities are operating in the District.	Compliance with relevant standards including Pool Safe Accreditation.	100% compliant	<p><b>Achieved</b></p> <p>As at 31 December 2017:</p> <p>Levin = 100%</p> <p>Foxton = 100%</p> <p>Both pools have received “Pool Safe” accreditation. “Pool Safe” certification for the year 2017/2018 was received in February 2017 and lasts until April 2018.</p>						
Aquatic Centres meet customer needs.	Percent of customer satisfaction, based on the Annual Customer Satisfaction Survey.	90% Satisfied	<p><b>Unable to Report</b></p> <p>This measure is marked as unable to report as the customer satisfaction survey is conducted annually. The customer satisfaction survey is yet to be completed for the 2017/2018 financial year.</p> <p>The results of the most recent survey conducted in the 2016/2017 year are as follows:</p> <table border="1" data-bbox="1355 1023 2128 1145"> <thead> <tr> <th></th> <th>2017 Dissatisfied %</th> <th>2017 Satisfied %</th> </tr> </thead> <tbody> <tr> <td>Swimming Pools</td> <td>11.30</td> <td>88.70</td> </tr> </tbody> </table> <p>This result could be a reflection of the shutdown period as a result of the Levin Aquatics Centre Redevelopment.</p>		2017 Dissatisfied %	2017 Satisfied %	Swimming Pools	11.30	88.70
	2017 Dissatisfied %	2017 Satisfied %							
Swimming Pools	11.30	88.70							

## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Aquatic Centres and Recreation)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<p>A high quality Swim School operates at the Levin and Foxton Aquatic Centres.</p>	<p>Number of participants in Learn to Swim classes.</p>	<p>400 per term</p>	<p><b>In Progress</b>                      429 = Term Three                      465 = Term Four **                      150 = Term One (2018) – Still taking enrolments                      0 = Term Two (2018)</p> <p>As at 31 December 2017, there have been 1,044 out of 1,600 potential participants in Learn to Swim Classes.</p> <p>The final result achieved/not achieved will be reported at the end of term two (2018).</p>
<p>Local clubs are supported to deliver their own events.</p>	<p>Number of events per year held by clubs - clubs growing and taking ownership of their own events and future.</p>	<p>5 per year</p>	<p><b>In Progress</b></p> <p>The following events have been scheduled by Aquatics User Clubs/Schools at Levin Aquatics Centre this year:</p> <p>YTD</p> <ul style="list-style-type: none"> <li>○ Special Olympics Horowhenua – 10 September 2017</li> <li>○ Special Olympics NZ Swim Meet – 25 October 2017</li> <li>○ Canoe Polo Events – to be confirmed</li> <li>○ Spring Swim Carnival – Levin Swim Club – to be confirmed</li> <li>○ Autumn Swim Carnival – Levin Swim Club – to be confirmed</li> <li>○ Levin Masters Swim Club events – to be confirmed</li> </ul> <p>The measure is reported as “In Progress”, as the target is for the year 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>

## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Aquatic Centres and Recreation)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<p>Growing existing events and developing new ones for the following areas; children, general public, and retirees.</p>	<p>Number of events per year for children, general public, and retirees.</p>	<p>3 events per group each year</p>	<p><b>In Progress</b></p> <p>The following events have been scheduled for 2017/2018:</p> <ul style="list-style-type: none"> <li>○ Yogilates on the Green – January 2018</li> <li>○ Valentines Day Promotion – February 2018</li> <li>○ Get moving! Family Fun Day – Feb. 2018 – Shannon</li> <li>○ Get moving! Family Fun Day – February 2018 – Foxton</li> <li>○ Get moving! Family Fun Day – February 2018 – Levin</li> <li>○ Shannon Health Day – March 2018</li> <li>○ Floating Movie Night – March 2018</li> <li>○ Easter Promotion – March 208</li> <li>○ Hydroslide Challenge – April 2018</li> <li>○ Ageing Well Wellness Week – TBC</li> </ul> <p>The following events have taken place and been delivered by HDC at aquatic facilities this year:</p> <p><b>YTD</b></p> <ul style="list-style-type: none"> <li>○ Group Fitness Launch Party – 8 July 2017</li> <li>○ Swimathon Horowhenua – 19th &amp; 20th August 2017</li> <li>○ AquaTots – 16 August 2017</li> <li>○ AquaTots – 23 August 2017</li> <li>○ Special Olympics Horowhenua – 10 September 2017</li> <li>○ Community Fun Day – 30 September 2017</li> <li>○ Foxton Christmas Pool Party – December 2017</li> <li>○ Levin Christmas Pool Party – December 2017</li> </ul> <p>The measure is reported as “In Progress”, as the target is for the year 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>



## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Community Centres and Libraries)

Service	How will we measure our performance	Target (17/18)	Actual Performance						
Council provides Community facilities for residents, ratepayers, and visitors to access community services including library services.	Communities with library and community facilities providing an integrated and District wider service.	Levin, Foxton, and Shannon	<b>Achieved</b> Library Services are delivered in Levin, Shannon and Foxton.						
	Percent of residents and non-residents satisfied with library and community services.	>85%	<p><b>Unable to Report</b></p> <p>This measure is marked as “unable to report” as the customer satisfaction survey is conducted annually. The next survey will take place in 2018.</p> <p>The results of the customer satisfaction survey conducted in the 2016/2017 financial year are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2017 Dissatisfied %</th> <th>2017 Satisfied %</th> </tr> </thead> <tbody> <tr> <td>Library Services</td> <td>8.10</td> <td>91.90</td> </tr> </tbody> </table>		2017 Dissatisfied %	2017 Satisfied %	Library Services	8.10	91.90
		2017 Dissatisfied %	2017 Satisfied %						
Library Services	8.10	91.90							
Number of booking counts for community facilities.	380	<p><b>Achieved</b></p> <p>In December 2017, 58 bookings have been made for community facilities.</p> <p>YTD: 541 bookings have been made for community facilities.</p> <p>The measure is reported as “Achieved”, as the target has been met.</p>							
Number of visitor counts to Te Takere, Foxton Library & Service Centre and Shannon Library.	650,000 people across all sites annually	<p><b>Unable to Report</b></p> <p>We continue to have problems with our door counters at both Te Takeretanga o Kura-hau-po and Shannon library so are unable provide accurate figures.</p> <p>In December 2017, Te Awahou Nieuwe Stroom had 14,314 compared to 7,614 in December 2016.</p> <p>YTD: 240,093 people have visited across all sites.</p>							

			The measure is reported as “In Progress”, as the target is for the year 2017/2018. The target achievement/non-achievement will be reported in June 2018.
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## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Community Centres and Libraries)

Service	How will we measure our performance	Target (17/18)	Actual Performance										
Customers have access to a range of current information in both print and digital format.	Number of items loaned from the Library across District, including books, magazines etc.	350,000	<p><b>In Progress</b></p> <p>As at 31 December 2017, the total number of issues YTD is 148,539.</p> <p>The breakdown for the month of December 2017 is as follows:</p> <table data-bbox="1344 845 1680 1021"> <tr> <td>Levin</td> <td>20,028</td> </tr> <tr> <td>Foxton</td> <td>2,622</td> </tr> <tr> <td>Shannon</td> <td>631</td> </tr> <tr> <td>Digital</td> <td>319</td> </tr> <tr> <td><b>Total</b></td> <td><b>23,600</b></td> </tr> </table> <p>The measure is reported as “In Progress”, as the target is for the year 2017/2018. The target achievement/non-achievement will be reported in June 2018.</p>	Levin	20,028	Foxton	2,622	Shannon	631	Digital	319	<b>Total</b>	<b>23,600</b>
Levin	20,028												
Foxton	2,622												
Shannon	631												
Digital	319												
<b>Total</b>	<b>23,600</b>												

## COMMUNITY FACILITIES AND SERVICES – Performance Measures – LTP/Annual Plan (Community Centres and Libraries)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<p>Customers have access to a range of current information in both print and digital format.</p>	<p>Percent of increase in use of website.</p>	<p>+&gt;1%</p>	<p><b>In Progress</b></p> <p>As at 31 December 2017, the YTD totals are:</p> <p>Unique Users YTD: 42,103 December 2016: 8,480 December 2017: 5,509</p> <p>Number of Sessions YTD: 63,116 December 2016: 11,849 December 2017: 8,521</p> <p>The measure is reported as “In Progress”, as the target is for the year 2017/2018. The target achievement/non-achievement will be reported in June 2018. A comparison to the prior year will also be made at year end.</p> <p><b>Note:</b> This measure is for Te Takeretanga o Kura-hau-po website only.</p>
<p>Customers have access to programmes and initiatives that enhance the wellbeing of the District.</p>	<p>Number of programmes delivered.</p>	<p>100</p>	<p><b>Achieved</b></p> <p>As at 31 December 2017, 231 programmes have been delivered for the YTD.</p> <p>The breakdown for the month of December 2017 is as follows: Te Takere – 6 (Community), 14 (Learning) Foxton – 3 (Community), 6 (Learning) Shannon – 7 (Community), 15 (Learning)</p>

## PROPERTY Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	153	153	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	366	747	381
Local authorities fuel tax, fines, infringement fees, and other receipts	7	6	(1)
Internal charges and overheads recovered	232	240	8
<b>Total Operating Funding (A)</b>	<b>758</b>	<b>1,146</b>	<b>388</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	640	959	319
Finance Costs	178	261	83
Internal charges and overheads applied	145	136	(9)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>963</b>	<b>1,356</b>	<b>393</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(205)</b>	<b>(210)</b>	<b>(5)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(2,888)	(5,200)	(2,312)
Gross proceeds from sale of assets	3,445	6,144	2,699
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>557</b>	<b>944</b>	<b>387</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	73	-	(73)
- to improve the level of service	7	-	(7)
- to replace existing assets	151	27	(124)
Increase (decrease) in reserves	122	707	586
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>352</b>	<b>734</b>	<b>382</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>205</b>	<b>210</b>	<b>5</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	104	104	-

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Council Building	175	131	(44)
Camping Grounds	6	1	(5)
Commercial Properties	135	174	39
Endowment Property	181	194	13
General Property	338	360	22
Residential Housing	-	360	360
<b>Total Expenditure</b>	<b>835</b>	<b>1,220</b>	<b>385</b>

## Notes and Comments

**Commercial Property** - Expenses over budget with rates paid. This is offset by on charging in the leases for the commercial properties.

**Endowment Property** – this is over budget with rates payments and development contributions for sold Forbes Road sections.

**Residential Housing** – no budget was set for this activities direct expenditure due to the expected sale of the Community Housing portfolio. The Community Housing portfolio was transferred to the new owner 27 November 2018. The expenditure is offset by income received for rents to date of transfer.

## PROPERTY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council operated facilities are available for public hire.	Facilities availability (hrs) and hire charges by annual review.	8 hrs per day and review annually	<p><b>In Progress</b></p> <p>Council has three Memorial Hall facilities available for hire.</p> <p>As at 31 December 2017, all were available for at least eight (8) hours per day.</p> <p>The measure is reported as “In Progress”, as the target includes an annual review. The target achievement/non-achievement will be reported in June 2018.</p>
Residential housing is provided for the elderly	Occupancy Rate (Percent)	95% occupied	<p><b>Note:</b> Council’s Community Housing portfolio fully transferred to the new owner on 27 November 2017. This Performance Measure will not be reported in future quarterly reports.</p>
Endowment property is appropriately managed.	Number of sections available for sale.	20 sections	<p><b>Not Achieved</b></p> <p>As at 31 December 2017, there is one (1) section available for sale.</p> <p>Council is looking at further subdivision options.</p>
Council’s properties will comply with relevant legislation.	All buildings with compliance schedules will have current building WOF.	Achieved	<p><b>Achieved</b></p> <p>As at 31 December 2017, all Council buildings with Compliance Schedules have current BWOFS. All specified systems including fire alarms have been maintained and inspected in accordance with the compliance schedule. This meets the requirement of the Building Act 2004.</p>
Commercial property is appropriately managed.	Rent is within a percentage range of current market rentals at time of review/renewal.	10%	<p><b>Achieved</b></p> <p>Current commercial leases are within 10% of the market rate.</p> <p>No reviews/renewals were undertaken during the month of December 2017.</p>

## REPRESENTATION AND COMMUNITY LEADERSHIP Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	1,798	1,805	7
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	1	1
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,798</b>	<b>1,806</b>	<b>8</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	485	703	218
Finance Costs	-	-	-
Internal charges and overheads applied	1,174	1,335	161
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,659</b>	<b>2,038</b>	<b>379</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>139</b>	<b>(232)</b>	<b>(371)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	74	-	(74)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>74</b>	<b>-</b>	<b>(74)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	74	-	(74)
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	139	(232)	(371)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>213</b>	<b>(232)</b>	<b>(445)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(139)</b>	<b>232</b>	<b>371</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	-	-	-

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Community Board	105	107	2
Elections	4	6	2
Governance	968	1,249	281
External Reporting	583	676	93
<b>Total Expenditure</b>	<b>1,660</b>	<b>2,038</b>	<b>378</b>

## Notes and Comments

**Governance** – This is over budget with expenditure for Meeting Grants and Levin Town Centre Strategy.

**External Reporting** – This is slightly over budget due to audit fees for the Annual Report 2016/17 and first payment for LTP audit.



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

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council provides open, accessible processes to local government.	Local body elections will be held in compliance with relevant legislation.	Achieved (only measured in election year)	<b>Achieved</b> Local body elections were held in October 2016.
	Number of complaints upheld against the election process.	0	<b>Achieved</b> To date zero (0) complaints have been upheld following the October 2016 election.
Council supports residents and ratepayers to have their views heard and considered in Council decision making.	Percent of residential and non-residential ratepayers who are satisfied with the way the Council involves the public in its decision making.	>50%	<b>Unable to Report</b> This measure is marked as “unable to report” as the customer satisfaction survey is conducted annually. The next survey will take place in 2018.  This measure was not included in the customer satisfaction survey conducted in the 2016/2017 financial year, but it will be included in the 2017/2018 survey.
	Council’s Community Engagement Strategy is implemented and reviewed every 3 years.	90% of Annual Work Plan is completed	<b>In Progress</b> Councils’ Community Engagement Strategy is in the implementation phase. It will be reviewed again in 2018.
Council’s planning documents meet statutory requirements and meet Audit NZ standards.	The LTP is completed within the statutory timeframe, including a Financial Strategy which meets the new requirements of the Local Government Act.	Adopted before 30 June (every 3 years)	<b>Achieved</b> Council adopted the Long Term Plan and Financial Strategy on 24 June 2015. The next Long Term Plan and Financial Strategy is on track for adoption by 30 June 2018.
	The Annual Plan will be adopted before 30 June, annually.	Achieved	<b>Achieved</b> The 2017/2018 Annual Plan was adopted at a Council meeting held on 21 June 2017.
	The Annual Report will include an unqualified audit opinion.	Achieved	<b>Achieved</b> The 2017 Annual Report received an unqualified audit opinion.

## COMMUNITY SUPPORT Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	1,256	1,261	5
Targeted rates	-	-	-
Subsidies and grants for operating purposes	14	14	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	65	27	(38)
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,335</b>	<b>1,302</b>	<b>(33)</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	628	455	(173)
Finance Costs	-	-	-
Internal charges and overheads applied	704	622	(82)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,332</b>	<b>1,077</b>	<b>(255)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>3</b>	<b>225</b>	<b>222</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	3	-	(3)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3</b>	<b>-</b>	<b>(3)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	-	-	-
- to improve the level of service	3	2	(1)
- to replace existing assets	-	-	-
Increase (decrease) in reserves	3	223	220
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>6</b>	<b>225</b>	<b>220</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(3)</b>	<b>(225)</b>	<b>(222)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	6	10	4

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Community Development	181	159	(22)
Economic Development	478	338	(140)
Visitor Information	102	41	(61)
Community Grants and Funding	197	208	11
District Communication	163	143	(20)
Rural Fire	-	2	2
Emergency Management	218	196	(22)
<b>Total Expenditure</b>	<b>1,339</b>	<b>1,087</b>	<b>(252)</b>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Emergency Management and Rural Fire)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Community awareness is promoted and encouraged.	5 media messages promoting preparedness for an emergency will be made to residents and ratepayers annually.	5	<p><b>Achieved</b></p> <p>The total number of media releases / public advertising promoting preparedness for an emergency for the year-to-date as at 31 December 2017: 9.</p> <p>The year-to-date is broken down as follows:</p> <ul style="list-style-type: none"> <li>• New designated Civil Defence Centre story in the Community Connection on 05/07/2017</li> <li>• Never Happens Happens Daylight Saving Check List Facebook post 22/09/2017</li> <li>• Get Ready, Get Thru Week promotion at Te Takere</li> <li>• Community presentation at the Levin Friendship Club</li> <li>• Meet the caretaker at Horowhenua College and provide advice on an Emergency Management Plan for staff and students</li> <li>• Media article in the Horowhenua Chronicle on Tsunami blue lines in some coastal areas, complete with appropriate CDEM messaging.</li> <li>• Emergency Mobile Alert Facebook post 26/11/2017</li> <li>• Emergency Mobile Alert Facebook post 27/11/2017</li> <li>• Website updated to include Emergency Mobile Alert information provided by CDEM</li> </ul>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Emergency Management and Rural Fire)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<p>Council maintains a functional EOC and trained staff.</p>	<p>Civil Defence and Emergency Management assessment of readiness and capability.</p>	<p>100% of Council staff</p>	<p><b>Unable to Report</b></p> <p>Work is in progress to conduct regular EOC Foundation training to all new staff via HDC on-boarding process.</p> <p>The following things have happened in December 2017:</p> <ul style="list-style-type: none"> <li>• HDC EMC meeting held.</li> <li>• Attended Access &amp; Inclusion forum</li> <li>• EOC foundation course held, 13 registered, 3 attended.</li> <li>• Regional EMO meeting including workshop on initial Wellington Earthquake response plan.</li> <li>• Kapiti Emergency Services Committee (KESC) meeting attended.</li> <li>• Meeting with Manawatu Principal Rural Fire Officer.</li> <li>• Attended Emergency Alert Portal training.</li> <li>• Local Controllers Forum initiated.</li> <li>• CDEM preparations for Christmas break.</li> </ul> <p><b><u>EMIS TRAINING (Emergency Management Information Systems)</u></b></p> <p>EMIS Training delivered in December 2017: EMIS Super User Training</p> <p>Number of HDC staff who participated: 2</p> <p>Number of external agency staff who participated: Nil</p> <p>Total number of HDC staff who have participated in EMIS training year-to-date: 115 current staff members are trained to at least the Foundation level of EMIS.</p> <p>Total number of external agency staff who have participated in EMIS training year-to-date: 0</p>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Emergency Management and Rural Fire)

