



RANGITIKEI
DISTRICT COUNCIL
Making this place home.

ORDER PAPER

FINANCE/PERFORMANCE COMMITTEE MEETING

Date: Thursday, 26 May 2022
Time: 9.30 am
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Chair: Cr Nigel Belsham
Deputy Chair: Cr Fi Dalgety
Membership: Cr Cath Ash
Cr Brian Carter
Cr Angus Gordon
Cr Tracey Hiroa
Cr Dave Wilson
Cr Gill Duncan
HWTM Andy Watson

For any enquiries regarding this agenda, please contact:

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Locations:	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <u>Marton</u> Head Office 46 High Street, Marton </td> <td style="width: 50%; vertical-align: top;"> <u>Bulls</u> Bulls Information Centre- Te Matapihi 4 Criterion Street, Bulls </td> </tr> <tr> <td style="vertical-align: top;"> <u>Taihape</u> Taihape Information Centre - Taihape Town hall 90 Hautapu Street (SH1), Taihape </td> <td></td> </tr> </table>	<u>Marton</u> Head Office 46 High Street, Marton	<u>Bulls</u> Bulls Information Centre- Te Matapihi 4 Criterion Street, Bulls	<u>Taihape</u> Taihape Information Centre - Taihape Town hall 90 Hautapu Street (SH1), Taihape	
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Notice is hereby given that a Finance/Performance Committee Meeting of the Rangitīkei District Council will be held in the Council Chamber, Rangitīkei District Council, 46 High Street, Marton on Thursday, 26 May 2022 at 9.30 am.

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AGENDA

1 Welcome / Prayer

2 Apologies

3 Public Forum

No public forum.

4 Conflict of Interest Declarations

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

5 Confirmation of Order of Business

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, [enter item number](#) be dealt with as a late item at this meeting.

6 Confirmation of Minutes

6.1 Confirmation of Minutes

Author: Ash Garstang, Governance Advisor

1. Reason for Report

- 1.1 The minutes from the Finance/Performance Committee meeting held on 28 April 2022 are attached.

Attachments

1. Finance/Performance Committee Meeting - 28 April 2022

Recommendation

That the minutes of the Finance/Performance Committee meeting held on 28 April 2022, **[as amended/without amendment]**, be taken as read and verified as an accurate and correct record of the meeting, and that the Chair's electronic signature be added to the official minutes document as a formal record.

MINUTES

ITEM 6.1

ATTACHMENT 1

UNCONFIRMED: FINANCE/PERFORMANCE COMMITTEE MEETING

Date: Thursday, 28 April 2022
Time: 9.00 am
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present

- Cr Nigel Belsham
- Cr Fi Dalgety
- Cr Brian Carter
- Cr Angus Gordon
- Cr Dave Wilson
- Cr Gill Duncan
- HWTM Andy Watson

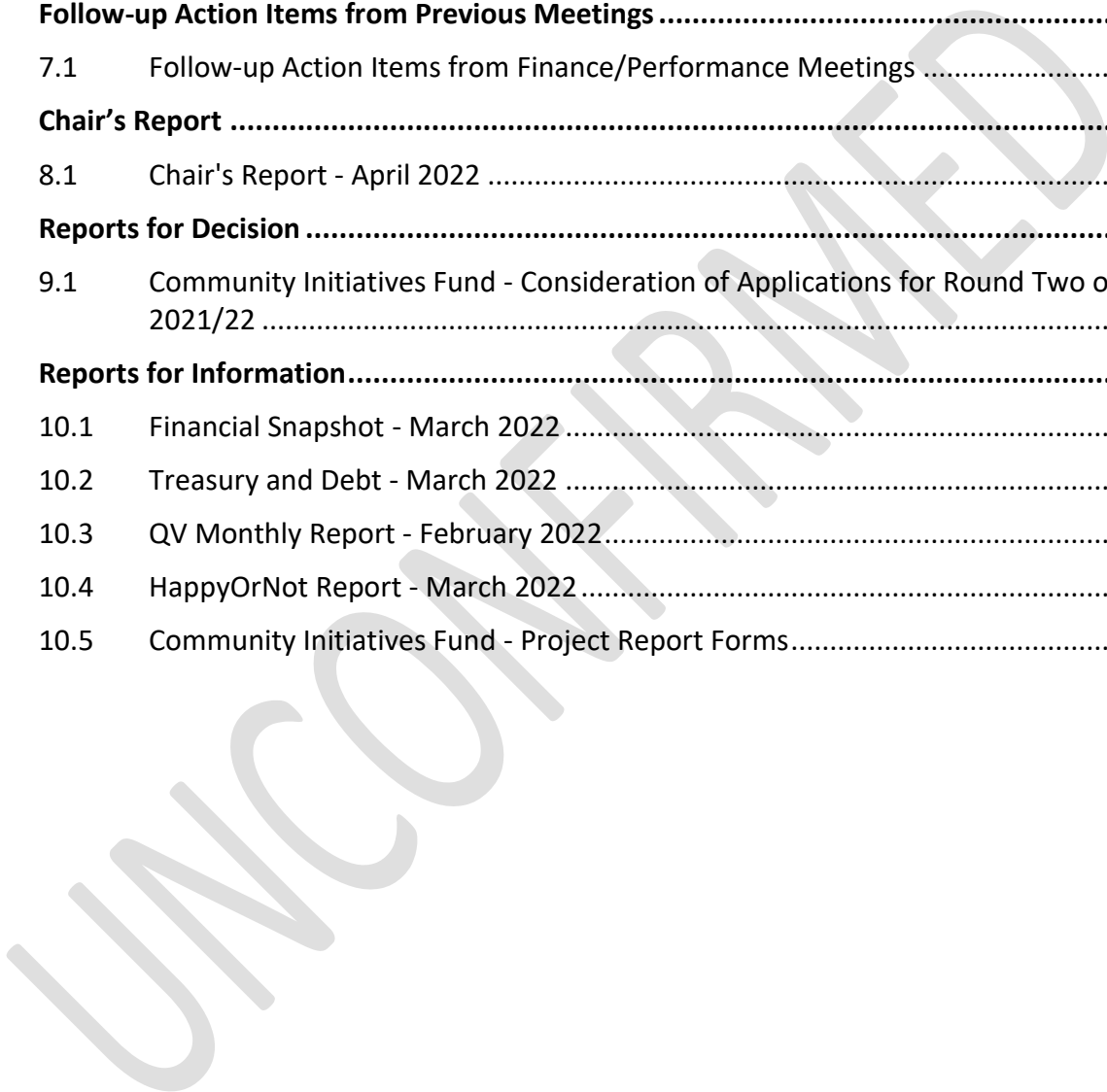
In attendance

- Mr Peter Beggs, Chief Executive
- Mr Arno Benadie, Chief Operating Officer
- Mr Dave Tombs, Group Manager – Corporate Services
- Mrs Carol Gordon, Group Manager – Democracy and Planning
- Ms Gaylene Prince, Group Manager – Community Services
- Mrs Sharon Grant, Group Manager – People and Culture [via Zoom]
- Ms Karen Griffiths, Acting Manager – Financial Services [via Zoom]
- Ms Rebecca Bramley, Financial Accountant [via Zoom]
- Mr Ash Garstang, Governance Advisor
- Ms Laurel Mauchline Campbell, Grants Assessor
- Cr Richard Lambert

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ITEM 6.1 ATTACHMENT 1



1 Welcome / Prayer

The meeting opened at 9.02 am. Cr Lambert read the Council prayer.

2 Apologies

Resolved minute number 22/FPE/040

That the apologies for Cr Hiroa and Cr Ash, and an apology for lateness for Cr Gordon, be received.

Cr B Carter/Cr G Duncan. Carried

3 Public Forum

No public forum.

4 Conflict of Interest Declarations

No conflicts of interest were declared.

5 Confirmation of Order of Business

There were no changes to the order of business.

6 Confirmation of Minutes

Resolved minute number 22/FPE/041

That the minutes of the Finance/Performance Committee meeting held on 31 March 2022, without amendment, be taken as read and verified as an accurate and correct record of the meeting, and that the Chair's electronic signature be added to the official minutes document as a formal record.

Cr B Carter/Cr D Wilson. Carried

7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Finance/Performance Meetings

The Committee agreed to close item 7 (Revaluation impact across the sector).

Resolved minute number 22/FPE/042

That the report 'Follow-up Action Items from Finance/Performance Meetings' be received.

Cr G Duncan/Cr D Wilson. Carried

8 Chair's Report

8.1 Chair's Report - April 2022

Cr Belsham noted that COVID-19 had caused delays in some of Council's significant projects, and had also lowered the amount of funding applications that the Committee would typically expect to see.

Resolved minute number 22/FPE/043

That the tabled Chair's Report – April 2022 be received.

Cr N Belsham/HWTM A Watson. Carried

9 Reports for Decision

9.1 Community Initiatives Fund - Consideration of Applications for Round Two of 2021/22

The Committee agreed to retain the current process for discussing funding amounts.

Cr Gordon arrived at the meeting at 9.16 am.

Wanganui Neighbourhood Area Support Group

The Committee noted that this organisation has done very good work in the district, although they would have liked to have seen more information provided within the funding application.

Arohanui Hospice Service Trust

The Committee agreed to fund the full amount requested.

Royal Forest and Bird Protection Society, Rangitikei Branch

The Committee agreed to fund the full amount requested.

Whangaehu Hall Trust

The Committee noted that this was a valuable hub for the community, and a useful asset for emergency use.

Remaining Funds

The Mayor suggested that the Committee set aside some funding for the Samoan Remembrance Day. The Committee agreed to contribute \$1,000 upon receipt of a request from the Samoan community, and requested that the Mayor make contact with them to initiate this process.

The Committee agreed to carry-forward the remaining funds to 2022/23.