Service	How will we measure our performance	Target (17/18)	Actual Performance
<p>Council maintains a functional EOC and trained staff.</p>	<p>Civil Defence and Emergency Management assessment of readiness and capability.</p>	<p>100% of Council staff</p>	<p><b><u>ITF TRAINING (Integrated Training Framework)</u></b>  ITF Training delivered in December 2017: EOC Foundation Course conducted  Number of HDC staff who participated: 3  Number of external agency staff who participated: Nil  Total number of HDC staff who have participated in ITF_training year-to-date: 80 current staff members are trained to the Foundational level of EMIS.  Six (6) staff members are trained to the Intermediate level.  Total number of external agency staff who have participated in ITF training year-to-date: Nil local external agency staff at this time.  One (1) staff member registered to attend next Controllers Course in February.  One (1) staff member registered to attend CIMS 4 training in February 2018.</p> <p><b>OTHER CIVIL DEFENCE AND EMERGENCY MANAGEMENT TRAINING</b>  Other CDEM Training delivered in December 2017: Nil Activity to Report  Number of HDC staff who participated: Nil  Number of external agency staff who participated: Nil  Total number of HDC staff who have participated in other CDEM Training year-to-date: Nil  Total number of external agency staff who have participated in other CDEM Training year-to-date: Nil</p>
<p>Rural Fire services are provided.</p>	<p>Percentage of call outs that are responded to.</p>	<p>100% of call outs</p>	<p><b>Unable to Report</b>  This service now sits with Fire and Emergency New Zealand (FENZ).</p>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Community Engagement)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council provides effective leadership in advocating, coordinating and facilitating on behalf of community needs.	Number of Community Wellbeing Executive meetings per year. <b>(Note:</b> the schedule for 2015 onwards has changed from 6 weekly to bi-monthly).	5	<b>In Progress</b> As at 31 December 2017, three (3) Community Wellbeing Executive meetings have been held. As this is a yearly target, we will report our achievement/non-achievement at June 2018.
Council supports the vision that young people in the Horowhenua live in a safe and supportive environment, which empowers them to make positive life choices.	Number of Youth Voice meetings per year.	8	<b>In Progress</b> As at 31 December 2017, seven (7) Youth Voice meetings have been held. As this is a yearly target, we will report our achievement/non-achievement at June 2018.
	Number of Programmes or projects implemented by Youth Voice.	4	<b>In Progress</b> As at 31 December 2017, three (3) programmes/projects have been implemented by Youth Voice as follows: <ul style="list-style-type: none"> <li>• Electoral Commission Youth Programme Development</li> <li>• Contact Youth Space Youth Hui</li> <li>• Zeal Inflatable Challenge</li> </ul> Youth Voice has also contributed to seven (7) other events: <ul style="list-style-type: none"> <li>• The Grow Horowhenua Survey Collections</li> <li>• The Aquatics Open Day</li> <li>• Te Awahou Nieuwe Stroom Opening</li> <li>• Shannon Christmas Carnival</li> <li>• Foxton Pool Party</li> <li>• Levin Pool Party</li> <li>• Levin Christmas Parade</li> </ul> As this is a yearly target, we will report our achievement/non-achievement at June 2018.
	Number of Youth Network meetings per year. <b>(Note:</b> the schedule for 2015 onwards has changed from monthly to bi-monthly).	6	<b>In Progress</b> As at 31 December 2017, four (4) Youth Network meetings have been held. As this is a yearly target, we will report our achievement/non-achievement at June 2018.

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Community Engagement)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council supports the vision that Horowhenua residents are empowered to make choices enabling them to live a satisfying and healthy lifestyle.	Number of Older Person Network meetings per year.	10	<b>In Progress</b> As at 31 December 2017, seven (7) Older Persons Network meetings have been held. As this is a yearly target, we will report our achievement/non-achievement at June 2018.
	Number of Elder Berries Magazine Publications annually.	4	<b>In Progress</b> The latest issue can be found at: <a href="http://www.horowhenua.govt.nz/Community/Positive-Ageing/Elderberries">http://www.horowhenua.govt.nz/Community/Positive-Ageing/Elderberries</a> As this is a yearly target, we will report our achievement/non-achievement at June 2018.
Council supports the vision that Horowhenua is a vibrant, creative and friendly community with an abundance of art, rich cultures and a strong sense of heritage.	Number of Creative Communities funding rounds per year.	2	<b>In Progress</b> As at 31 December 2017, one (1) Horowhenua Creative Communities Scheme funding has been completed, awarding a total of \$14,090. The second funding round of the financial year will open in February 2018. As this is a yearly target, we will report our achievement/non-achievement at June 2018.
Council supports the vision that Horowhenua is New Zealand's foremost region in taking joint responsibility for the success of our community through education.	Number of Education Horowhenua meetings per year. ( <b>Note:</b> the schedule for 2015 onwards has changed from ad-hoc to quarterly).	4	<b>In Progress</b> As at 31 December 2017, three (3) Education Horowhenua meetings have been held. As this is a yearly target, we will report our achievement/non-achievement at June 2018.



## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Community Engagement)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council supports the vision that the Horowhenua is fully accessible to all people.	Number of Disability Leadership Forums per year.	4	<p><b>In Progress</b></p> <p>As at 31 December 2017, two (2) Disability Leadership Forums have been held.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>
Council promotes community empowerment and provides opportunities for community driven initiatives and projects.	Percent of funds distributed through contestable Community Grants and Funding schemes that comply with grant criteria.	100%	<p><b>In Progress</b></p> <p>As at 31 December 2017, all available Community Grants and Funding Schemes have been administered as part of the first funding round of the financial year. The second major funding round will open in February 2018.</p> <p>All other grants continue to be operated as per their grant criteria.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Community Engagement)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council promotes community group empowerment, and provides opportunity for community groups to grow and develop.	Number of Community Capacity and Capability Building Programme workshops or trainings offered.	10	<p><b>Achieved</b> As at 31 December 2017, ten (10) Community Capacity and Capability Building workshops/trainings have been held YTD, and is as follows:</p> <p><u>Community Funding Workshop Programme: 24 Attendees</u></p> <ul style="list-style-type: none"> <li>• Budgeting for Community Projects (Nathan Cross DIA) 2</li> <li>• Fundamentals for Fundraising Applications ( Neil Attapatu)</li> <li>• Fundraising Capacity Building 1 on 1 Funding Clinics</li> <li>• HDC Community Investment Workshop</li> </ul> <p><u>Mental Health Series: 98 Attendees</u></p> <ul style="list-style-type: none"> <li>• Mental Health Series Introduction to Mental Health (23)</li> <li>• Mental Health Series Introduction to Mental Health (26)</li> <li>• Mental Health Series Anxiety and Depression (24)</li> <li>• Mental Health Series Adolescent and Teen Suicide (25)</li> </ul> <p><u>Community Hub Collaboration Capacity Building Workshop: 25 Attendees</u></p> <p><u>SAMS “Care Matters” Course: 10 Attendees</u></p> <p>The measure is reported as “Achieved”, as the target has been met.</p>
	Percent of satisfaction with Capacity and Capability Building Programme workshops or training.	80%	<p><b>Unable to Report</b> As at 31 December 2017, ten (10) Community Capacity and Capability Building workshops/trainings have been held YTD, and as surveys are distributed every second programme; no data has been gathered yet.</p> <p>In the 2016/2017 survey of participants, 100% of respondents have indicated that they were ‘Satisfied’ with the Community Capacity Building Programmes, with 72% of respondents indicating that they were ‘Extremely Satisfied’.</p> <p><b>Note:</b> Surveys are distributed to participants after every 2nd programme.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Community Engagement)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council promotes community group empowerment, and provides opportunity for community groups to grow and develop.	Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	100	<b>Achieved</b> As at 31 December 2017, 157 individuals have participated in Community Capacity and Capability Building Programme workshops or training. The measure is reported as “Achieved”, as the target has been met.
Council supports beach safety initiatives within communities by providing financial support.	Number of weeks Council funded surf lifesaving service is provided at Foxton and Waitarere Beaches.	6	<b>In Progress</b> As at 31 December 2017, the funding related to the service agreement for the 2017/2018 summer season has been agreed upon and the Service Provision Contract has been signed. The Service Provision Schedule for the six weeks is: Monday to Friday, 11am to 6pm. Starting: Monday, 18 December 2017. Finishing: Friday, 26 January 2018. As this is a yearly target, we will report our achievement/non-achievement at June 2018.
Council effectively communicates with its ratepayers and residents.	Number of Council “Community Connections” Newsletters published annually.	10	<b>In Progress</b> As at 31 December 2017, six (6) Community Connections have been published. Copies can be found at: <a href="http://www.horowhenua.govt.nz/Community/Community-Engagement/Community-Connection">http://www.horowhenua.govt.nz/Community/Community-Engagement/Community-Connection</a> As this is a yearly target, we will report our achievement/non-achievement at June 2018.
	Number of media releases published annually.	100	<b>In Progress</b> As at 31 December 2017, 58 Media Releases have been published. As this is a yearly target, we will report our achievement/non-achievement at June 2018.
	Council provides a 24/7 telephone contact centre operation for people to phone.	100%	<b>Achieved</b> Council's 06 366 0999 telephone number is operational 24/7.

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Visitor Information)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council supports the promotion of Horowhenua as a tourism destination.	Communities with Visitor Information financially supported.	Levin, Foxton and Foxton Beach, Shannon	<p><b>Achieved</b></p> <p>Levin: A Visitor information service is provided through Te Takere o Kura-Hau-Po.</p> <p>Foxton and Shannon: A contract has been established with De Molen Foxton and Shannon Progressive Association to deliver Visitor Information in Foxton and Shannon.</p>
	Percent of key performance indicators achieved by providers of Visitor Information as set out in annual service level agreement.	>85%	<p><b>In Progress</b></p> <p>Visitor Information centers are being supported and kept up to date through the Visitor Information Center group which consists of Council representatives, Foxton, Shannon and Levin Visitor information representatives, with occasional presentations from local Tourism groups.</p> <p>Key Performance Indicators are being delivered as required. Quarterly updates are provided to convey what they are doing in meeting their contract.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>
	Percent of key performance indicators achieved by Destination Manawatu (Regional Tourism Organisation) as set out in annual service level agreement.	>85%	<p><b>No Longer Relevant</b></p> <p>The contract with CEDA (formally Destination Manawatu) ended on 30 June 2017, and will not be renewed. They are no longer the RTO for Horowhenua.</p>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Economic Development)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council provides strategic leadership in coordinating Economic Development activities across the District.	Councils Economic Development function will meet performance indicators and objectives as defined in the Horowhenua Economic Development Strategy.	90% of annual work plan is completed	<p><b>In Progress</b></p> <p>As at 31 December 2017, 30% of the annual work plan has been completed.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>
	Number of Economic Development Board meetings held per year.	10	<p><b>In Progress</b></p> <p>As at 31 December 2017, six (6) Economic Development Board meetings have been held.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>
Council provides opportunities for businesses to collaborate and network resulting in a stronger business sector.	Number of Business networking meetings held per year.	10	<p><b>In Progress</b></p> <p>As at 31 December 2017, five (5) Business Networking meetings have been held.</p> <p>As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>

## COMMUNITY SUPPORT – Performance Measures – LTP/Annual Plan (Economic Development)

Service	How will we measure our performance	Target (17/18)	Actual Performance
Council advocates for and facilitates business development and new business investment in the Horowhenua.	Percent of the District's business community that are satisfied or more than satisfied with the Council's overall performance in the Economic Development Activity.	>75%	<p><b>Unable to Report</b></p> <p>This measure is marked as “unable to report” as the customer satisfaction survey is conducted annually. The next survey will take place in 2018.</p> <p>The results of the customer satisfaction survey for the 2016/2017 financial year, showed customer satisfaction of this activity at 75%.</p>

## LAND TRANSPORT Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,042	2,050	8
Subsidies and grants for operating purposes	768	690	(78)
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	89	103	14
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,899</b>	<b>2,843</b>	<b>(56)</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,581	1,384	(197)
Finance Costs	21	9	(12)
Internal charges and overheads applied	489	220	(269)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,091</b>	<b>1,613</b>	<b>(478)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>808</b>	<b>1,230</b>	<b>422</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	1,504	1,158	(346)
Development and financial contributions	-	-	-
Increase (decrease) in debt	923	660	(263)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,427</b>	<b>1,818</b>	<b>(609)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	-	-	-
- to improve the level of service	1,156	1,431	276
- to replace existing assets	2,359	1,058	(1,301)
Increase (decrease) in reserves	(280)	559	839
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,235</b>	<b>3,048</b>	<b>(187)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(808)</b>	<b>(1,230)</b>	<b>(422)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	2,389	2,955	566

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Subsidised Roding	3,861	3,969	108
Footpaths	504	522	18
Unsubsidised Roding	115	76	(39)
<b>Total Expenditure</b>	<b>4,480</b>	<b>4,567</b>	<b>87</b>



## LAND TRANSPORT (ROADS) – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
A safe road network.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.	0 change or less over a 5 year average.	<p><b>Unable to Report</b></p> <p>This measure is marked as unable to report as it is a yearly target reported as at 30 June 2018.</p> <p>The number of fatalities and serious injury crashes on the local road network is calculated utilising data from the crash analysis system (CAS) database. It compares one year with the next, and as such it will be reported on in as soon as the data becomes available for the year ended 30 June 2018.</p>
Roads in good condition.	The average quality of ride on a sealed local road network measured by smooth travel exposure.	Minimum 85%	<p><b>Unable to Report</b></p> <p>Council has moved away from the traditional Annual Roughness and Condition Rating Survey. Instead it will be engaging Downers to carry out the network data collection utilising 'Hawkeye' – a high speed data surveying vehicle. The 'Hawkeye' system is equipped with the latest digital camera technology that will provide high resolution video of Council's roading network, thus providing a virtual drive through of roads.</p> <p>The benefits of this system will result in a more efficient analysis of the survey data that can be linked to chainage and GPS coordinates, simplifying location of data and features.</p> <p>However, 'Hawkeye' is not available until November 2017. The condition of the road network can be reported on once the high speed data survey is completed later in 2017/18.</p>
Roads that are maintained well.	The percentage of the sealed local road network that is resurfaced annually.	Minimum of 5% of total area	<p><b>Unable to Report</b></p> <p>This measure is marked as unable to report as it is a yearly target reported as at 30 June 2018.</p> <p>The Reseal Programme for 2017/18 is confirmed, with a total of 29.25km which equates to 212,773m<sup>2</sup>. This represents 6.21% of the total sealed local road network.</p> <p>The actual amount sealed will be reported on following the completion of the reseal season which is at the end of June 2018.</p>

## LAND TRANSPORT (FOOTPATHS) – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
Footpaths are in an acceptable condition.	Target footpath condition rating (% compliant with Councils standards).	Minimum 30% in excellent condition. Maximum 10% in poor condition.	<p><b>Unable to Report</b></p> <p>This measure is marked as unable to report as it is a yearly target reported as at 30 June 2018.</p> <p>This year a new system for assessing footpath condition has been developed and will be based on a 5 year rotating cycle. An average condition rating can be determined at the end of this year based on the percentage of actual rating survey completed as at 30 June 2018.</p>
Good response to service requests.	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	>95%	<p><b>Achieved</b></p> <p>During the month of December 2017, the percentage of requests responded to within 15 days = 95%</p> <p>The actual response time for December's CRMs has been achieved within 15 days. However, some of the CRMs as yet, have not been closed-off as administration staff been away on leave during the Christmas holiday period.</p> <p>For the period 1st July 2017 to 31st December 2017, 1,116 CRMs were received, with 96% of requests responded to within 15 working days.</p>

## STORMWATER Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	549	552	3
Subsidies and grants for operating purposes	-	-	-
Fees and charges	10	-	(10)
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>559</b>	<b>552</b>	<b>(7)</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	223	192	(31)
Finance Costs	124	102	(22)
Internal charges and overheads applied	82	52	(30)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>429</b>	<b>346</b>	<b>(83)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>130</b>	<b>206</b>	<b>76</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,815	680	(1,135)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,815</b>	<b>680</b>	<b>(1,135)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	1,343	507	(836)
- to improve the level of service	571	126	(445)
- to replace existing assets	29	-	(29)
Increase (decrease) in reserves	2	253	251
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,945</b>	<b>886</b>	<b>(1,059)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(130)</b>	<b>(206)</b>	<b>(76)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	250	285	35

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Stormwater Drainage	679	632	(47)
<b>Total Expenditure</b>	<b>679</b>	<b>632</b>	<b>(47)</b>

## STORMWATER – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
An adequate stormwater system.	Number of flooding events that occur in the District.	<5 per year	<p><b>Achieved</b></p> <p>Number of flooding events in December 2017 = Nil</p> <p>For the period 1st July 2017 to 31st December 2017, there have been zero (0) reported flooding events.</p>
	For each flooding event the number of habitable floors affected per 1,000 connections to Council's stormwater networks.	2 or less	<p><b>Unable to Report</b></p> <p>Number of habitable floors affected in December 2017 = Nil which equates to 0.00 per 1,000 connections.</p> <p>For the period 1st July 2017 to 31st December 2017, there have been zero (0) habitable floors affected, which equates to 0.00 per 1,000 connections.</p>
Response to faults.	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	1 hour	<p><b>Unable to Report</b></p> <p>Median response time for December 2017 = 0hrs 00mins</p> <p><b>Note:</b> There have been no flooding events.</p> <p>For the period 1st July 2017 to 31st December 2017, the median response time to get to site is 0hrs 00mins, due to there having been no flooding events.</p>
Customer satisfaction.	The number of complaints received by Council about the performance of its stormwater system expressed per 1,000 properties connected to the system.	<10 per year	<p><b>Achieved</b></p> <p>Number of complaints in December 2017 = Nil received, which equates to 0.00 per 1,000 connections.</p> <p>For the period 1st July 2017 to 31st December 2017, one (1) complaint was received, which equates to 0.08 per 1,000 connections regarding the performance of our stormwater system.</p>

## STORMWATER – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance																																				
Customer satisfaction.	Percentage of customers satisfied with the stormwater service. As per the Annual Resident Satisfaction Survey.	80%	<p><b>Unable to Report</b></p> <p>This measure is marked as “unable to report” as the customer satisfaction survey is conducted annually. The next survey will take place in 2018.</p> <p>The results of the customer satisfaction survey for the 2016/2017 financial year, showed customer satisfaction based on who had utilised this service in the past 12 months for this activity as being 60.10%.</p> <p>The results from the 2016/2017 Customer Satisfaction Survey are shown below:</p> <p><b>Satisfaction with Reliability of Storm Water Services<sup>13</sup>: by Ward</b></p> <table border="1"> <thead> <tr> <th></th> <th>Total %</th> <th>Kere Kere %</th> <th>Levin %</th> <th>Miranui %</th> <th>Waiopahu %</th> </tr> </thead> <tbody> <tr> <td>Very Satisfied</td> <td>7.93</td> <td>4.67</td> <td>9.81</td> <td>5.36</td> <td>7.78</td> </tr> <tr> <td>Satisfied</td> <td>45.92</td> <td>30.67</td> <td>54.44</td> <td>32.14</td> <td>41.92</td> </tr> <tr> <td>Not used in past 12 months</td> <td>10.41</td> <td>7.33</td> <td>6.07</td> <td>19.64</td> <td>20.36</td> </tr> <tr> <td>Dissatisfied</td> <td>24.97</td> <td>34.00</td> <td>23.13</td> <td>25.00</td> <td>22.16</td> </tr> <tr> <td>Very Dissatisfied</td> <td>10.77</td> <td>23.33</td> <td>6.54</td> <td>17.86</td> <td>7.78</td> </tr> </tbody> </table>		Total %	Kere Kere %	Levin %	Miranui %	Waiopahu %	Very Satisfied	7.93	4.67	9.81	5.36	7.78	Satisfied	45.92	30.67	54.44	32.14	41.92	Not used in past 12 months	10.41	7.33	6.07	19.64	20.36	Dissatisfied	24.97	34.00	23.13	25.00	22.16	Very Dissatisfied	10.77	23.33	6.54	17.86	7.78
	Total %	Kere Kere %	Levin %	Miranui %	Waiopahu %																																		
Very Satisfied	7.93	4.67	9.81	5.36	7.78																																		
Satisfied	45.92	30.67	54.44	32.14	41.92																																		
Not used in past 12 months	10.41	7.33	6.07	19.64	20.36																																		
Dissatisfied	24.97	34.00	23.13	25.00	22.16																																		
Very Dissatisfied	10.77	23.33	6.54	17.86	7.78																																		
A sustainable stormwater service.	The number of Abatement Notices, Infringement Notices, Enforcement Orders, and convictions received by the Council in relation to Horizons Regional Council resource consents.	0	<p><b>Achieved</b></p> <p>For the period 1st July 2017 to 31st December 2017:</p> <p>Abatement Notices = 0</p> <p>Infringement Notices = 0</p> <p>Enforcement Orders = 0</p> <p>Convictions = 0</p>																																				

## WATER SUPPLY Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,856	2,867	11
Subsidies and grants for operating purposes	-	-	-
Fees and charges	13	78	65
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,869</b>	<b>2,945</b>	<b>76</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,132	1,555	423
Finance Costs	323	272	(51)
Internal charges and overheads applied	527	263	(264)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,982</b>	<b>2,090</b>	<b>108</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>887</b>	<b>855</b>	<b>(32)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	233	410	177
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>233</b>	<b>410</b>	<b>177</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	61	-	(61)
- to improve the level of service	456	336	(120)
- to replace existing assets	931	1,488	557
Increase (decrease) in reserves	(328)	(559)	(231)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,120</b>	<b>1,265</b>	<b>145</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(887)</b>	<b>(855)</b>	<b>32</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	998	1,190	192

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Foxton Water	386	475	89
Foxton Beach Water	391	352	(39)
Levin Water	1,672	1,920	248
Shannon Water	380	349	(31)
Tokomaru Water	152	185	33
<b>Total Expenditure</b>	<b>2,981</b>	<b>3,281</b>	<b>300</b>

## Notes and Comments

**Foxton, Levin and Tokomaru Water Supply** – increased costs for maintenance which is offset by reduced internal charges.



## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
Safe water supply.	Percentage in which the local authority's drinking water supply complies with: (a) part 4 of the Drinking Water Standards (bacteria compliance criteria) in Levin, Shannon, Foxton, Foxton Beach, Tokomaru.	100%	<p><b>Not Achieved</b></p> <p>100% compliance for December 2017.</p> <p>For the period 1st July 2017 to 31st December 2017, 675 samples were collected, of which 673 (99.70%) were analysed.</p> <p>A positive E.coli alert was received for a Levin reservoir sample from the 7th of September. The three (3) consecutive day samples were all clear of E.coli for the reservoir.</p> <p>A sample taken at the Levin reservoir on the 24th November 2017 was confirmed as received by the laboratory, however no results have been issued at this time and we are currently awaiting a response from the lab.</p> <p>99.70% of analysed samples complied with the New Zealand Drinking Water Standards (NZDWS) requirements of &lt;1 E.coli.</p>
	(b) part 5 of the Drinking Water Standards (protozoa compliance criteria) in: Levin Shannon Foxton Foxton Beach Tokomaru	100% 100% 100% 100% 100%	<p><b>Achieved</b></p> <p>100% compliance for December 2017.</p> <ul style="list-style-type: none"> <li>• Levin: 100%</li> <li>• Shannon: 100%</li> <li>• Foxton: 100%</li> <li>• Foxton Beach: 100%</li> <li>• Tokomaru: 100%</li> </ul> <p>Any failures shown over the months for each supply were mainly due to minor maintenance activities at each water plant and these have been evidenced in Infrastructure Data.</p>

## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance																																																	
Drinking water that tastes and looks satisfactory.	The total number of complaints received about any of the following (expressed per 1,000 connections): <ol style="list-style-type: none"> <li>1. Drinking water clarity</li> <li>2. Drinking water taste</li> <li>3. Drinking water pressure or flow</li> <li>4. Continuity of supply; and</li> <li>5. The Council's response to any of these issues.</li> </ol>	4	<p><b>Not Achieved</b></p> <p>As at 31 December 2017:</p> <table border="1" data-bbox="1279 435 2152 927"> <thead> <tr> <th colspan="2" rowspan="2"></th> <th colspan="2">YTD Result</th> <th colspan="2">December 2017 Result</th> </tr> <tr> <th>Number per 1,000 connections</th> <th>Number of Complaints</th> <th>Number per 1,000 connections</th> <th>Number of Complaints</th> </tr> </thead> <tbody> <tr> <td>1)</td> <td>Clarity</td> <td>0.99</td> <td>13</td> <td>0.23</td> <td>3</td> </tr> <tr> <td>2)</td> <td>Taste</td> <td>0.84</td> <td>11</td> <td>0.38</td> <td>5</td> </tr> <tr> <td>3)</td> <td>Pressure or Flow</td> <td>1.22</td> <td>16</td> <td>0.23</td> <td>3</td> </tr> <tr> <td>4)</td> <td>Continuity of Supply</td> <td>1.22</td> <td>16</td> <td>0.23</td> <td>3</td> </tr> <tr> <td>5)</td> <td>Council Response</td> <td>0.00</td> <td>0</td> <td>0.00</td> <td>0</td> </tr> <tr> <td colspan="2"><b>Total</b></td> <td><b>4.27</b></td> <td><b>56</b></td> <td><b>1.07</b></td> <td><b>14</b></td> </tr> </tbody> </table> <p>Total number of connections as of 31 December 2017 = 13,132</p> <p><i>The exceedance above is due to an increased number of complaints for taste and clarity received in November and December from Foxton Beach and Levin. Scarification works in Levin due to low inflow into the plant resulted in taste issues for both months while the cessation of the weekly flushing at Foxton Beach due to high demand caused the increased complaints on clarity.</i></p>						YTD Result		December 2017 Result		Number per 1,000 connections	Number of Complaints	Number per 1,000 connections	Number of Complaints	1)	Clarity	0.99	13	0.23	3	2)	Taste	0.84	11	0.38	5	3)	Pressure or Flow	1.22	16	0.23	3	4)	Continuity of Supply	1.22	16	0.23	3	5)	Council Response	0.00	0	0.00	0	<b>Total</b>		<b>4.27</b>	<b>56</b>	<b>1.07</b>	<b>14</b>
		YTD Result		December 2017 Result																																																
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1)	Clarity	0.99	13	0.23	3																																															
2)	Taste	0.84	11	0.38	5																																															
3)	Pressure or Flow	1.22	16	0.23	3																																															
4)	Continuity of Supply	1.22	16	0.23	3																																															
5)	Council Response	0.00	0	0.00	0																																															
<b>Total</b>		<b>4.27</b>	<b>56</b>	<b>1.07</b>	<b>14</b>																																															

## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance					
Response to faults.	The median time from the time that Council received notification to the time that service personnel:  a) reach the site for urgent call-outs  b) confirm resolution of the fault or interruption of urgent call-outs  c) reach the site for non-urgent call-outs  d) confirm resolution of the fault or interruption of non-urgent call-outs	a) 1 hour  b) 8 hours  c) 3 days  d) 3 days	<b>Achieved</b>					
			As at 31 December 2017:					
					<b>YTD Result</b>		<b>December 2017 Result</b>	
				<b>Item</b>	<b>Result</b>	<b>Comment</b>	<b>Result</b>	<b>Comment</b>
			a)	Median Time to reach the site for urgent call-outs	0hrs 36mins	Received 16 urgent call-outs and attended to 13 within 1 hour or less	0hrs 53mins	Received 3 urgent call-outs and attended to 2 within 1 hour or less.
			b)	Median Time for resolution of the fault or interruption of urgent call-outs	1hr 47mins	Received 16 urgent call-outs and resolved 14 within 8 hours or less	0hrs 54mins	Received 3 urgent call-outs and resolved 2 within 8 hours or less.
c)	The median time to reach the site for non-urgent call-outs	15hrs 31mins	Received 281 non-urgent call-outs and attended to 264 within 3 days or less.	13hrs 39mins	Received 72 non-urgent call-outs and attended to 61 within 3 days or less.			
d)	The median time for resolution of the fault or interruption of non-urgent call-outs	18hrs 37mins	Received 281 non-urgent call-outs and resolved 256 in 3 days or less.	18hrs 40mins	Received 72 non-urgent call-outs and resolved 60 in 3 days or less.			

## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance																		
Water supply is continual.	Total number of unplanned water shut downs.	30 per year	<p><b>Achieved</b></p> <p>Number of unplanned water shut downs for the year-to-date = 6</p> <p>See table below for breakdown.</p> <table border="1"> <thead> <tr> <th>Result</th> <th>YTD</th> <th>December 2017</th> </tr> </thead> <tbody> <tr> <td>Total shutdowns reported</td> <td>9</td> <td>1</td> </tr> <tr> <td>Total unplanned shut downs</td> <td>6</td> <td>1</td> </tr> <tr> <td>Average unplanned shutdown length in hours</td> <td>3.80</td> <td>3.00</td> </tr> <tr> <td>Reasons for shutdown (most of)</td> <td>Split Pipe</td> <td>Split Pipe</td> </tr> <tr> <td>Average # of homes affected</td> <td>35</td> <td>35</td> </tr> </tbody> </table>	Result	YTD	December 2017	Total shutdowns reported	9	1	Total unplanned shut downs	6	1	Average unplanned shutdown length in hours	3.80	3.00	Reasons for shutdown (most of)	Split Pipe	Split Pipe	Average # of homes affected	35	35
Result	YTD	December 2017																			
Total shutdowns reported	9	1																			
Total unplanned shut downs	6	1																			
Average unplanned shutdown length in hours	3.80	3.00																			
Reasons for shutdown (most of)	Split Pipe	Split Pipe																			
Average # of homes affected	35	35																			
Firefighting needs are met.	Percentage of the network where firefighting flows in urban residential areas meet the NZ Fire Service firefighting water supplies Code of Practice SZ 4509:2008.	80%	<p><b>Unable to Report</b></p> <p>The testing of firefighting flows is an annual activity and is conducted by measuring the flow through fire hydrants. The total number of hydrants tested across the district in the 2016/17 financial year was 1,962 where 1,833 were above the required firefighting flow of 12.5L/s, bringing the percentage of compliant hydrants to 93%.</p> <p>The next hydrant testing is scheduled for later in the 2017/18 financial year. As this is a yearly target, we will report our achievement/non-achievement at June 2018.</p>																		
Water supply has adequate flow and pressure.	Percentage of the network where supply pressure at the property boundary is not less than 250kPa for on demand connections and 150kPa for restricted flow connections.	100%	<p><b>Achieved</b></p> <p>100% of all water connections checked across the district up to December 2017 exceeded pressures of 250kPa at the property boundary.</p> <p>The cause of a drop in pressure for 2 connections in Foxton during October was due to internal leaks.</p> <p><b>Note:</b> For properties connected as a restricted connection, a certain pressure is required for those properties to be able to get their required number of units. With no complaints about reduction in units it implies that the required pressures are being achieved at the boundaries of properties served by restrictors.</p>																		

## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance																		
Consent conditions are met.	Compliance with all water take limits of resource consents.	100%	<p><b>Not Achieved</b></p> <p>For the period 1st July 2017 to 31st December 2017, the percentage of water take which complied with limits of resource consent = 83%</p> <p><b>Note:</b> Received a notification from Horizons on a reported exceedance with our hourly water take at Shannon for the 27th November 2017. Our data did not show an exceedance, so Horizons and our contractor, CR Automation, are working on validating the data so they match. Until our data is verified to be correct, compliance for November is not achieved.</p>																		
Water supply is sustainable.	Average consumption of drinking water per day per resident within the water supply areas (target based on One Plan Section 6.4.3.1).	300lt per day	<p><b>Not Achieved</b></p> <p>The average consumption for December 2017 for all supplies = 533lt/per person/day.</p> <p>For the period 1st July 2017 to 31st December 2017, the average consumption for all supplies is 421lt/per person/day.</p> <p>Individual supplies are shown in the table below:</p> <table border="1"> <thead> <tr> <th>Supply</th> <th>YTD</th> <th>December 2017</th> </tr> </thead> <tbody> <tr> <td>Foxton</td> <td>471</td> <td>566</td> </tr> <tr> <td>Foxton Beach</td> <td>326</td> <td>454</td> </tr> <tr> <td>Levin</td> <td>461</td> <td>529</td> </tr> <tr> <td>Shannon/Mangaore</td> <td>608</td> <td>779</td> </tr> <tr> <td>Tokomaru</td> <td>239</td> <td>336</td> </tr> </tbody> </table>	Supply	YTD	December 2017	Foxton	471	566	Foxton Beach	326	454	Levin	461	529	Shannon/Mangaore	608	779	Tokomaru	239	336
Supply	YTD	December 2017																			
Foxton	471	566																			
Foxton Beach	326	454																			
Levin	461	529																			
Shannon/Mangaore	608	779																			
Tokomaru	239	336																			

## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance
Minimal water losses.	Percentage of real water loss from the network as measured by the standard Infrastructure Leakage Index method.	15%	<p><b>Not Achieved</b></p> <p>The percentage of real water loss from the network as measured by the standard Infrastructure Leakage Index method doesn't make sense; the ILI is not a % measurement. The ILI is a dimensionless performance indicator that relates the current level of real water loss to the unavoidable level of real water loss in a system, taking into account the length of pipes, number of connections and average operating pressure. As such it is a metric benchmarking for performance comparison with other water suppliers.</p> <p>With reference to the recommendation in the NZ Water Loss Guidelines (p18), this measurement can be changed to the IWA Performance Indicator Litres/service connection/day (Op 27). This is the preferable process benchmarking of progress towards reaching target for reductions in real losses, and should be the basis for ongoing monitoring.</p> <p>Based on ILI the target for all supplies will be to achieve a WBI Band B – between 2 and 4.</p> <p>Using Litres/service connection/day will have different targets for each supply.</p> <p>A water loss study was completed for the Levin supply in January 2017 and for all other supplies in June 2017, the results are summarised in the table below.</p> <p>Leak detection equipment has been procured and after training of reticulation staff, will be used for ongoing level 1 active leakage control. Higher level of leak detection such as leak noise correlation will be outsourced to specialist sub-contractors as and when required.</p> <p>Improved network monitoring options are currently being investigated.</p>

## WATER SUPPLY – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance						Target (17/18)	Actual Performance							
	Number Connections	Length of mains (km)	Conn/km	AZNP (meters)	NDF (hours/day)	Avg Daily Demand <sup>4</sup> (m <sup>3</sup> )	The Snapshot Daily Leakage <sup>2</sup> (September 2016)					"Snapshot" Infrastructure Leakage Index			
						m <sup>3</sup> /day	Conn/km>20: litres/connection/day	Conn/km<20: m <sup>3</sup> /km/day	95% Conf. Limits	% Water Loss (SEE NOTE 1 BELOW)	The Snapshot Night Leakage rate (m <sup>3</sup> /hr)	The Unavoidable Annual Real Losses (m <sup>3</sup> /hr)	IU (dimensionless)	which is in WBI Band	
Foxton	1,180	29.3	40	35.9	22.6	1,600	464.4	393.58		6.2%	29.0%	20.55	2.20	9.34	D
Foxton Beach	1,600	26.4	61	39.1	23.5	530	35.3	22.03		54.1%	6.7%	1.50	2.86	0.52	A
Shannon	727	23.3	31	48.3	23.9	680	305.5	420.22		6.2%	44.9%	12.78	2.01	6.35	C
Mangaore <sup>3</sup>	35	2.6	14	50.8	24.1	60	22.0	8.54	55.1%	36.7%	0.91	0.16	5.80	C	
Tokomaru	206	6.0	34	30.7	23.9	153	37.2	180.41		8.7%	24.3%	1.56	0.35	4.44	C
Entire Levin Supply	8,415	215.2	39	75.9	23.7	8,500	3,601.5	427.99		10.6%	42.4%	151.96	33.54	4.53	C
<b>Total Snapshot Daily Leakage (m<sup>3</sup>/day)</b>							<b>4,466</b>								
<p>Notes: 1. Please note that the % Water Loss is shown as indicative only and should not be used as a performance indicator. When losses are expressed as a % of System Input (or Water Supplied) volume, the resulting figure is heavily influenced by the consumption. I.e. when consumption per service connection changes (lower in winter) the % real losses changes (increases) even if Real Losses volume per day remains the same.</p> <p>2. The IWA definition of Real Losses includes only leakage on the mains and service connections up to the boundary. This is difficult to quantify in an unmetered network and a Minimum Nightflow Analysis method is therefore used to calculate the volume of water loss. This method inherently includes in it a portion of water loss that could be regarded as consumption, i.e. Billed Unmetered Consumption. This should be taken into account when evaluating the performance indicators shown.</p> <p>3. Mangaore values to still be confirmed as no flow information is available. The Mangaore reservoir level drop was used to estimate night flow.</p> <p>4. This varies greatly between winter and summer, peak and off peak consumption. Please refer to Note 1.</p>															
Provide water conservation education to the public.	As provided in the Water Demand Management Plan 2014.						Achieved	<p><b>Achieved</b></p> <p>Water meter/leak checks pamphlets continue to be mailed out with water billing invoices.</p> <p>New meter checks brochures are being compiled by the Communications Team.</p>							