Resolved minute number 22/FPE/044

That the report 'Community Initiatives Fund – Consideration of Applications for Round Two of 2021/22' be received.

HWTM A Watson/Cr G Duncan. Carried

Resolved minute number 22/FPE/045

That the Finance/Performance Committee approve the sponsorship of projects listed below, and disperse the Community Initiatives Fund as outlined to successful applicants:

- Whanganui Area Neighbourhood Support Groups Inc: \$1,160
- Arohanui Hospice Service Trust: \$978.32
- Royal Forest and Bird Protection Society, Rangitikei Branch: \$228
- Whangaehu Hall Trust: \$2,300

HWTM A Watson/Cr F Dalgety. Carried

Resolved minute number 22/FPE/046

That the Finance/Performance Committee recommends to Council that the remaining funds of the Community Initiatives Fund 2021/22 (totalling \$14,823.68, less the \$1,000 for the Samoan Remembrance Day), be carried-forward to the Community Initiatives Fund for 2022/23.

Cr D Wilson/Cr F Dalgety. Carried

Resolved minute number 22/FPE/047

That \$1,000 from the remaining funds for the Community Initiatives Fund 2021/22, be provided for the Samoan Remembrance Day, including the use of the Marton RSA and Citizens Memorial Hall, upon receipt of a request from the Samoan community.

HWTM A Watson/Cr D Wilson. Carried

10 Reports for Information

10.1 Financial Snapshot - March 2022

In response to a query, Mr Tombs advised that there has been a significant year to date underspend for the Subsidies and Grants out of the 2021/22 budget. This is mostly due to the roading programme (e.g., Marton Rail Hub project being deferred), meaning that the funds have not come in from Waka Kotahi.

Regarding carry-overs of funds, the Mayor advised that the rating positions will be struck in June and that the Committee meeting in May will likely be the last opportunity to account for changes to

the capital works programme. Staff advised that they will identify the carry-overs as clearly as possible to elected members.

Resolved minute number 22/FPE/048

That the report 'Financial Snapshot – March 2022' be received.

Cr G Duncan/Cr D Wilson. Carried

10.2 Treasury and Debt - March 2022

Mr Tombs advised that staff are expecting a significant capital expenditure in the next three months, and the increased borrowing will assist in covering this. In response to a query, Mr Tombs confirmed that the interest on this borrowing is fixed at a set rate.

In response to a query about unpaid rates, Mr Tombs advised that this figure is the 'Receivables (excl. Rates) of \$1.9 million. Staff are actively managing outstanding rates.

The Committee requested that the liquidity ratio be included in future reports. This includes both the current rate for Council and the benchmark set by the NZ Local Government Funding Agency.

Resolved minute number 22/FPE/049

That the report 'Treasury and Debt - March 2022' be received.

Cr A Gordon/Cr F Dalgety. Carried

10.3 QV Monthly Report - February 2022

Taken as read.

Resolved minute number 22/FPE/050

That the QV Monthly Report - February 2022 be received

Cr G Duncan/Cr D Wilson. Carried

10.4 HappyOrNot Report - March 2022

Mrs Gordon advised that there has been a low response rate than would normally be seen due to the closure of libraries and information centres because of Covid, staff expect this to increase in future months as Council facilities re-open to the public.

In response to a query, Mr Beggs advised that staff use their discretion when determining if action needs to take place from responses received via the HappyOrNot system. Staff will identify any trends and take appropriate action when needed. Any service requests (e.g., potholes) should be directed via the RFS (request for service) system.

Resolved minute number 22/FPE/051

ITEM 6.1
ATTACHMENT 1

That the HappyOrNot Report – March 2022 be received.

Cr B Carter/Cr A Gordon. Carried

10.5 Community Initiatives Fund - Project Report Forms

Taken as read.

Resolved minute number 22/FPE/052

That that following Project Report Forms for the Community Initiatives Fund be received:

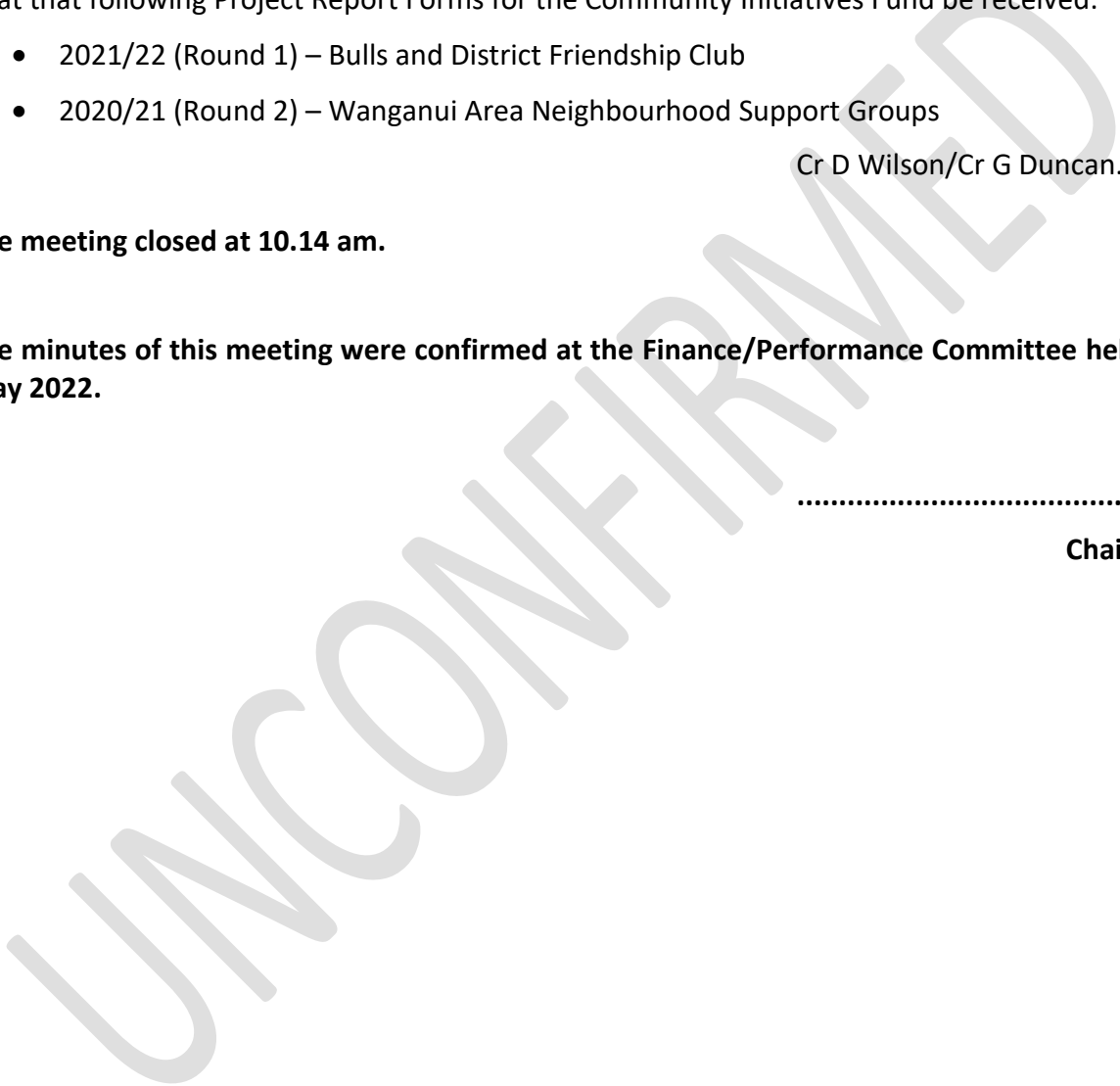
- 2021/22 (Round 1) – Bulls and District Friendship Club
- 2020/21 (Round 2) – Wanganui Area Neighbourhood Support Groups

Cr D Wilson/Cr G Duncan. Carried

The meeting closed at 10.14 am.

The minutes of this meeting were confirmed at the Finance/Performance Committee held on 26 May 2022.

.....
Chairperson



7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Finance/Performance Meetings

Author: Ash Garstang, Governance Advisor

1. Reason for Report

1.1 On the list attached items raised at previous Finance/Performance meetings. Items indicate who is responsible for follow up, and a brief status comment

2. Decision Making Process

2.1 Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

Attachments

1. **Follow-up Actions Register** [↓](#)

Recommendation

That the report 'Follow-up Action Items from Finance/Performance Meetings' be received.

Current Follow-up Actions

Item	From Meeting Date	Details	Person Assigned	Status Comments	Status
1	28-Apr-22	Regarding the Treasury and Debt reporting: the Committee requested that the liquidity ratio be included in future reporting. This includes both the current rate for Council and the benchmark set by the NZ Local Government Funding Agency.	Dave Tombs	Report amended to include the Liquidity Ratios set by LGFA.	Closed
2	28-Apr-22	The Mayor to make contact with the Samoan Community and request that they make a request to Council for a funding contribution towards the Samoan Remembrance Day. As per resolution 22/FPE/047 , the Committee has pre-approved a \$1,000 funding contribution to come out of the 2021/22 Community Initiatives Fund budget (GL: 4020036300), upon receipt of a request from the Samoan Community.	HWTM / Ash Garstang	Minister Farani Vaa has submitted an application and payment of \$1,000 has been processed.	Closed
3	31-Mar-22	Staff to investigate who owns the forestry trees surrounding the reservoir on the Putorino water scheme.	Dave Tombs	Email was forwarded to Committee members in May 2022: a summary email will also be sent to Committee members.	In progress
4	28-Oct-21	Regarding the 'Total Sales by Rating Category Group' graph (pg 31 of Order Paper): Cr Gordon asked if it was possible to see more detailed information on this, such as the price per hectare. Staff will check if they have more detailed information on this.	Dave Tombs / Karin Cruywagen	Agenda Item 10.5 at the March 2022 FPC Meeting advised that officers are reviewing the robustness of the data that populates this graph.	In progress
5	26-Aug-21	Regarding 10.1 Rubbish & Recycling Activity Performance Report, page 34 - User fees & charges over budget by \$135k. Question - do we know what the split is of commercial users vs private users? Is this increase from commercial activities / commercial dumping?	Arno Benadie (formerly Jess Mcilroy)	This information needs to be provided by the operator, once the response has been received it will be emailed out to Committee Members. Update 22 Apr 22: This information has been requested from the operator and will be advised to Elected Members, when available.	In progress