## WASTEWATER MANAGEMENT Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	3,188	3,200	12
Subsidies and grants for operating purposes	-	-	-
Fees and charges	596	610	14
Local authorities fuel tax, fines, infringement fees, and other receipts	-	34	34
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>3,784</b>	<b>3,844</b>	<b>60</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,348	1,168	(180)
Finance Costs	541	452	(89)
Internal charges and overheads applied	363	241	(122)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,252</b>	<b>1,861</b>	<b>(391)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>1,532</b>	<b>1,983</b>	<b>451</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,325	600	(1,725)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,325</b>	<b>600</b>	<b>(1,725)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	342	220	(122)
- to improve the level of service	1,764	349	(1,415)
- to replace existing assets	1,816	655	(1,161)
Increase (decrease) in reserves	(64)	1,359	1,423
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,857</b>	<b>2,583</b>	<b>(1,274)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(1,532)</b>	<b>(1,983)</b>	<b>(451)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	1,132	1,448	316



## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Foxton Wastewater	345	278	(67)
Foxton Beach Wastewater	312	254	(58)
Levin Wastewater	1,862	1,970	108
Shannon Wastewater	561	557	(4)
Tokomaru Wastewater	113	71	(42)
Waitarere Beach Wastewater	191	179	(12)
<b>Total Expenditure</b>	<b>3,384</b>	<b>3,309</b>	<b>(75)</b>

## Notes and Comments

**Levin Wastewater** – increased depreciation with the revaluation of the assets, LAPP insurance and consents for Levin Treatment Plant.

## WASTEWATER DISPOSAL – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance																			
Reliable Wastewater collection and disposal.	The number of dry weather overflows from the wastewater system per 1,000 connections.	<2	<p><b>Achieved</b></p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">YTD Result</th> <th colspan="2">December 2017</th> </tr> <tr> <th>Number per 1,000 connections</th> <th>Number of Overflows</th> <th>Number per 1,000 connections</th> <th>Number of Overflows</th> </tr> </thead> <tbody> <tr> <td>Dry weather overflows</td> <td>0.24</td> <td>3</td> <td>0.00</td> <td>0</td> </tr> </tbody> </table>		YTD Result		December 2017		Number per 1,000 connections	Number of Overflows	Number per 1,000 connections	Number of Overflows	Dry weather overflows	0.24	3	0.00	0					
	YTD Result		December 2017																			
	Number per 1,000 connections	Number of Overflows	Number per 1,000 connections	Number of Overflows																		
Dry weather overflows	0.24	3	0.00	0																		
Council provides a good response to faults reported.	The median time (hrs) from the time that Council receives a notification, to the time that services personnel reach the site in responding to an overflow or wastewater blockage.	<1 hour	<p><b>Achieved</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Median time for:</th> <th colspan="2">YTD Result</th> <th colspan="2">December 2017</th> </tr> <tr> <th>Result</th> <th>Comment</th> <th>Result</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Overflows only</td> <td>0hrs 07mins</td> <td></td> <td>0hrs 00mins</td> <td>There were no overflows</td> </tr> <tr> <td>Wastewater Blockages</td> <td>0hrs 24mins</td> <td></td> <td>0hrs 22mins</td> <td></td> </tr> </tbody> </table>	Median time for:	YTD Result		December 2017		Result	Comment	Result	Comment	Overflows only	0hrs 07mins		0hrs 00mins	There were no overflows	Wastewater Blockages	0hrs 24mins		0hrs 22mins	
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	The median time (hrs) from the time that Council receives a notification, to the time that services personnel confirm a resolution of a blockage or other fault within the wastewater system.	12 hours	<p><b>Achieved</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Median time for:</th> <th colspan="2">YTD Result</th> <th colspan="2">December 2017</th> </tr> <tr> <th>Result</th> <th>Comment</th> <th>Result</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Overflows only</td> <td>2hrs 20mins</td> <td></td> <td>0hrs 00mins</td> <td>There were no overflows</td> </tr> <tr> <td>Blockages and other faults</td> <td>2hrs 05mins</td> <td></td> <td>1hr 41mins</td> <td></td> </tr> </tbody> </table>	Median time for:	YTD Result		December 2017		Result	Comment	Result	Comment	Overflows only	2hrs 20mins		0hrs 00mins	There were no overflows	Blockages and other faults	2hrs 05mins		1hr 41mins	
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## WASTEWATER DISPOSAL – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance					
The service is satisfactory.	The total number of complaints received (expressed per 1,000 connections to the wastewater system) regarding:  a) Wastewater odour; b) Wastewater systems faults; c) Wastewater system blockages d) The Council's response to issues with its wastewater system. e) Total number of complaints received about any of the above.	a) <5 b) <8 c) <8 d) 8 e) <29	<b>Achieved</b>					
					<b>YTD Result</b>		<b>December 2017</b>	
					<b>Number per 1,000 connections</b>	<b>Number of Complaints</b>	<b>Number per 1,000 connections</b>	<b>Number of Complaints</b>
			<b>a)</b>	Odour	0.16	2	0.00	0
			<b>b)</b>	System Faults	0.89	11	0.08	1
			<b>c)</b>	System blockages	2.84	35	0.33	4
			<b>d)</b>	Councils response	0.08	1	0.00	0
<b>e)</b>	<b>Total</b>	<b>3.97</b>	<b>49</b>	<b>0.41</b>	<b>5</b>			
Total # of connections as of 31 December 2017 = 12,312								

## WASTEWATER DISPOSAL – Performance Measures – LTP/Annual Plan

Service	How will we measure our performance	Target (17/18)	Actual Performance																																				
The service is satisfactory.	Percentage of customers satisfied with the service, based on the Annual Resident Satisfaction Survey.	84%	<p><b>Unable to Report</b></p> <p>This measure is marked as “unable to report” as the customer satisfaction survey is conducted annually. The next survey will take place in 2018.</p> <p>This measure was not included in the customer satisfaction survey conducted in the 2016/2017 financial year, but it will be included in the 2017/2018 survey.</p> <p>The results from the 2015/2016 customer satisfaction survey are shown</p> <table border="1"> <thead> <tr> <th></th> <th>Total %</th> <th>Kere Kere %</th> <th>Levin %</th> <th>Miranui %</th> <th>Waiopahu %</th> </tr> </thead> <tbody> <tr> <td>Very Satisfied</td> <td>5.87</td> <td>1.74</td> <td>8.67</td> <td>4.17</td> <td>4.90</td> </tr> <tr> <td>Satisfied</td> <td>26.15</td> <td>33.91</td> <td>27.24</td> <td>20.83</td> <td>23.08</td> </tr> <tr> <td>Neither Satisfied nor Dissatisfied</td> <td>27.27</td> <td>26.09</td> <td>30.03</td> <td>16.67</td> <td>23.78</td> </tr> <tr> <td>Dissatisfied</td> <td>15.10</td> <td>16.52</td> <td>14.86</td> <td>20.83</td> <td>10.49</td> </tr> <tr> <td>Very Dissatisfied</td> <td>10.35</td> <td>12.17</td> <td>7.74</td> <td>20.83</td> <td>8.39</td> </tr> </tbody> </table> <p>below:</p>		Total %	Kere Kere %	Levin %	Miranui %	Waiopahu %	Very Satisfied	5.87	1.74	8.67	4.17	4.90	Satisfied	26.15	33.91	27.24	20.83	23.08	Neither Satisfied nor Dissatisfied	27.27	26.09	30.03	16.67	23.78	Dissatisfied	15.10	16.52	14.86	20.83	10.49	Very Dissatisfied	10.35	12.17	7.74	20.83	8.39
	Total %	Kere Kere %	Levin %	Miranui %	Waiopahu %																																		
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Very Dissatisfied	10.35	12.17	7.74	20.83	8.39																																		
Safe disposal of wastewater.	The number of Abatement Notices, Infringement Notices, Enforcement Orders, and convictions received by the Council in relation to Horizons Regional Council resource consents.	0	<p><b>Achieved</b></p> <p>For the period 1st July 2017 to 31st December 2017:</p> <p>Abatement Notices = 0 Infringement Notices = 0 Enforcement Orders = 0 Convictions = 0</p>																																				

## SOLID WASTE MANAGEMENT Funding Impact Statement

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	164	164	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	930	802	(128)
Local authorities fuel tax, fines, infringement fees, and other receipts	-	2	2
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,094</b>	<b>968</b>	<b>(126)</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	781	745	(36)
Finance Costs	120	106	(14)
Internal charges and overheads applied	123	57	(66)
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,024</b>	<b>908</b>	<b>(116)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>70</b>	<b>60</b>	<b>(10)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	75	70	(5)
Gross proceeds from sale of assets	-	-	-
Lum sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>75</b>	<b>70</b>	<b>(5)</b>
<b>Applications of capital funding</b>			
<b>Capital expenditure</b>			
- to meet additional demand	170	35	(135)
- to improve the level of service	-	-	-
- to replace existing assets	33	5	(28)
Increase (decrease) in reserves	(59)	90	149
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>145</b>	<b>130</b>	<b>(15)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(70)</b>	<b>(60)</b>	<b>10</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	134	143	9

## ACTIVITY EXPENDITURE

	Annual Plan Forecast 31-Dec-17 \$000	Actual 31-Dec-17 \$000	Variance 31-Dec-17 \$000
Roadside Collection Bags	106	53	(53)
Landfill	554	574	20
Recycling Centres	352	318	(34)
Waste Transfer Stations	147	104	(43)
<b>Total Expenditure</b>	<b>1,159</b>	<b>1,049</b>	<b>(110)</b>

## Notes and Comments

**Landfill** – this is over budget with increased rates and consent fees and consultancy for the Environment Court Appeal and advice for Levin Landfill.

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

Service	How will we measure our performance	Target (17/18)	Actual Performance
Waste Transfer Stations are available at convenient times.	Transfer Stations are available on agreed days at agreed times.	Achieved	<b>Achieved</b> As at 31 December 2017, transfer stations have been available on agreed days.
Solid Waste Activities are undertaken in a healthy and safe manner.	No reported incidences of injury or illness attributable to use of the Council's Waste Transfer or Recycling Station facilities.	Achieved	<b>Achieved</b> As at 31 December 2017, no reports of incidences or injuries from the transfer or recycling stations.
Waste Transfer and Recycling Stations have a minimal impact on the immediate and surrounding environment.	No. odour complaints and minimal reports of solid waste in or around: <ul style="list-style-type: none"> <li>• Waste Transfer Stations; and</li> <li>• Recycling Stations</li> </ul>	3 per month 3 per month	<b>Achieved</b> As at 31 December 2017: Zero (0) odour complaints Zero (0) reports of solid waste in or around waste transfer/recycling stations  For the period 1st July 2017 to 31st December 2017 the breakdown is as follows: Zero (0) odour complaints One (1) report of solid waste in or around waste transfer/recycling stations
Response to service requests regarding Council's Solid Waste Activities is timely.	Time that all requests are responded to within.	3 days	<b>Achieved</b> As at 31 December 2017, we have received: 152 service requests 93 (61%) of these were responded to within 3 days.  It must be noted that despite the fact that some CRMs do not have a close out date or have been closed out well outside the 3 day period, this does not mean that the requests were not responded to within the 3 day timeframe. Some close out dates longer than the 3 actual day period, include weekends and public holidays.  The contractors also tend to close resolved CRM's in bulk at the end of the month, instead of as they go, leaving many open or outside the 3 day period. Significantly more than is stated were actually responded to within 3 days, or will vary results month to month.

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

Service	How will we measure our performance	Target (17/18)	Actual Performance
Levin landfill.	Conditions of resource consents are met.	100%	<b>Not Achieved</b> As at 31 December 2017: 80%  For the period 1st July 2017 to 31st December 2017, we have received one (1) abatement notice and one (1) infringement from Horizons regarding one of the consent conditions.
Kerbside recycling and refuse collection service is available.	Percentage of serviceable households that kerbside recycling shall be offered to.	91%	<b>Achieved</b> As at 31 December 2017: 95% We are currently servicing approximately 95% of households based on the serviceable areas within the District.
Recycling and refuse is collected on time and in a sanitary manner.	Number of complaints about non collection of: <ul style="list-style-type: none"> <li>• Kerbside recycling</li> <li>• Kerbside refuse</li> </ul>	5 per month 5 per month	<b>Achieved</b> For the period 1st July 2017 to 31st December 2017, 29 complaints were received regarding Kerbside recycling (equates to 5 per month). Three (3) of which were reported in the month of December 2017.  For the period 1st July 2017 to 31st December 2017, 16 complaints were received regarding Kerbside refuse (equates to 3.00 per month). Zero (0) of which were reported in the month of December 2017.
Recycling stations are available and accessible in urban centres in Summer.	Recycling stations are available at the agreed locations on the agreed days and times.	Achieved	<b>Achieved</b> As at 31 December 2017, recycling stations are available at all agreeable locations.
Information on Council's recycling and refuse services is available from service centres and on the website.	Up-to-date brochures will be available at all offices and on the HDC website.	Achieved	<b>Not Achieved</b> Brochures are handed out by the recycling collectors when their recycling crates contain non-recyclables. However, these are not currently available at the offices. Additionally, other means of information dispersion are being looked into such as fridge magnets or stickers for the recycling crates/wheelie bins. Brochures are currently being designed.



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

Service	How will we measure our performance	Target (17/18)	Actual Performance
Affordable recycling service is available.	No user charge set.	Achieved	<b>Achieved</b> As at 31 December 2017.
Customers are content with Council's transfer stations, recycling collection, and refuse collection services offered.	Measured via the Annual Resident Satisfaction Survey.	75%	<b>Unable to Report</b> This measure is marked as "unable to report" as the customer satisfaction survey is conducted annually. The next survey will take place in 2018. The results of the customer satisfaction survey for the 2016/2017 financial year, showed customer satisfaction based on who had utilised this service in the past 12 months for this activity as being:  80% of customers were satisfied with recycling services.  84% of customers were satisfied with kerbside rubbish collection services.
Customers are educated on waste minimisation practices.	Education services provided in local schools.	Achieved	<b>Achieved</b> Waste Education is provided in local schools through Zero Waste Education.

## 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.: 18/46

## 1. Purpose

To present to the Finance, Audit & Risk Subcommittee the Bancorp Treasury Report for the December 2017 quarter.

## 2. Recommendation

- 2.1 That Report 18/46 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, and is produced for the benefit of Senior Management and Council.

## 4. Issues for Consideration

The second 3 months of the financial year has seen:

1. The US Federal Reserve lifted the Fed funds rate by 25 basis points to a range of 1.25% - 1.5% while signalling 3 more 25 basis point hikes during 2018 to reach 3.10% by the end of 2020.
2. The Bank of England lifted its benchmark interest to 0.50% in early November – its first hike in over a decade. Other Reserve banks are moving away from easing cycles as economies in Europe and the Americas start to move out of recession.
3. Inflation is still low globally while the NZ inflation is unexpectedly low for December quarter even though the NZ economy is growing and unemployment is low. Inflation was at 1.9% for the September quarter however, recent Statistics NZ data has the December quarter below expectations of 0.3% at 0.1% with annual inflation now at 1.6% and Wage increases are also subdued
4. Geopolitical concerns still exist, especially North Korea and US
5. The US exchange rates dropped after the new government was formed but are now well up again at about 73 USc. This is due to the US Treasury Secretary, Steven Mnuchin's attempt to talk down the US dollar with what has been called a 'beggar thy neighbour' policy of encouraging a weak US dollar. The new Central Bank Governor, Adrian Orr faces the prospect of having to cut interest rates.

This would complicate the political outlook for a Government that wants a robust export sector and at least flat house prices. A strong currency hurts exporters and lower interest rates make houses even more attractive which may increase house price inflation.

6. Immigration and tourism are still at elevated levels
7. Longer dated interest rates have increased in the latter part of December and into January.

8. The OCR remains at 1.75% with little likelihood of an increase until mid-2019 although the Reserve Bank is saying it will increase in late 2019.
9. Bancorp has predicted that a neutral OCR rate would be 3.5% as measured over the last 20years. One wonders how long it will take to get there.
10. It appears as though the short-term interest rates have “bottomed out”

Council refinanced the \$12m short term CP borrowing on 8 December maturing on 7 June 2018 at an interest rate of 2.005%, down from 2.135%. This would suggest that the interest rate may be bouncing around the bottom and unlikely to see any further dramatic decreases in short-term rates, albeit still much lower than the longer terms on offer.

No long-term borrowing has occurred this year as yet, with lower than expected capital expenditure and the \$5.25m sale of Pensioner Housing increasing our cash and therefore need to borrow in the medium term at least.

Council’s weighted average interest rate over all its borrowing is 4.06%, slightly down from 4.14% in June 2017 and down from 4.61% in June 2016. We achieved 3.99% for a few weeks in late November/early December. This weighted average interest rate (often described as HDC’s “cost of funds”) is calculated with the bank line fee and interest rate swaps included. This has been achieved by utilising low cost short-term funds. Council repaid two loans of \$2m each during December.

The last remaining HDC Bond (i.e the last bond in Council’s own name) at an interest rate of 5.95% is not due for refinancing until 15/11/2018.

We put in place the liquidity risk strategy approved by the Subcommittee at its last meeting. Council borrowed \$5m maturing on 15 April 2020 at 2.6324% investing this at 3.7% until 25 May 2018, initially. This investment will be rolled over on short-term at maturity.

Based on cash-flow projections, Council is looking to borrow \$6m in February on a bespoke maturity of 2026 at floating rates which are currently (for A+ rated councils like ourselves) about 75 basis points over swap currently about 2.65% (based on current swap rate of 1.9%). This is, of course, subject to movements in swap rates up to 14 February. The reason for the Floating Rate Note (FRN) is to take advantage of the low short-term interest rates and will be protected by a forward swap contract if interest rates increase. More information on this should be available by the time of the Subcommittee meeting. This is the only borrowing that is currently contemplated and will bring Council’s borrowing up to \$86m for the year. The Annual Plan prediction was \$83m before the unexpected \$5m for liquidity purposes. If this is adjusted for then Council is \$2m lower than its prediction. Council’s AP net debt prediction was \$78m, net debt at 31 December \$70 to go to approximately \$76m by June.

### LGFA Covenant Compliance

Also attached is the LGFA disclosure of New Zealand council’s compliance with the LGFA covenants. These have only just been released. An analysis will be done before the meeting.

### Attachments


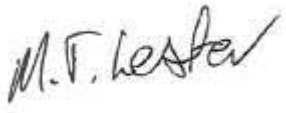
No.	Title	Page
A	Bancorp treasury Report QE December 2017	94
B	LGFA covenant compliance 2017	107

**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	Mark Lester <b>Acting Chief Executive</b>	

CONFIDENTIAL

TREASURY REPORT

FOR



**HOROWHENUA  
DISTRICT  
COUNCIL**

AS AT

31 DECEMBER 2017



**BANCORP**

BANCORP TREASURY SERVICES LIMITED

AUCKLAND • WELLINGTON • CHRISTCHURCH

## CONTENTS

<b>1. MARKET ENVIRONMENT.....</b>	<b>1</b>
1.1 GLOBAL MARKETS OVERVIEW (AS AT 31 DECEMBER 2017) .....	1
1.2 NEW ZEALAND MARKET OVERVIEW (AS AT 31 DECEMBER 2017) .....	2
1.3 LOCAL AUTHORITY SECTOR .....	4
1.4 CREDIT SPREADS .....	5
<b>2. FUNDING .....</b>	<b>7</b>
<b>3. DEBT AND HEDGING PROFILE.....</b>	<b>9</b>
<b>4. POLICY COMPLIANCE (AS AT 31 DECEMBER 2017) .....</b>	<b>11</b>

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## 1. MARKET ENVIRONMENT

### 1.1 Global Markets Overview (as at 31 December 2017)

The Federal Reserve ("Fed") delivered its long promised interest rate hike in December, lifting the Fed funds rate by 25 basis points to a range of 1.25%-1.50%. The Fed sees the moderate US growth outlook continuing, underpinned by a strong labour market. Consensus among Fed members (known as the dot plot) is still for three further 25 basis points hikes during 2018, taking the median Fed members' forecast for the Fed funds rate to 3.10% at the end of 2020.

On balance, the world's central banks are less pessimistic about growth and inflation than they have been since the GFC, with a number of policymakers moving away from easing cycles to either neutral or hawkish stances. The Bank of England lifted its benchmark interest rate to 0.50% in early November – its first interest rate hike in over a decade. The European Central Bank ("ECB") halved its bond buying programme in October, to EUR30 billion per month, but extended the programme until at least September 2018. After the December ECB meeting, President Mario Draghi said that the bank has "*confidence that inflation will converge towards our inflation aim*" even though it left interest rates unchanged (the refinancing rate at 0.00% and the deposit rate at negative 0.40%). The Bank of Canada, having hiked its benchmark cash rate twice in the September quarter, looks set to hike once again in January, after pausing in the December 2017 quarter.

US economic data firmed up further during the December 2017 quarter with the employment sector continuing to lead economic growth. The unemployment rate reached a fresh multi-decade low at 4.1% and jobs were added in each month despite the hurricanes affecting the figures. GDP growth in the September quarter was finalised at 3.2% (annualised). Inflation still remains the thorn in the side of the economic story for the Fed, with a disappointing 0.1% result for core CPI in December, putting the annual figure below the Fed's 2.0% target, at just 1.7%. Annual headline inflation is 2.2%, but that includes the recent rise in crude oil prices. The Fed has maintained its path of interest rate 'normalisation', but that could come under pressure should US inflation waver further.

The benchmark US 10 year Treasury bond yield traded in a 2.27% - 2.50% range during the quarter, finishing at 2.40%. Both the US and global bond yields are currently subject to disparate influences. They are being pushed up by projected Fed interest rate hikes and the ongoing (and increasing) unwinding of quantitative easing in the US, while other central banks are considering winding down their respective bond buying programmes. On the other hand, interest rates remain subject to downward pressure from low inflation and wage growth in a number of the world's largest economies, subdued crude oil prices, ongoing geopolitical tensions and the now familiar US political discord.



## 1.2 New Zealand Market Overview (as at 31 December 2017)

	OCR	90 day	2 year swap	3 year swap	5 year swap	7 year swap	10 year swap
30-Sep-17	1.75%	1.96%	2.21%	2.41%	2.74%	3.00%	3.27%
31-Dec-17	1.75%	1.88%	2.21%	2.39%	2.68%	2.92%	3.14%
Change	Nil	-0.08%	Nil	-0.02%	-0.06%	-0.08%	-0.13%

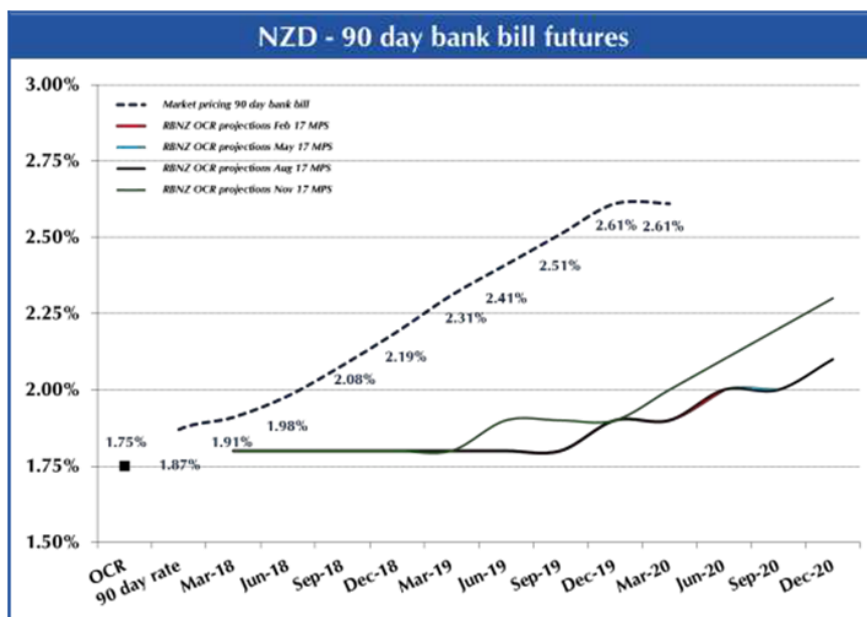
Domestic politics took the centre stage throughout the December quarter which saw a change of government. As the weeks dragged on without a government, the markets gave up trying to predict the outcome and positioned neutrally. In the end, New Zealand First entered into a coalition agreement with the New Zealand Labour party with support from the Green Party. The effect was immediate and pronounced, sending the New Zealand dollar tumbling, but, somewhat surprisingly, there was only a muted reaction on the interest rate markets. Overall, the markets viewed a Labour led coalition government as negative for the New Zealand economy, given the likely cuts to immigration numbers, restrictions of foreign investment (specifically into housing), a reversal of National's tax cuts and increased government spending and borrowing.

Despite some pessimism surrounding New Zealand's economic outlook under the new government (as evidenced by recent business confidence surveys), the economy looks to be performing well. Unemployment continues to fall, migration and tourism remain strong, the country's terms of trade are at a record high and Fonterra's forecast Farmgate Milk Price, while lowered late in the quarter to \$6.40 per kgMS, is still comfortably above the breakeven for most dairy farmers.

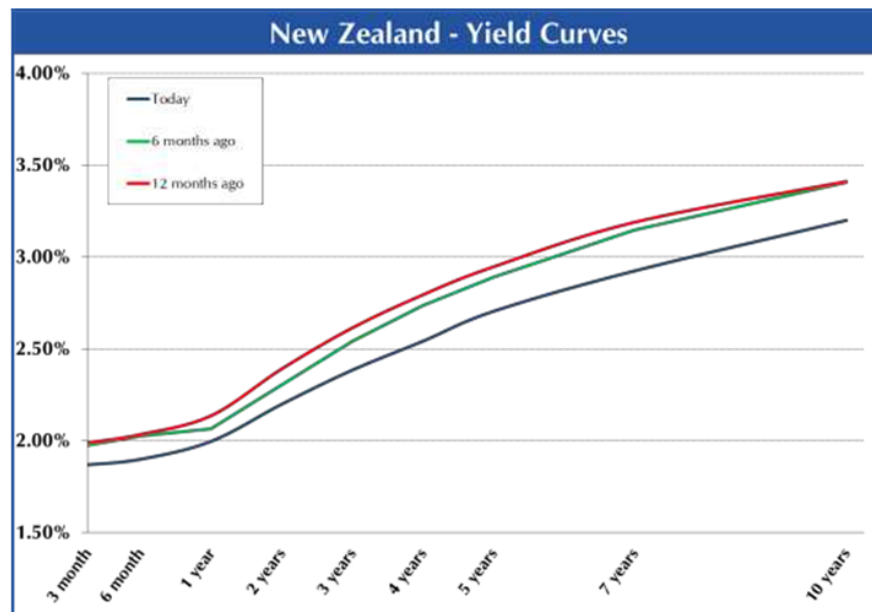
December saw the appointment of Adrian Orr as the next Reserve Bank of New Zealand ("RBNZ") Governor, effective from March 2018. Mr Orr was unanimously recommended by the RBNZ's Board and will sign a new Policy Targets Agreement in March even though the government is not expecting to have finished its formal review of the Reserve Bank Act by then. The local markets' reaction implied a similar endorsement - the NZD/USD and NZD/AUD each jumped 50 points within minutes of the announcement. The new Governor is seen as having a positive view on global and domestic growth and thus supporting a view for a higher Official Cash Rate ("OCR") earlier than his predecessor. Prior to that, at its November *Monetary Policy Statement* ("MPS"), the RBNZ had maintained its neutral stance, although it did bring forward slightly its OCR projection. It now forecasts mid-2019 as the earliest the OCR is likely to move.

New Zealand CPI rose 0.5% over the September quarter, from no change in June, to be up 1.9% over the year, from 1.7% in June. Non tradables inflation lifted sharply thanks to housing related costs, up 2.6% in the September year, the highest since June 2014, while tradables inflation continued to show positive signs - at 1.0% annual growth. The RBNZ's own 'sectoral factor model' of inflation came in at 1.4% year on year, so while headline inflation was up, core inflation remains subdued.

The divergence between market pricing and the RBNZ's projections remains, as illustrated in the chart below, although the gap has narrowed since the beginning of 2017. The February, May and August 2017 MPS projections overlap as there was no change to the RBNZ's projections.



Despite the global central bank environment becoming wary of the threat of higher wage and price inflation, the overall swaps curve continued to drift down in the December quarter and is now slightly lower than it was twelve months ago. The 10 year swap rate fell as low as 3.08% in December before climbing to close the quarter at 3.14%, 13 basis points lower than the rate at the end of the September 2017 quarter. The chart on the following page shows the changing shape of the New Zealand yield curve over the past year.



### 1.3 Local Authority Sector

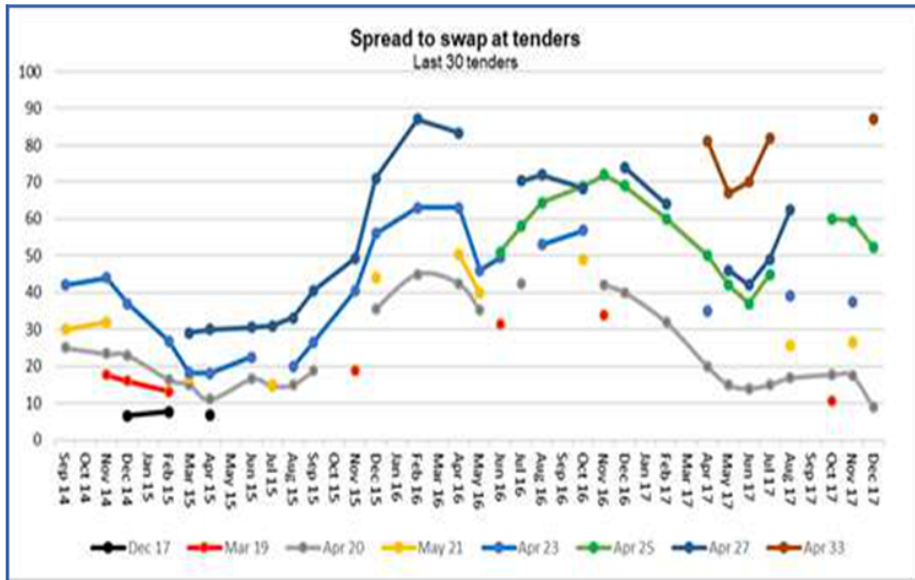
The last Local Government Funding Agency (“LGFA”) tender for the quarter was held on 13 December, at which \$120 million of bonds were issued. \$472.5 million of bids were received, equating to a bid to issuance ratio of 3.95x. Details of the tender were as follows:

- 15 April 2020 maturity - \$40 million issued at a margin of 30 basis points over swap for an ‘A+’ rated borrower.
- 15 April 2025 maturity - \$40 million issued at a margin of 73.5 basis points over swap for an ‘A+’ rated borrower.
- 15 April 2033 maturity - \$40 million issued at a margin of 108 basis points over swap for an ‘A+’ rated borrower.

The bid to issuance ratio at 3.95x was very strong, with only nine out of the fifty two LGFA tenders held in total, having a ratio greater than 4x. During the December quarter LGFA issuance spreads declined for the 2020 and 2025 maturities, while there was a slight upward move in the spread for the 2033 maturity. The gap of 79 basis points between the credit spread for the 2020 maturity compared to the 2033 maturity highlights the cost, from a credit perspective, of longer term funding. If the borrowing is done on a fixed rate basis the ‘all up’ rate for the 2020 maturity is around 2.56%, while the 2033 maturity is 4.55%.

The chart on the following page shows the LGFA issuance margins (to the underlying swap rate) dating back to September 2014 for a ‘AA’ rated borrower and illustrates the decline in

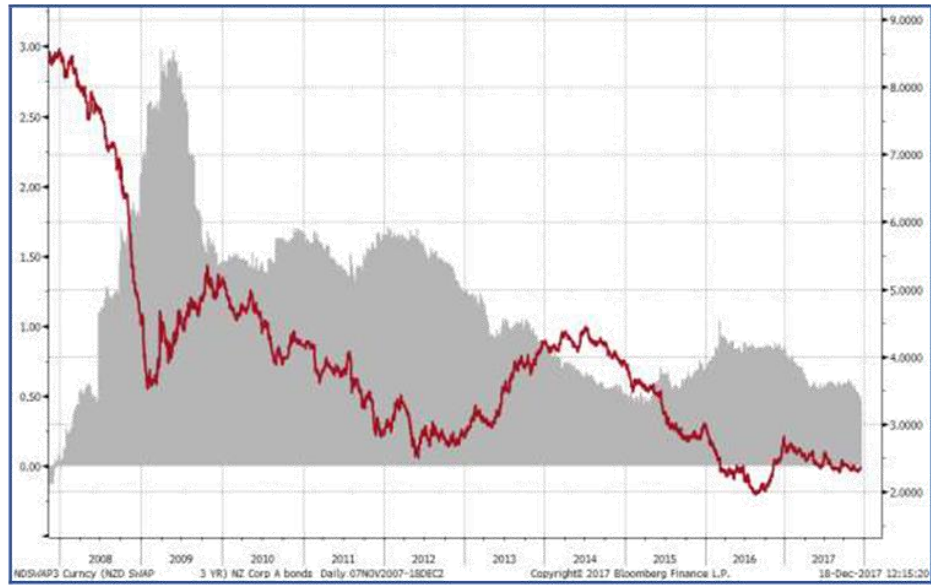
shorter dated margins and the increase in longer dated margins that has occurred over the past six months.



Margins for local authority bank funding stabilised during the December 2017 quarter, with a three year bank facility for an 'A+' borrower pricing at approximately 115 to 120 basis points. This compares with three year LGFA funding at around 43 basis points.

1.4 Credit Spreads

The chart on the following page shows credit spreads for the S&P/NZX Corporate 'A' Grade Bond index (the grey shaded area) and the three year swap rate (red line) dating back to 2008. At the end of December 2017, the average credit spread of the index was 46 basis points, compared to 58 basis points at the end of September 2017.



## 2. FUNDING

As at 31 December 2017, Horowhenua District Council (“HDC”) had \$80.0 million of external debt, comprising a combination of Commercial Paper (“CP”), Fixed Rate Bonds and Floating Rate Notes (“FRN”), of which all but one tranche had been sourced from the LGFA. Details of HDC’s debt at 31 December 2017 were as follows:

### HOROWHENUA DISTRICT COUNCIL BOND

- \$2.0 million fixed rate bond issued in November 2011, maturing on 15 November 2018, at a margin of 150 basis points over swap, equating to a rate of 5.59%.