8 Chair's Report

8.1 Chair's Report - May 2022

Author: Nigel Belsham, Chair

1. Reason for Report

1.1 The Chair's Report will be tabled during the meeting.

Recommendation

That the tabled Chair's Report – May 2022 be received.

9 Reports for Information

9.1 Financial Snapshot - April 2022

Author: Hilary Walker, Management and Systems Accountant

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 To provide Committee Members with Council's latest management accounts and related commentary.

2. Activity Performance Reports

- 2.1 The attached Departmental Activity Performance Reports provide commentary on Departmental operational budget variances in excess of \$100k (excluding Depreciation).
- 2.2 Consistent with previous months, many budget variances are timing differences. The most significant of these variances is in Subsidies and Grants where \$6m of budgeted income (associated with the Marton Rail Hub) is being deferred until 2022/23.
- 2.3 Covid has made some of the other timing differences larger than would otherwise have been the case (especially in the Roding and Footpath results). In addition, the weather event in November/December and the flooding event early December have resulted in a backlog of Roding and Footpath work. However, the teams are now catching up on this backlog, with unfinished works expected to be rolled into 2022/23.

3. Capital Expenditure

Year To Date Summary

- 3.1 The attached summary shows the budget variances split by cost centre with the larger budgets (>\$500k) being shown separately.
- 3.2 Officers would like to highlight the high level of capital expenditure for April of \$2.6m (YTD figure of \$15.4m was \$12.8m at end of March).

Full Year Forecast

- 3.3 Officers have identified around \$20.16m of the 2021/22 capital program that is likely to be carried forward to 2022/23.

Impact on 2022/23

- 3.4 The draft 2022/23 Annual Plan included a proposed \$16m Capital carry forward from 2021/22 - the figure being based on the information that was available when the draft Annual Plan was prepared. This figure will be amended in the final Annual Plan to reflect the higher capital carry forward (and the resulting lower opening debt position).
- 3.5 The draft 2022/23 Annual Plan included a \$0.8m reduction in the 2022/23 Depreciation charge compared to the LTP figure. This reduction incorporates the impacts of the deferral of elements of the capital program.

Attachments

1. Financial Snapshot - April 2022 [↓](#)

Recommendation

That the report 'Financial Snapshot – April 2022' be received.

ITEM 9.1

**Whole of Council
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(37,082)	(43,291)	(6,209)	-14.34%	(48,305)
Subsidies and Grants	(9,997)	(16,418)	(6,421)	-39.11%	(20,175)
Other Revenue	(2,942)	(2,987)	(45)	-1.50%	(3,544)
Finance Revenue	(32)	(10)	22	212.73%	(13)
Other Comprehensive	(0)	(70)	(70)	-99.94%	(70)
Rates	(24,111)	(23,806)	305	1.28%	(24,503)
Expense	31,526	34,075	2,549	7.48%	41,066
Other Expenses	15,066	16,542	1,476	8.92%	19,896
Personnel Costs	5,595	5,340	(254)	-4.77%	6,632
Finance Costs	133	491	358	72.95%	496
Depreciation and Amortisation	10,732	11,702	969	8.28%	14,042
Internal Charges and Recoveries	0	0	0	0.00%	0
Grand Total	(5,556)	(9,217)	(3,661)	-39.72%	(7,240)

Variances > \$100k: Comments

Rates

As shown above, overall, Rates Income is 'on budget'. However, the following pages show some Divisional variances that should be considered in light of this overall position.

Business Units
Activity Performance Report
For the 10 months ended 30 April 2022

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	277	823	546	66.35%	685
Subsidies and Grants	(126)	(153)	(27)	-17.40%	(184)
Other Revenue	(16)	(29)	(14)	-46.84%	(35)
Finance Revenue	(32)	(10)	22	212.73%	(13)
Other Comprehensive	(0)	(70)	(70)	-99.94%	(70)
Rates	452	1,086	635	58.43%	987
Expense	276	518	242	46.65%	(43)
Other Expenses	2,310	2,735	425	15.54%	3,298
Personnel Costs	4,638	4,621	(17)	-0.36%	5,738
Finance Costs	133	491	358	72.95%	(285)
Depreciation and Amortisation	331	478	147	30.79%	574
Internal Charges and Recoveries	(7,135)	(7,808)	(672)	-8.61%	(9,369)
Grand Total	553	1,341	788		642

Variances > \$100k: Comments

Other Expenses

The main causes of this variance are timing differences arising from 2021/22 Audit Fees, Building Stocktake Expense and MDC Professional Services, being budgeted in advance of the costs being incurred. These variances should be eliminated during the 2021/22 year. Any surplus identified in MDC Professional Services budget has been identified as possible reduction in 2022/2023 budget.