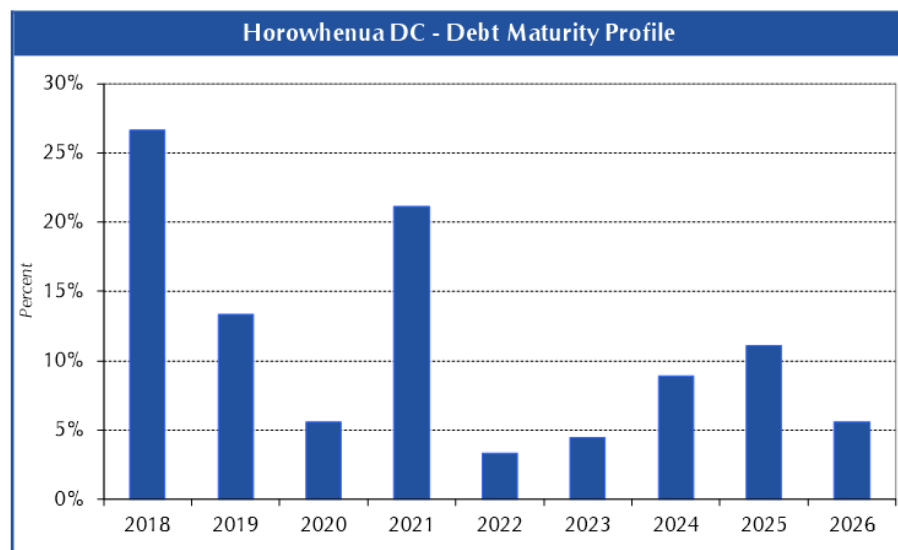
### LGFA

- \$12.0 million CP issued on 8 December 2017, maturing on 7 June 2018 at a margin of 9 basis points equating to an all up rate of 2.005%.
- \$4.0 million fixed rate bond issued in December 2012, maturing 15 March 2019, at a margin of 113 basis points over swap, equating to a rate of 4.45%.
- \$3.0 million FRN issued in May 2013, maturing 15 March 2019, at a margin of 77 basis points.
- \$5.0 million fixed rate bond issued in February 2013, maturing 15 March 2019, at a margin of 92 basis points over swap, equating to a rate of 4.71%.
- \$5.0 million fixed rate bond issued in November 2017, maturing 15 April 2020, at a margin of 38 basis points over swap, equating to a rate of 2.63%.
- \$4.0 million FRN issued in May 2013 maturing 15 May 2021, at a margin of 84 basis points.
- \$5.0 million fixed rate bond issued in May 2013 maturing 15 May 2021, at a margin of 79 basis points over swap, equating to a rate of 4.56%.
- \$5.0 million fixed rate bond issued in September 2013 maturing 15 May 2021, at a margin of 109 basis points over swap, equating to a rate of 5.99%.
- \$5.0 million fixed rate bond issued in December 2013 maturing 15 May 2021, at a margin of 87 basis points over swap, equating to a rate of 5.85%.
- \$3.0 million FRN issued in May 2015 maturing 18 May 2022, at a margin of 42.5 basis points.
- \$4.0 million fixed rate bond issued in November 2014 maturing 15 April 2023, at a margin of 81 basis points over swap, equating to a rate of 5.13%.
- \$4.0 million fixed rate bond issued in April 2017 maturing 15 March 2024, at a margin of 63 basis points over swap, equating to a rate of 3.72%.

- \$4.0 million fixed rate bond issued in May 2017 maturing 15 May 2024, at a margin of 58 basis points over swap, equating to a rate of 3.76%.
- \$3.0 million fixed rate bond issued in March 2017 maturing 15 April 2025 at a margin of 77 over swap, equating to a yield of 4.20%.
- \$7.0 million FRN issued in May 2015 maturing 19 May 2025, at a margin of 49 basis points.
- \$5.0 million fixed rate bond issued in July 2016 maturing in 15 July 2026 at a margin of 84 basis points over swap equating to a rate of 3.37%.

On 8 December HDC rolled over \$12.0 million of CP for a term of six months at a margin of 9 basis points which equated to an all up yield of 2.005%. In December 2017 an LGFA FRN for \$2.0 million matured. In November 2017 HDC sourced an additional \$5.0 million of funding from the LGFA utilising a 15 April 2020 fixed rate bond at a yield of 2.632%. As the funds will not be required until late May 2018 the proceeds from the funding were placed on deposit with Bank of New Zealand (“BNZ”) until 25 May 2018 at a rate of 3.70%. The positive carry on this funding and investing transaction will be approximately \$28,000. As at 31 December 2017, HDC had no drawings under its BNZ \$10.0 million Committed Cash Advance Facility that matures in October 2018.

HDC’s current debt maturity profile is depicted in the graph below. It indicates a good spread of maturities between 2018 and 2026 and, as such, complies with Section 4.6 of the *Liability Management Policy* (“LMP”) that governs HDC’s funding risk management activities. Included in the funding profile is the BNZ facility.



### 3. DEBT AND HEDGING PROFILE

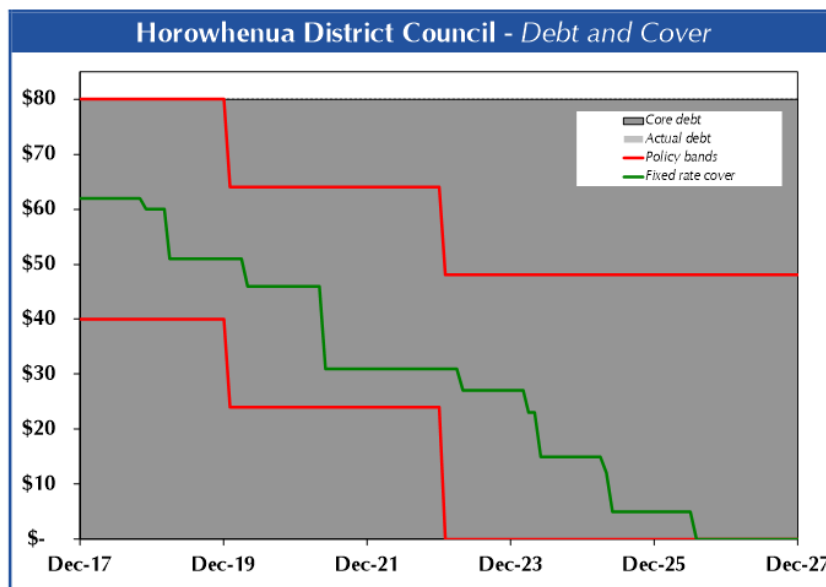
As at 31 December 2017, HDC had \$80.0 million of external debt (as detailed in the previous section) and two interest rate swaps, as follows:

- \$4.0 million, commenced 18 February 2013, maturing 18 May 2024, at 4.015%.
- \$7.0 million, commenced 18 May 2015, maturing 18 May 2025, at 4.75%.

Section 4.3 of the LMP details the Fixed Rate Hedging Percentages as in the table below:

Fixed Rate Hedging Percentages		
	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0–2 years	50%	100%
2–5 years	25%	80%
5-10 years	0%	60%

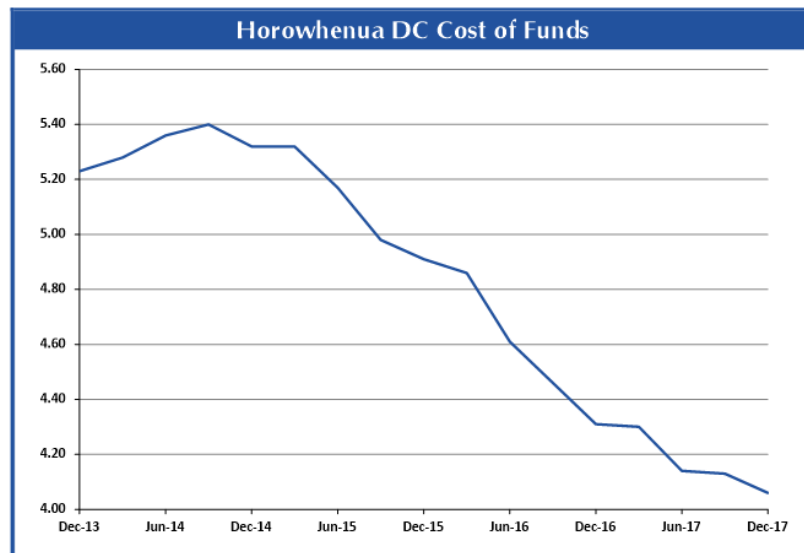
The debt and hedging profiles incorporating these parameters is depicted in the graph below. Included in the fixed rate hedging percentages are the fixed rate bonds and interest rate swaps.



The graph indicates that, as at 31 December 2017, HDC was compliant with the fixed rate hedging percentages contained in the LMP.



HDC's cost of funds (inclusive of the bank line fee) as at 31 December 2017 was 4.06%, down from 4.13% at the end of the September 2017 quarter. HDC's cost of funds is noticeably lower than many of its peers in the local government sector, indicating the success of its funding and interest rate risk management programme that has been carried out over the last several years. The cost of funds is depicted in the graph below. Horowhenua DC cost of funds



#### 4. POLICY COMPLIANCE (AS AT 31 DECEMBER 2017)

	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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Financial Covenants - as at June 2017

Council	Credit Rating	Net Debt / Total Revenue <250%	Net Interest / Total Revenue <20%	Net Interest / Rates <30%	Liquidity >110%
Auckland Council	AA	190.9%	10.7%	18.5%	118.7%
Christchurch City Council	A+	90.1%	5.2%	11.5%	158.5%
Greater Wellington Regional Council	AA	82.9%	4.0%	8.1%	143.8%
Hamilton City Council	AA-	143.4%	8.2%	11.7%	135.0%
Horowhenua District Council	A+	144.9%	6.3%	8.8%	120.0%
Hutt City Council	AA	82.9%	3.4%	5.0%	115.8%
Kapiti Coast District Council	A+	202.2%	10.8%	13.8%	138.3%
Marlborough District Council	AA	4.9%	0.6%	1.0%	215.8%
Nelson City Council	AA	88.7%	4.0%	6.2%	135.6%
New Plymouth District Council	AA	-129.5%	2.1%	4.3%	424.4%
Palmerston North City Council	AA	76.1%	5.0%	6.8%	152.9%
Porirua City Council	AA	55.2%	3.4%	4.9%	113.1%
Rotorua District Council	AA-	149.0%	6.2%	8.4%	117.5%
South Taranaki District Council	A+	-27.1%	0.9%	1.7%	236.2%
Tasman District Council	AA-	106.8%	5.9%	9.7%	131.2%
Taupo District Council	AA	46.0%	7.1%	9.3%	201.3%
Tauranga City Council	A+	142.8%	8.2%	11.6%	129.4%
Timaru District Council	AA-	39.5%	2.5%	4.2%	165.0%
Waimakariri District Council	AA	102.2%	4.8%	7.3%	126.1%
Whanganui District Council	AA-	97.4%	5.0%	7.6%	141.3%
Wellington City Council	AA	84.0%	4.4%	7.5%	142.7%
Western Bay of Plenty District Council	AA-	115.8%	8.2%	11.0%	153.2%
Whangarei District Council	AA	88.5%	5.2%	7.6%	144.2%
Average		89.9%	5.6%	8.5%	

Unrated Councils	Net Debt / Total Revenue <175%	Net Interest / Total Revenue <20%	Net Interest / Rates <25%	Liquidity >110%
Ashburton District Council	33.2%	2.0%	3.8%	166.7%
Bay of Plenty Regional Council	-154.7%	-8.6%	-21.9%	n.a.
Buller District Council	20.4%	-0.2%	-0.3%	207.4%
Environment Canterbury Regional Council	1.6%	0.2%	0.4%	209.1%
Far North District Council	35.4%	1.9%	2.7%	175.4%
Gisborne District Council	42.9%	2.0%	3.0%	160.9%
Gore District Council	35.2%	2.1%	3.1%	153.9%
Grey District Council	49.2%	3.4%	5.7%	176.5%
Hastings District Council	44.3%	2.8%	4.7%	229.0%
Hauraki District Council	98.7%	5.4%	7.1%	135.3%
Horizons Regional Council	12.8%	0.6%	0.8%	185.1%
Hurunui District Council	34.1%	1.8%	6.9%	136.2%
Kaipara District Council	103.6%	6.4%	9.5%	151.1%
Manawatu District Council	108.5%	3.6%	5.3%	128.7%
Masterton District Council	83.5%	5.5%	8.2%	116.9%
Matamata Piako District Council	17.2%	1.6%	2.3%	120.1%
Opotiki District Council	2.5%	0.6%	1.0%	192.7%
Otorohanga District Council	30.0%	2.0%	3.0%	178.0%
Queenstown Lakes District Council	72.5%	3.0%	5.8%	112.9%
Selwyn District Council	-41.4%	-0.7%	-1.9%	369.6%
South Wairarapa District Council	22.5%	2.3%	3.5%	174.5%
Tararua District Council	17.5%	0.9%	1.4%	184.7%
Thames Coromandel District Council	41.6%	2.5%	3.4%	142.6%
Upper Hutt City Council	46.0%	2.8%	3.8%	164.0%
Waikato District Council	57.2%	3.1%	4.9%	136.6%



# Audit New Zealand - Final Management Report for the year ended 30 June 2017

File No.: 18/47

## 1. Purpose

To present to the Finance Subcommittee the Audit New Zealand - Management Report for the year ended 30 June 2017.

## 2. Recommendation

- 2.1 That Report 18/47 Audit New Zealand - Final Management Report for the year ended 30 June 2017 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

The Finance, Audit & Risk Subcommittee reviews the Audit Management Report annually as part of the monitoring of Council's Annual Report and financial performance. The report has now been received and is submitted for the Finance Subcommittee to consider.

Debra Perera, the Audit Director from Audit New Zealand, will be in attendance. They will also be available should the Subcommittee wish to ask them questions.

## 4. Issues for Consideration

The report highlights any areas of concern raised by the Auditors, their assessment of the financial controls, items from previous audits that remain unresolved, and also items that the Auditor General has asked to be looked into across all local authorities.

Council Officers have been given the opportunity to respond to any audit concerns and these responses are also contained within the report.

In summary;

- The Audit Management Report is designed to report the findings of the Audit to the Mayor and Council.
- The Subcommittee are able to talk to the auditors without Council Officers being present.
- The report contains the Officer responses to issues raised in the report to which the Subcommittee is able to seek further clarification from Audit and/or officers.

## Attachments


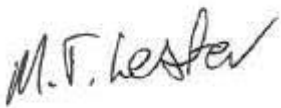
No.	Title	Page
A	Audit New Zealand - final Management Report for the year ended 30 June 2017 ( <i>Under Separate Cover</i> )	

**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	Mark Lester <b>Acting Chief Executive</b>	

# Infrastructure Projects Update

File No.: 18/51

## 1. Purpose

To provide the Finance, Audit & Risk Subcommittee with an update on projects being undertaken by the Infrastructure Projects Team.

## 2. Recommendation

- 2.1 That Report 18/51 Infrastructure Projects 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. Background/Previous Council Decisions

Information is provided in the attached reports.

## 4. Issues for Consideration

There are no issues for consideration.

## Attachments


No.	Title	Page
A	NE Levin Improvements	113
B	Water Renewals 2017/18	118
C	Foxton New Reservoir	123
D	Wastewater Renewals 2017/18	126
E	Foxton Ponds Desludge	131



### 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)	Gerry O'Neill Projects Manager	
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Approved by	Gallo Saidy <b>Group Manager - Infrastructure Services</b>	
	Dan Gerrard <b>Alliance Manager</b>	



<p><b>To: Finance, Audit &amp; Risk Committee</b>  <b>CC: Gallo Saidy – Group Manager Infrastructure Services</b>  <b>Project Manager: Garth Flores</b>  <b>Engineers Representative : Ronaldo Serrano</b></p>	<p><b>PROJECT STATUS REPORT</b>  <b>AS OF 24 JANUARY 2018</b>  <b>CONTRACT 901/2016/62</b>  <b>NORTH-EAST QUADRANT LEVIN</b>  <b>PROJECT PHASE:</b>  <b>PLANNING &amp; CONSTRUCTION</b></p>	<p><b>Overall Project Status</b></p> <div style="text-align: center;">  </div>
<p><b>Project Manager Satisfaction Index (1 poor, 10 excellent)</b></p>		<p><b>7.5</b></p>

-  On Schedule    
  Not progressing as scheduled but no impact on deliverables    
  Off Track  
 Completed    
  Not Started

## PROJECT OBJECTIVES AND STATUS

- **Purpose**

The purpose of this report is to update the Finance, Audit & Risk Committee on the progress to date on the North-East (NE) Levin Quadrant Stormwater Upgrade project.

- **Progress up to 24 January 2018**

Significant milestones achieved during the reporting period include:

- The contractor has completed the lowering of services laterals along Fairfield Road.
- Contractor continuing roadworks along Fairfield Road and has installed the first section of kerb and channel.
- Contractor has started installing laterals onto the new sewer line
- Kennedy Pumpstation – the civil works are 95 % complete.
- Kennedy Pumpstation – mechanical works are 100 % complete.
- Kennedy Pumpstation – electrical works are 90 % complete.
- Okarito pumpstation – civil works are 80 % complete.
- Okarito pumpstation – mechanical works are 90 % complete.
- Okarito pumpstation – electrical works are 80 % complete.
- HDC engineers were liaising with developers to include services connections where possible prior to finishing the roadworks.

- **Key actions to progress this project over the next month**







- Finish new pumpstations at Kennedy Park and Okarito Avenue.
- Install new stormwater sumps in Kennedy Drive.
- Finish 750 mm crossing at the corner of Roslyn and Fairfield
- Continue with Fairfield Road refurbishment.
- Completion of manholes on new gravity sewer main.
- Submit additional information to augment the consent application for Attenuation Ponds (as per Horizons request)

- **Project Concerns**







- The roadworks levels required minor amendments to work in with existing services, this caused a slight delay in the roadworks.
- Contractor continues to experience challenges in getting full crews on site.

**Project value add:** Working with developers along Fairfield Road to ensure service connections are placed to allow future connection.

### Kennedy Park Pumpstation and Rising Main Upgrades

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	August 2016		100%	Completed.
Tender Review and Evaluation	January 2017		100%	Completed.
Supply of Pumps	September 2016		100%	Completed.
Pumpstation Retrofitting	November 2017		95%	Kennedy – 98 % Okarito – 92 %
Rising Main Installation	May 2017		100%	Completed.
Road Reinstatement	December 2017		95%	Remaining section at Kennedy Park and Fairfield Intersection to be completed.

### Fairfield Road Stormwater Pipeline

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	August 2016		100%	Completed.
Tender Review and Evaluation	January 2017		100%	Completed.
New Pipeline	June 2017		100%	Completed
Rehabilitate Fairfield Road – Kerb and Channel	April 2018		15%	Works started.
Rehabilitate Fairfield Road – Roadworks	April 2018		5%	
Rehabilitate Fairfield Road – Shared pathway	May 2018		5%	

### Koputaroa Stream Improvements

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	Feb 2017	OS	100%	Completed.
Consultation process	October 2017	OT	95%	HDC is awaiting the submission of the cultural impact assessment from Raukawa. This will be included as an Annexure to the consent application.
Consenting Process	November 2017	OT	75%	Liaising with Horizons Regional Council to answer questions that arise from the consenting process.
Construction / Implementation of mitigation measures	April 2018	OT	0%	The mitigation measures will be implemented as per consent conditions.

### Expenditure on the project

Description	Expenditure	Contract Price	Available	% Spent
KSB Pumps	\$39,366.60	\$44,564.00	\$5,197.40	88%
Assmuss Pipes	\$53,782.55	\$52,727.99	-\$1,054.56	102%
Kennedy/FF Pipelines	\$1,935,657.89	\$2,743,632.14	\$807,974.25	71%
Stream improvements	\$-	\$250,000.00	\$250,000.00	0%
Contingency	\$-	\$150,000.00	\$150,000.00	0%
<b>Total</b>	<b>\$2,028,807.04</b>	<b>\$3,240,924.13</b>	<b>\$1,212,117.09</b>	<b>63%</b>

**Project Risks**

Risk No.	Date Raised	Risk Area	Title and Description	Owner	Details of Risk (include level and description of the likelihood and consequences)	Likelihood score	Consequence score	Priority	Treatment (to change likelihood and consequence)	Residual Likelihood score	Residual Consequence score	Residual Risk	Due Date
NEL - 005	3-Nov-17	Service Delivery	Consenting delays	Gerry	If affected parties object to the consent application, there is a risk the consent process may be drawn out.	5 - Almost Certain	3 - Moderate	Significant (S)	HDC completed hydrological modelling which confirmed there will be less than minor negative impacts if the stormwater is attenuated upstream of SH57. HDC officers have been in ongoing consultation with iwi, farmers and HRC to determine what the expected conditions will be for the consent to be granted. One farmer has indicated he is likely to object.	4 - Very Likely	3 - Moderate	Significant (S)	30-Jun-18

**Health and Safety**

On 6 December 2017 a small digger tipped over at Okarito pumpstation. No one was injured in the incident but it was a reminder on how quickly an accident can happen. Higgins is preparing an incident report for this event.





New kerbs being installed (December 2017)



New kerbs installed (December 2017)



<p><b>To: Finance, Audit &amp; Risk Committee</b>  <b>CC: Gallo Saily – Group Manager Infrastructure Services</b>  <b>Project Manager: Gerry O’Neill</b>  <b>Engineer Representative: Thushantha Heenkenda</b></p>	<p><b>PROJECT STATUS REPORT #3</b>  <b>as of 31 December 2017</b>  <b>WATER RETICULATION RENEWALS 2017/18</b>  <b>PROJECT PHASE : CONSTRUCTION</b></p>	<p><b>Overall Project Status</b></p> <p style="text-align: center;"><b>OS</b></p>
<p><b>Project Manager Satisfaction Index (1 poor, 10 excellent)</b></p>		<p><b>9</b></p>

**OS** On Schedule    
  **NI** Not progressing as scheduled but no impact on deliverables    
  **OT** Off Track    
  **C** Completed    
  **NS** Not Started

**PROJECT OBJECTIVES AND STATUS**

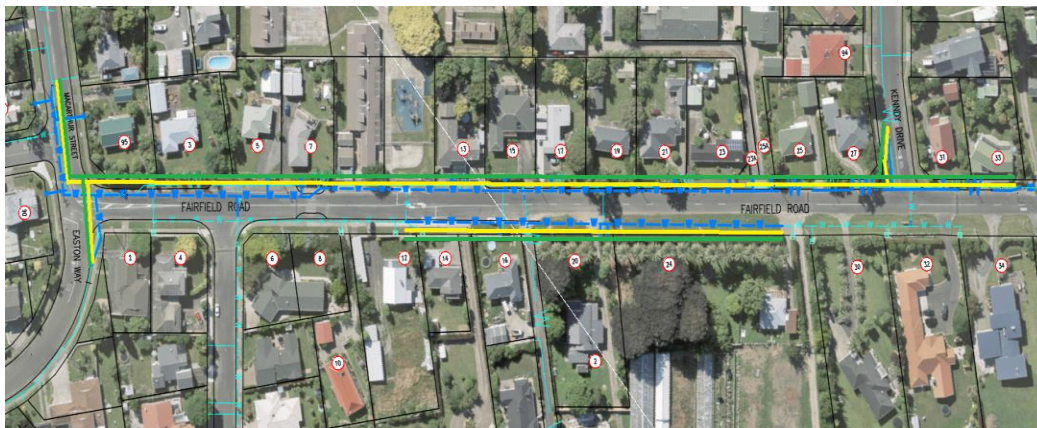
**Project Summary**

This project is to renew and increase the capacity of the existing water main in Levin in 3 stages.  
 Stage 1 Fairfield Road - From MacArthur Street to Kennedy Drive. The project includes laying approximately 436m of 200mm diameter PE pipe and 45m of 150mm diameter PE pipe. The project includes approximately 170m of rider main with a total of 19 service connections.

Stage 2 Weraroa Road - From Kawiu Road to York Street. This stage includes laying approximately 400m of 150mm diameter PE pipe and transferring 25 service connections.

Stage 3 Weraroa Road - From York Street to Mako Mako Road. This stage include laying of approximately 1600m of 150mm PE pipe, 150m of 100mm PE pipe and 100m of 63mm diameter PE pipe and transferring 90 service connections.

**Stage 1 - Fairfield Road**



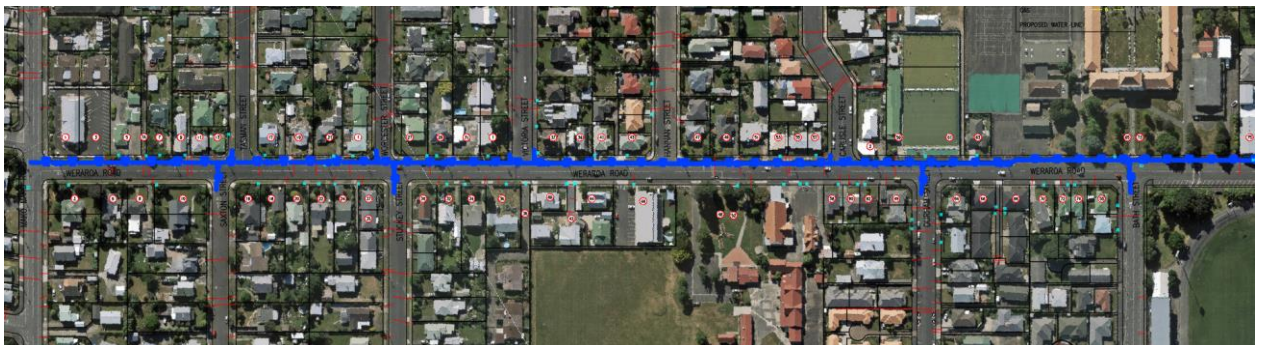
Legends

- Planned Work
- Laying Completed
- Line tested and commissioned

**Stage 2- Weraroa Road – From Kawiu Rd to York Street**



Stage 3 – Weraroa Road – York Street to Mako Mako Road





Construction is being undertaken by the Horowhenua Alliance and is due to be completed by 30 June 2017.

The Engineers Estimate for this project is \$ 1,536,130.00 which is split as follows:

- Construction component: \$ 1,406,130.00 (inclusive of contingency amount \$30,000).
- Project management: \$ 130,000.00 (including miscellaneous costs for surveys, newspaper ads etc.)

## General

This project consists of renewing the water main on part of Fairfield Road and the full length of Weraroa Road. The initial scope only included part of the water main in Weraroa Road as the available budget was unlikely<sup>1</sup> to be sufficient to renew the water main along the whole road. Our preference is to renew all of the water main in Weraroa Road at the one time as this will minimise establishment costs (leaving more money available to renew pipes).

Due to the expanded scope of this project, it is possible that the costs for completing these works may exceed the funds available in the Annual Plan for this financial year (\$1,118,490). Project financials at the end of December 2017 indicate this may be tight (at the end of December we had completed 28% of the total work and spent 25% of the budget). We have identified some possible options for addressing this matter if the budget looks insufficient towards the end of the year.

1. Only renew the pipe we have budget for and pay the additional re-establishment costs to complete the works next year.
2. If the contractor is still working on site at the end of June, we can continue the work into the new financial year using next year's budget (avoiding re-establishment costs). This will be dependent on project timing.
3. We could potentially seek permission to bring some of next year's funds into the current financial year, as in effect we are undertaking some of next year's renewals in advance.

At the time of writing this report the following works had been completed:

- The pipe laying and transferring of service connections at Fairfield Road has been completed and commissioned.
- The pipe laying and transferring of service connections at Weraroa Road (Between York street and Read Street of 300m) has been completed and commissioned.

## Complaints/Concerns Received During Reporting Period

Nil

<sup>1</sup> The Engineers estimate was based on costs from similar past projects. We are anticipating the Alliance will complete these works for a lower price allowing more pipe to be laid. As its early days with the Alliance it is not yet clear how much extra pipe will be laid.



## Financial

Description	Expenditure	Budget	Available	% Spent
Construction cost	\$ 332,174.76	\$ 1,311,130.00	\$ 978,955.24	25.33
Project Management Cost	\$ 57,579.00	\$ 130,000.00	\$ 72,421.00	44.29
Contingency sum	\$ -	\$ 95,000.00	\$ 95,000.00	-
<b>Total</b>	<b>\$ 389,753.76</b>	<b>\$ 1,536,130.00</b>	<b>\$ 1,146,376.24</b>	<b>25.37</b>

Note: Project Management Costs include preconstruction, design and planning costs.

## Variations to Date

There are no current variations.

## Open Risks


There are no project risks rated as High or Extreme in accordance to Horowhenua District Council's Risk Management Policy, November 2017.

## Open Issues

There are currently no open issues.

## Milestones

Key Milestone / Deliverable	Due Date	Status	% Planned (based on total length of main)	% Complete (based on total length of main)	Progress
Project Planning & Design	<b>Start date</b> 23 July 2017 <b>End date</b> 16 August 2017	C	100%	100%	Completed.
Fairfield Road 200mm main -436m 150mm main- 45 m	<b>Start</b> 11 September , 2017 <b>End</b> 07 Nov 2017	C	100%	100%	Completed.
Fairfield Road 100mm rider main - 120m 50 mm rider main - 50m	<b>Start</b> 08 Nov 2017 <b>End</b> 30 Nov 2017	C	100%	100%	Completed
Weraroa Road pipe laying from Kawiu Road to York Street 400m	<b>Start</b> 15 Nov 2017 <b>End</b> 31 Jan 2018	OS	100%	80%	
Weraroa Road pipe laying from York Street to Mako Mako Road 1600m	<b>Start</b> 1 Feb 2018 <b>End</b> 30 June 2018	NS	0%	0%	

<p><b>To: Finance, Audit &amp; Risk Committee</b>  <b>CC: Gallo Saidy – Group Manager Infrastructure Services</b>  <b>Project Manager: Gerry O’Neill</b>  <b>Engineer Representative: Thushantha Heenkenda</b></p>	<p><b>PROJECT STATUS REPORT #3</b>  <b>as of 31 December 2017</b>  <b>FOXTON NEW RESERVOIR</b>  <b>PROJECT PHASE : DESIGN &amp; CONSTRUCTION</b></p>	<p><b>Overall Project Status</b>  </p>
<p><b>Project Manager Satisfaction Index (1 poor, 10 excellent)</b></p>		<p><b>7</b></p>

 On Schedule    
  NI Not progressing as scheduled but no impact on deliverables    
  OT Off Track    
  C Completed    
  NS Not Started

## PROJECT OBJECTIVES AND STATUS

### Project Summary

This project is to install a new 500m<sup>3</sup> water tank at Foxton Seaview Garden to increase the drinking water storage capacity in Foxton, to meet the community’s needs and to provide resilience in the event of an earthquake, unscheduled maintenance or power cut.



Tree removal in preparation for reservoir construction

Reliant Solutions is supplying the tank. The Expected completion date is 31 March 2018.

A total budget of \$430,000 has been set aside for this project. This includes \$130,000 for the tank that was paid for last financial year.

## General

Progress to date:

- The tank has been delivered to the site ready for construction.
- Relevant stakeholders have been consulted including the Foxton Community Board, Iwi and the Department of Conservation.
- A Public Works Act consent been granted by the Department of Conservation to set aside part of the Foxton Recreational Reserve to construct a water reservoir.
- Preliminary soil investigations have been undertaken and a report provided to Reliant Solutions to assist with the reservoir design.
- Preliminary designs for the pipework have been prepared and worked through with the site operators.

There are a number of costs associated with this project including pipework, pumps and valves to connect the reservoir to the water treatment plant, fencing, plantings, constructing a retaining wall, site preparation, relocating services, as well as construction and project management.

## Complaints/Concerns Received During Reporting Period

Nil

## Financial

Description	Expenditure	Contract Price	Available	% Spent
Construction cost	\$ 135,283.21	\$ 370,000.00	\$ 234,716.79	\$ 36.56
Project Management Cost	\$ 13,858.00	\$ 35,000.00	\$ 21,142.00	\$ 39.59
Contingency sum	\$ -	\$ 25,000.00	\$ 25,000.00	\$ -
<b>Total</b>	<b>\$ 149,141.21</b>	<b>\$ 430,000.00</b>	<b>\$ 280,858.79</b>	<b>\$ 34.68</b>

Note: Project Management Costs include costs for HDC staff and Downers. Contract Price includes cost of reservoir.

## Variations to Date

There are no current variations.

## Open Risks

There are no project risks rated as High or Extreme in accordance to Horowhenua District Council's Risk Management Policy, November 2017.

## Open Issues

There are no open issues.

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Site selection and legal matters	<b>Start date</b> 01 Aug 2016 <b>End date</b> 31 Aug 2017	C	100%	Completed
Tank order and supply	<b>Start</b> 11 August , 2016 <b>End</b> 31 Mar 2016	C	100%	Completed
Relocating existing service lines	<b>Start</b> 08 Nov 2017 <b>End</b> 30 Nov 2017	NI	20%	
Design of pipe line, Electrical and SCADA	<b>Start</b> 01 Jun 2017 <b>End</b> 30 Nov 2017	NI	35%	
Earthwork and retaining wall	<b>Start</b> 01 Nov 2017 <b>End</b> 30 Nov 2017	NI	10%	
Reservoir construction	<b>Start</b> 01 Dec 2017 <b>End</b> 31 Jan 2017	NS	0%	
Pipework and Electrical Installation	<b>Start</b> 01 Feb 2017 <b>End</b> 28 Feb 2017	NS	0%	
Landscaping and Fence	<b>Start</b> 01 Mar 2017 <b>End</b> 21 Mar 2017	NS	0%	
Screen planting	<b>Start</b> 22 Mar 2017 <b>End</b> 31 Mar 2017	NS	0%	



<p><b>To: Finance, Audit &amp; Risk Committee</b>  <b>CC: Gallo Saidy – Group Manager Infrastructure Services</b>  <b>Project Manager: Gerry O’Neill</b>  <b>Engineers Representative: Ronaldo Serrano</b></p>	<p><b>PROJECT STATUS REPORT #2</b>  <b>AS OF 23 January 2018</b>  <b>WASTEWATER MAIN RETICULATION RENEWALS 2017/18</b>  <b>PROJECT PHASE : CONSTRUCTION</b></p>	<p><b>Overall Project Status</b></p> <p style="text-align: center;"><b>OS</b></p>
<p><b>Project Manager Satisfaction Index (1 poor, 10 excellent)</b></p>		<p><b>8</b></p>

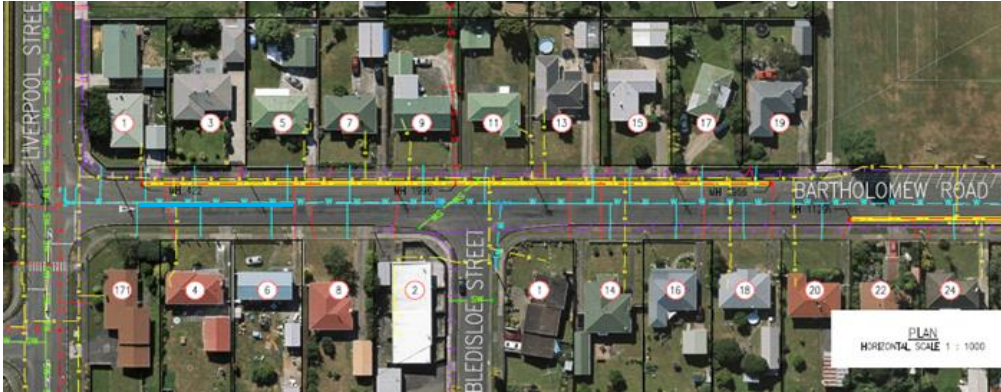
OS On Schedule    
 NI Not progressing as scheduled but no impact on deliverables    
 OT Off Track    
 C Completed    
 NS Not Started

**PROJECT OBJECTIVES AND STATUS**

**Project Summary**

This project is to renew approximately 930m of 150mm diameter sewer main and 500m of 100mm sewer laterals including fittings. The renewals of mains are in the following areas in Levin:

- Bartholomew Road
  - Section 1



- Section 2



**Legends**

Planned

Laid and tested

Commissioned

o Section 3



• Winchester Street





The total budget for this project was \$585,550.00 which is split as follows:

- Construction component: \$ 535,550.00 (inclusive of contingency)
- Project management: \$ 50,000.00 (HDC staff costs plus miscellaneous costs for surveys, newspaper ads etc.)

The majority of the works will be undertaken with trenchless methodology which will involve some open pits to allow the pipes to be pulled through. Open trench will be used to connect the laterals to the new sewer main.