There are also a number of smaller budget variances in different areas caused by budgets being phased in advance of the related activity. These are expected to reduce through the remainder of the financial year. Covid lockdowns have made some budgeted variances larger than would otherwise have been (e.g. staff training).

Finance Costs

Finance costs are under budget due to actual levels of debt being lower than shown in the LTP (caused by shortfall in capital expenditure).

Internal Charges & Recoveries

The model used to allocate budget overheads for 2021/2022 has been used to allocate the actual overheads to avoid misleading budget variances.

**Community & Leisure
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(5,141)	(5,149)	(8)	-0.15%	(5,316)
Subsidies and Grants	(255)	(95)	159	166.68%	(119)
Other Revenue	(616)	(644)	(27)	-4.24%	(787)
Other Comprehensive	0	0	0	0.00%	0
Rates	(4,270)	(4,409)	(140)	-3.17%	(4,409)
Expense	3,734	4,316	581	13.47%	5,315
Other Expenses	2,041	2,078	37	1.76%	2,413
Personnel Costs	0	0	0	0.00%	0
Finance Costs	0	0	0	0.00%	217
Depreciation and Amortisation	1,037	1,564	526	33.65%	1,876
Internal Charges and Recoveries	656	674	19	2.75%	809
Grand Total	(1,407)	(833)	573		(0)

Variances > \$100k: Comments

Subsidies & Grants

This relates to the final instalment of the unbudgeted PGF Capital Funding Grant relating to the Marton Memorial Hall (capital project).

**Community Leadership
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(1,095)	(1,221)	(126)	-10.36%	(1,221)
Other Revenue	(0)	0	0	100.00%	0
Rates	(1,094)	(1,221)	(127)	-10.39%	(1,221)
Expense	929	1,028	99	9.63%	1,230
Other Expenses	519	583	64	11.03%	697
Depreciation and Amortisation	0	1	1	100.00%	2
Internal Charges and Recoveries	410	443	33	7.51%	532
Grand Total	(166)	(193)	(28)		9

Variances > \$100k: Comments

**Community Wellbeing
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(1,807)	(1,486)	321	21.59%	(1,526)
Subsidies and Grants	(590)	(115)	475	412.05%	(142)
Other Revenue	(9)	(11)	(2)	-17.46%	(24)
Rates	(1,208)	(1,360)	(152)	-11.17%	(1,360)
Expense	1,676	1,222	(453)	-37.08%	1,531
Other Expenses	1,092	759	(333)	-43.89%	969
Personnel Costs	285	142	(143)	-100.94%	176
Finance Costs	0	0	0	0.00%	0
Depreciation and Amortisation	4	8	4	49.30%	10
Internal Charges and Recoveries	295	314	19	6.06%	376
Grand Total	(131)	(264)	(132)		5

Variations > \$100k: Comments

Subsidies and Grants An unbudgeted \$500k Community Recovery Grant was received from MSD in relation to 'Mayors Taskforce for Jobs' Programme. These funds will be offset by related unbudgeted expenditure. This 'Mayors Task Force for Jobs' Programme has enabled Council to employ a local contractor, who provides support for youth to be retained or placed in employment.

Other Expenses/Personnel Costs There are three main causes of these adverse budget variances:

1. Unbudgeted Other Expenses of \$445k associated with the unbudgeted Grant Income noted above
2. Expenses of \$305k (budget of \$45k) associated with the Putorino Landfill are included above (note: other payments relating to this have been made this financial year but have been recorded against the Landfill Aftercare Provision).
3. District Promotions Strategy that has a YTD Budget in Other Expenses of \$310k and associated expenditure of \$49k. This budget is being used to also fund the Personnel Costs related with this initiative which results in the apparent overspend of \$143k in Personnel Costs

**Environmental & Regulatory
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(2,574)	(2,693)	(120)	-4.45%	(2,936)
Subsidies and Grants	0	0	0	0.00%	0
Other Revenue	(1,445)	(1,486)	(41)	-2.77%	(1,729)
Rates	(1,129)	(1,207)	(79)	-6.52%	(1,207)
Expense	2,225	2,427	202	8.33%	2,936
Other Expenses	368	555	186	33.62%	665
Personnel Costs	672	577	(94)	-16.36%	717
Finance Costs	0	0	0	0.00%	0
Internal Charges and Recoveries	1,185	1,295	110	8.50%	1,554
Grand Total	(349)	(267)	82		(0)

Variances > \$100k: Comments

Other Expenses

Expenses are below budget due to reduced need for the services of the resource consent external contractor.

**Roading & Footpaths
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(13,729)	(21,214)	(7,485)	-35.28%	(24,039)
Subsidies and Grants	(6,138)	(13,645)	(7,507)	-55.02%	(16,445)
Other Revenue	(113)	(123)	(10)	-8.25%	(147)
Rates	(7,479)	(7,447)	31,882	0.43%	(7,447)
Expense	14,454	16,070	1,616	10.05%	19,428
Other Expenses	4,548	5,815	1,267	21.79%	7,029
Finance Costs	0	0	0	0.00%	93
Depreciation and Amortisation	6,772	6,813	41	0.61%	8,176
Internal Charges and Recoveries	3,134	3,441	307	8.93%	4,130
Grand Total	726	(5,144)	(5,870)		(4,611)

Variances > \$100k: Comments

Subsidies and Grant

Subsidies and Grants Revenue is \$7.5m below Budget due largely to a delay in the Marton Rail Hub and the Roothing Programme.

Marton Rail Hub Subsidy Full Year Revenue Budget of \$6m is planned to be deferred to 2022/2023.

The Roothing Subsidies income is also behind budget for these two reasons:

1. up to \$2.5m of this year's Low Cost Low Risk capital programme may be deferred to 2022/2023 as contractor resources were diverted to attending the weather related events in November/December. The team is currently assessing this Carry Forward. The resulting deferral in Low Cost Low Risk work will result in some of the Subsidies & Grants income budget for this year being received next year.
2. timing difference between the timing of budgets and actual receipts that should catch up during this quarter.

Other Expenses

Other Expenses is \$1.3m behind budget and is related to the above (delay in roading maintenance). Officers expect to be able to make up this backlog during this final quarter of the financial year (in the absence of any unforeseen prolonged interruption). Officers are pursuing whether grant revenue can be sourced in relation to the weather related works - the claim is under review.

**Water, Sewerage & Stormwater
Activity Performance Report
For the 10 months ended 30 April 2022**

	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 YTD Variance April	2021/22 YTD Percentage Variance April	2021/22 Total Revised Budget
	\$000	\$000	\$000		\$000
Revenue	(11,266)	(10,728)	539	5.02%	(12,230)
Subsidies and Grants	(2,889)	(2,410)	479	19.87%	(3,285)
Other Revenue	(85)	(144)	(59)	-41.00%	(173)
Other Comprehensive	0	0	0	0.00%	0
Rates	(8,293)	(8,174)	119	1.46%	(8,772)
Expense	6,838	7,056	219	3.10%	8,945
Other Expenses	2,957	2,795	(162)	-5.80%	3,361
Finance Costs	0	0	0	0.00%	469
Depreciation and Amortisation	2,567	2,784	216	7.76%	3,340
Internal Charges and Recoveries	1,314	1,478	165	11.14%	1,774
Grand Total	(4,429)	(3,671)	757		(3,285)

Variances > \$100k: Comments

Subsidies and Grants During 2020/21 Council received \$2.4m as part of a \$4.8m the Three Waters Stimulus Grant. The other \$2.4m has been budgeted to be received in 2021/22. Due to accounting/audit requirements \$2.1m of the 2020/21 receipt has been recorded as 2021/22 revenue. The remaining \$2.4m is being invoiced from December 2021 to June 2022. This should result in unbudgeted Income of \$2.1m for 2021/22, which is essentially the result of an accounting adjustment.

Other Expenses The combined impacts of the unpredictability of the Tutaenui dam quality, seasonal changes and the need to pretreat the dam have resulted in more chemicals being required and an increase in expenditure.

**For Period to 30 April 2022
Capital Expenditure +\$500k projects**

Account	2021/22 YTD Actuals April	2021/22 YTD Budgets April	2021/22 Total Revised Budget	Forecast Carry Over into 2022/2023	Comments
Grand Total	15,375,033	39,998,856	47,646,205	20,160,292	
Business Units	692,338	1,085,869	1,202,500	245,000	
Community & Leisure Assets	3,105,879	7,119,396	9,255,756	3,859,280	
Domains					
4410170611. Taihape Amenities Detailed Design Construction bf from 20/21	644,431	1,480,662	1,821,000	2,307,480	Detailed report provided separately to Council as part of PMO Reporting
4410174501. Taihape Amenities Detailed Design & Construction	0	1,360,000	1,700,000	0	Detailed report provided separately to Council as part of PMO Reporting
4410170630. Taihape Grandstand	87,526	800,000	1,000,000	800,000	Detailed report provided separately to Council as part of PMO Reporting
Halls					
4090170607. -84 Marton Memorial Hall	584,418	400,000	750,000	50,000	Detailed report provided separately to Council as part of PMO Reporting
4090174502. Bulls Bus Lane and Hub	803,174	542,855	760,000	0	Detailed report provided separately to Council as part of PMO Reporting
4090174505. Marton Building Design & Construction	80,771	416,660	500,000	350,000	Detailed report provided separately to Council as part of PMO Reporting
Community Wellbeing	0	0	0	0	
Environmental & Regulatory	0	0	0	0	