### General

Horowhenua Alliance has completed the Sections 2 and 3 (see above) along Bartholomew Road (590m laid out of 710m). 64m out of 220m along Winchester Street has also been laid.

### Financial

Description	Expenditure	Contract Price	Available	% Spent
Construction cost	\$ 322,125.13	\$ 485,550.00	\$ 163,424.87	66.34
Project Management Cost	\$ 16,531.30	\$ 50,000.00	\$ 33,468.70	33.06
Contingency sum	\$ -	\$ 50,000.00	\$ 50,000.00	-
<b>Total</b>	<b>\$ 338,656.43</b>	<b>\$ 585,550.00</b>	<b>\$ 246,893.57</b>	<b>57.84</b>






## Open Risks

There are no project risks rated as High or Extreme in accordance to Horowhenua District Council's Risk Management Policy, November 2017.

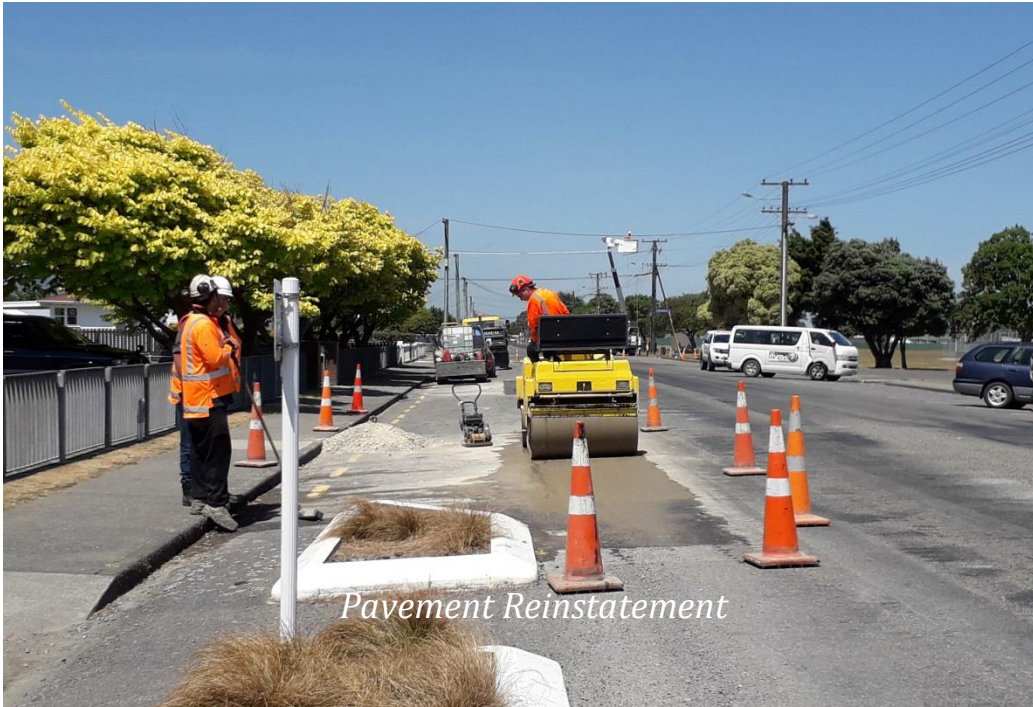
## Open Issues

There are currently no open issue


## Milestones






Key Milestone / Deliverable	Due Date	Status	% Planned (based on total length of main)	% Complete (based on total length of main)	Progress
Project Planning with Contractor	Start date 1 Sept 2017 End date 27 October 2017		100%	100%	Complete.
Bartholomew Road Sewer main 710m	Start 30 October 2017 End 2 February 2018		100%	83%	590m out of 710m main sewer line
Winchester Street Sewer main 220m	Start 5 Feb 2018 End 23 Feb 2018		100%	29%	64m out of 220m main sewer line was completed in Oct 2017. The balance will be completed in February 2018.

## Construction Progress Photos during the Cut-in





<p><b>To: Finance, Audit &amp; Risk Committee</b>  <b>CC: Gallo Saily – Group Manager Infrastructure Services</b>  <b>Project Manager: Gerry O’Neill</b>  <b>Engineers Representative : Garth Flores</b></p>	<p><b>PROJECT STATUS REPORT #1</b>  <b>AS OF 24 JANUARY 2018</b>  <b>CONTRACT HA17-01</b>  <b>FOXTON WASTEWATER TREATMENT PLANT DESLUDGING</b>  <b>PROJECT PHASE:</b>  <b>PROCUREMENT</b></p>	<p><b>Overall Project Status</b></p> <p style="text-align: center;"></p>
<p><b>Project Manager Satisfaction Index (1 poor, 10 excellent)</b></p>		<p><b>8</b></p>

 On Schedule    
  Not progressing as scheduled but no impact on deliverables    
  Off Track  
 Completed    
  Not Started

### PROJECT OBJECTIVES AND STATUS

- **Purpose**

The purpose of this report is to update the Finance, Audit & Risk Committee on the progress on the Foxton Wastewater Treatment Plant (FWWTP) desludging.

- **Background**

FWWTP is a series of 3 ponds and were last desludged about 25 years ago. The accumulation of sludge reduces the volume of the pond available for treatment, reducing the hydraulic retention time, and will eventually impact the FWWT effectiveness to treat wastewater. It is now time to desludge the ponds to ensure that the plant continues to perform satisfactorily.

- **Progress up to 24 January 2018**

The Horowhenua Alliance (HA) will be implementing this project on behalf of HDC.






- **Nov 2017:** HA engineers invited tenders and met with interested contractors on site to discuss the scope of work.
- **Dec 2017:** Three Contractors submitted tenders to do the work.
- **Jan 2017:** HA team evaluated the tender and were in negotiations with the preferred Contractor at the time of compiling this report.

- **Key actions to progress this project over the next month**

- Appoint dredging contractor.
- Commence with Portion 1 – survey and design part of the work.



Foxton Wastewater Treatment Ponds

Key Milestone / Deliverable	Due Date	Status	% Complete	Progress
Investigation and Concept Design	October 2017		100%	
Procure Desludging Sub-Contractor	November 2017		90%	
Separable Portion 1 – Survey and Design	January 2018		0%	Not started.
Separable Portion 2 – Physical desludging	April 2018		0%	Not started.
Project complete	June 2021		0%	Not started.

### Expenditure on the project

In the 2017/2018 Annual Plan, HDC allocated \$450 000.00 towards the project under Work Order 8890. Once a sub-contractor has been appointed, financial expenditure will be reported on.

### Project Risks

There are no project risks rated as High or Extreme in accordance to Horowhenua District Council's Risk Management Policy, November 2017.

### Open Issues

There are no open issues.

# Mayoral Discretionary Fund

File No.: 18/37

## 1. Purpose

To report to the Finance, Audit & Risk Subcommittee on the grants made from the Mayoral Discretionary Fund during the 2017/18 financial year.

## 2. Recommendation

- 2.1 That Report 18/37 Mayoral Discretionary Fund 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

A Mayoral Discretionary Fund has been established for the 2017/18 financial year. This is in response to requests for financial assistance that are not covered under existing funding avenues within Council, or are of an emergency assistance nature.

For the 2017/18 financial year, there is \$10,000 available to applicants who meet the criteria of the fund.

To be eligible, applications must come from organisations and/or individuals within the Horowhenua District. Funding cannot be for private gain or for waiving any Council fees or charges and cannot be for recurrent funding; however, applicants may apply for funding over successive years. Applicants must not be eligible for funding from another Council source.

The maximum amount that will be allocated per grant will be \$1,000.00.

At least two references are required to testify to the bona fides of the requesting person/organisation, as well as the need/justification for the funding.

If the organisation/person has applied to other organisations for funding, the list of organisations that have received requests for funding from the applicant should be included in the application form.

The fund is to be expended at the discretion of the Mayor, within the fund criteria.

## 4. Issues for Consideration

There are no issues for consideration, this is for information purposes.

The following were granted in the July – December 2017 period:

Date	Group or Individual	Purpose	Amount	Balance
				\$10,000.00
17.07.17	Paul King / Eboney Taylor	NZ Music Month	2,000.00	\$8,000.00
20.10.17	Shannon School	Kerekere Kapa Haka festival	1,000.00	\$7,000.00

### NZ Music Month

Funding was approved for the production of a one hour NZ Music Month documentary highlighting the various activities of Music Month including the main event taking place within the Levin CBD.

The video includes interviews with promoters of New Zealand Music Month and Music Day clips of local artists performing at a range of locations in the town centre. The video can be viewed on Kings Sound Centre Facebook page.

### Shannon School – Kere Kere Kapa Haka Festival

Shannon School hosted over 400 tamariki in October 2017 for the annual Kere Kere Kapa Haka festival. Kapa Haka groups from seven schools and early childhood centres from the Shannon and Foxton area performed to an audience of over 100 people. Funding was provided to assist with event costs.

## Attachments

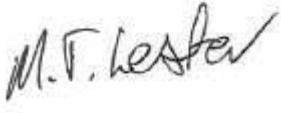
There are no attachments for this report.

### 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)	Aroha Parker <b>Executive Assistant to the Mayor</b>	
Approved by	Mark Lester <b>Acting Chief Executive</b>	

# Amendment to Elected Members - Allowances and Recovery of Expenses Policy - February 2018

File No.: 18/65

## 1. Purpose

To present to the Finance, Audit & Risk Subcommittee the amended Allowances and Recovery of Expenses Policy for Elected Members.

## 2. Recommendation

- 2.1 That Report 18/65 Amendment to Elected Members - Allowances and Recovery of Expenses Policy - February 2018 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.
- 2.3 That the Elected Members' Allowances and Recovery of Expenses Policy, as amended, be adopted.

## 3. Background/Previous Council Decisions

As set out in the December 2017 report (17/617), from time to time elected members incur expenses on the Council's behalf, which need to be reimbursed. This reimbursement and the use of Council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.

The Elected Members Remuneration and the Local Authority Vehicle Mileage Allowance Policy requires Council to adopt a policy on elected members' allowances and recovery of expenses.

DRAFT 1 was presented to the December 2017 Finance, Audit & Risk Subcommittee meeting where it was raised that additional elected members were not able to attend the annual LGNZ Conference. This is due to the previous policy stating that the Mayor, two Councillors and their partner/spouse were able to attend. This new draft enables for elected members to attend the annual conference in place of a partner or spouse of an approved attendee, should they indicate that they wish to attend. The DRAFT 2 is **attached**, with amendments shown in red.

## 4. Issues for Consideration

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy
- expense claims are approved by the Governance & Executive Team Leader and full original receipts are required
- cost reimbursements will be made via the payroll system.

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.

No allowances are paid without deduction of withholding tax.

## 5. Financial Considerations

Each year a budget is set aside to cover elected member's allowances and recovery of expenses. It is not expected that the adoption of this policy will have any impact on costs. All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

## 6. Consultation

This policy has been developed in line with Remuneration Authority requirements.

## 7. Legal Considerations

This policy complies with all legislative requirements.

## Attachments

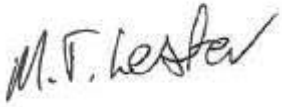
No.	Title	Page
A	Elected Members - Allowances and Recovery of Expenses Policy - 1 July 2017 - DRAFT 2	137

### Confirmation of statutory compliance

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

- containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- 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)	Sue Hori Te Pa <b>Governance and Executive Team Leader</b>	
Approved by	Mark Lester <b>Group Manager - Corporate Services</b>	



## **Elected Members' Allowances and Recovery of Expenses Policy Commencing 1 July 2017**

### **PART ONE: INTRODUCTION**

This policy sets out rules for the payment of allowances and the claiming of expenses by elected members and their spouses/partners.

Contact person for queries: Governance & Executive Team Leader

### **PART TWO: DOCUMENTATION OF POLICIES**

In addition to this document, the following documents set out the policies, rules and procedures relating to the expenses and allowances payable to elected members:

- Local Authority Vehicle Mileage Allowance 2016 - updated by the Remuneration Authority April 2016
- Sensitive Expenditure Policy - June 2016

### **PART THREE: AUTHENTICATION OF EXPENSE REIMBURSEMENTS AND ALLOWANCES**

From time to time elected members incur expenses on the Council's behalf, which need to be reimbursed. This reimbursement and the use of council supplied resources apply only to elected members personally, and only while they are acting in their official capacity as elected members.

Costs for expenses must have a justifiable business purpose, be moderate and conservative having regard to the circumstances, and be appropriate in all respects.

The process for reimbursement of claims includes the following principles:

- any expenses to be reimbursed must be on an actual and reasonable basis and in line with Council policy
- expense claims are approved by the Governance & Executive Team Leader. Full original receipts are required; and
- reimbursements will be made electronically into a nominated bank account

In the case of one-off expenditure such as travel to conferences, the process and prior approvals required are detailed in this policy.

In the case of vehicle mileage, travel time and communications, all limits set in this document do not exceed the Remuneration Authority's Determination.

The Council's internal audit work programme includes sampling expense claims and allowances paid to elected members and staff.

All expenditure that falls under this policy is approved on the condition that it can be met within relevant budget provisions.

#### PART FOUR: DEFINITIONS

“Actual” means as evidenced by the original receipt attached to the claim form.

“Reasonable” means that it is within the amount specified by this policy or as deemed reasonable by the Mayor and/or Chief Executive.

“Council business” includes: formal council and community board meetings, committee meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, meetings with members of the public. It does not include events where the primary focus is on social activity.

“Remuneration Authority” is an independent body established by the Remuneration Authority Act 1977, with responsibilities under the Local Government Act 2002 to determine remuneration and expense/allowance rules for local authority members.

#### PART FIVE: ALLOWNCES AND EXPENSES BY ELECTED MEMBERS

Position	Expense Allowance	Description
Elected members	Taxis	<p>Taxis may be used for Council business, instead of private vehicles or public transport, for the following reasons:</p> <ul style="list-style-type: none"> <li>a) safety/security reasons, and</li> <li>b) when travelling outside the district if a taxi is the most appropriate form of transport.</li> </ul> <p>Taxis may not be used if significant travel distances mean that use of a taxi is not the most cost effective option. Rental cars booked by staff should be considered as an option in such circumstances.</p> <p>Costs paid for directly by the individual for unanticipated travel within New Zealand or for international travel will be reimbursed on presentation of actual receipts.</p>
Elected members	Exceptional circumstances for Council related meetings	Elected members may arrange overnight accommodation when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.
Elected members	Domestic air travel	All elected members are entitled to utilise domestic air travel for Council related travel, generally where travel by air is the most cost effective travel option.
	International air travel	As a general policy all elected member international air travel is by way of economy class, where all or part of the

Position	Expense Allowance /	Description
		costs of the fares are to be met by the Council. The approval of the Council is required for exceptions, e.g. where Premium Economy or the equivalent air travel is desirable for health or other compelling reasons.
	Air points	Airpoints accumulated while on Council business cannot be utilised for personal use.
	Private accommodation provided by friends/relatives	Payment of \$50 per night when staying in private accommodation, to cover accommodation, breakfast and dinner. It is intended that at least a portion of this allowance is paid to the accommodation provider.
	Fixed Meal Allowance	A fixed meal allowance of \$60 is payable before receipts are required in the event of out of district approved Council business.
	Parking Expenses	Reimbursement of casual car parking costs related to community board or council business held at any council premises. This will be on receipt of a signed claim accompanied by a receipt.
	Travel and conferences, courses and seminars	<p>Conference, course, seminar or training attendance must be relevant and contribute to the elected member's ability to carry out Council business.</p> <p>Attendance at these events when held in New Zealand must be approved by both the Mayor (or the Deputy Mayor) and the Chief Executive.</p> <p>Attendance at these events when held overseas must be approved by the Council.</p> <p>Council will fund the cost of attendance of the Mayor and up to two Councillors, together with their partner/spouse, at the annual LGNZ Conference.</p> <p>This is to be formally endorsed by Council prior to attending.</p> <p>Partners/spouse attendance will not be funded (by Council) at the expense of other elected members attendance, should others signal a strong desire to attend.</p>

Position	Expense Allowance	Description
Mayor	Entertainment and hospitality	The Mayor holds a credit card to pay directly for any entertainment or hospitality expenses incurred while carrying out council business. Full receipts and details of the names of parties entertained and reasons for the entertainment are to be provided.  All expenditure on this card is to be approved by the Deputy Mayor or the Chair of Finance, Audit and Risk Committee.
	Car parking	Use of an assigned car-park in Civic Building.
Mayor, Councillors	Rental Cars	Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option.
	Communications equipment	The Mayor and Councillors are provided with an iPad.  Council will pay connection and internet service fees.
Councillors	Car parking	Use of one of four 'Councillor' assigned car-parks in the Civic Building.
Mayor and Councillors	Stationery and consumables	Supply of reasonable amounts of paper and printer consumables for council business.
	Annual function	An annual function for elected members and their partners/spouses will be funded by Council.
Councillors	Entertainment and hospitality	Reimbursement of costs incurred while hosting official visitors to the Council, or while travelling on Council business. These costs can cover a range of items including, but not limited to, tea/coffee, and catering including alcohol with meals.
	General community related expenses	From time to time councillors and the board chair may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at a commemorative event. Reimbursement of such expenditure should be previously approved by the Chief Executive. The items should be appropriate to the occasion and expenditure should be moderate and conservative.
Mayor, Councillors, Community Board Chair	Vehicle mileage	A vehicle mileage allowance for elected members using their own vehicle will be paid as follows:  a) At 73 cents per kilometre for the first 10,000 km  b) 37 cents per km for distances over that.  Mileage will be paid to eligible members on receipt of a completed and signed mileage claim, and approved by

Position	Expense Allowance /	Description
		the Chief Executive.
Community Board members	Conferences, trainings, seminars	<p>Council will fund the cost of attendance of the Chair of the Foxton Community Board and up to one other Board Member, together with their partner/spouse, at the bi-annual New Zealand Community Board Conference.</p> <p>This is to be formally endorsed by the Foxton Community Board.</p> <p>Partners/spouse attendance will not be funded by Council at the expense of other elected members attendance, should others signal a strong desire to attend.</p>

**PART SIX: GENERAL**

This policy will apply from 1 July 2017.

## Exclusion of the Public : Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

### C1 Chairperson's Report

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.