Roading & Footpaths	6,431,922	18,428,211	21,096,945	9,725,000	
Subsidised Roothing	6,265,863	17,563,211	20,031,945		
70100781. Sealed Road Pavement Rehabilitation	673,933	860,075	1,204,105	0	Season completed, last of sealing claim likely be part of May claim. Also likely working on next season's rehabilitation programme.
70100782. Drainage Renewals	517,414	596,425	735,000	0	On target to finished 30 Jun 2022
70100787. Sealed Road Surfacing	1,043,274	971,300	1,359,821	0	Current reseal programme has been completed. Last of sealing claim to be part of May claim
70100795. Improvements- Low Cost Low Risk	567,090	4,235,135	5,007,000	2,500,000	To date, to carry over \$2.5m to 22/23.
7010079601. Mangaweka Bridge Construction	1,427,448	1,973,810	2,430,000	0	Detailed report provided separately to Council as part of PMO Reporting
Marlon Rail Hub					
70100745. Marlon Rail Hub	1,037,921	7,800,000	7,800,000	6,700,000	Detailed report provided separately to Council as part of PMO Reporting
Rubbish & Recycling	0	0	0	0	
Water, Sewerage & Stormwater	5,144,894	13,365,380	16,091,004	6,331,012	
Waste Water - Sewerage	4,415,656	9,993,720	12,105,012		
6070176204. 52: Wastewater Reticulation - Renewals	47,968	416,670	500,004	0	Spend by 30/6/2022
6070176205. 89: Wastewater Treatment - Renewals	62,191	416,670	500,004	0	Part of Ratana Wastewater upgrade. Detailed report provided separately to Council as part of PMO Reporting
6070176206. Marlon to Bulls Pipeline	3,853,271	5,448,000	6,500,000	0	Detailed report provided separately to Council as part of PMO Reporting
6070176207. Land Purchase - Marlon to Bulls Pipeline	0	1,000,000	1,200,000	1,200,000	Detailed report provided separately to Council as part of PMO Reporting
6070177109. Papakai Pump Station Replacement	87,745	1,000,000	1,200,000	1,140,000	Contractor appointed - Fulton Hogan. Revised costs are expected, delaying start.
6070177111. Ratana Complete Upgrade	114,190	1,470,710	1,915,000	1,767,191	Detailed report provided separately to Council as part of PMO Reporting
Water - District	461,013	2,241,670	2,690,004		
6060174501. 117.1: New Plant (Marlon Water Treatment Plant)	117,902	750,000	900,000	0	Part of Marlon Water Strategy, in detail design stage, design due for completion 30 June 2022
6060174503. Marlon New Bore	76,494	833,330	999,996	900,000	Detailed report provided separately to Council as part of PMO Reporting

9.2 Treasury and Debt - April 2022**Author:** Karen Griffiths, Acting Manager - Financial Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1. Reason for Report**

- 1.1 To provide the Finance and Performance Committee with an overview of Council's Treasury and Debt position.

2. Discussion

- 2.1 (Note : the balances included in this report are only those that are relevant when considering Council's treasury and debt position: other (non financial) assets and liabilities also exist.)

Liquidity

- 2.2 As at 30 April 2022 Council had a strong liquidity position, caused largely by recent increase in borrowings, as shown below:

2.2.1 Treasury Assets

• Bank/Deposits	\$14.4 million
• Receivables (excl. Rates)	\$0.3 million
• Receivables (Rates)	\$6.2 million
• Other financial assets	\$0.5 million
• Total	\$21.3 million

2.2.2 Treasury Current Liabilities

• GST Payable	\$0.1 million
• Payables	\$0.3 million
• Retentions	\$1.0 million
• Revenue received in advance (Rates)	\$0.6 million
• Total	\$1.9 million

2.2.3 Net Current Treasury Position **\$19.4 million**

Debt

2.3 Council currently has \$19m of long-term debt, as summarised below:

Amount	Maturity Date	Rate of Interest
3 million	15/4/2029	3.21%
5 million	14/4/2033	3.68%
11 million	15/4/2027	3.82%

2.4 Council's Long-Term Plan included a budgeted debt level at 30 June 2022 of \$34m. Officers expect this figure to be around \$19m.

Liquidity Ratios

2.5 At the April 2022 Finance/Performance Committee Meeting, Officers were asked to include Liquidity Ratios in future Treasury and Debt reports.

2.6 Council's Long Term Plan (pages 142 and 143) includes two Liquidity Ratio Benchmarks set by the Local Government Funding Agency. Based on Sections 2.2 to 2.3 above, the current performance in relation to these benchmarks is as follows (note these ratios are currently included in a more detailed report that is provided to each Audit & Risk Committee):

2.7 Net Debt/Total Revenue must not exceed 175%

• Debt	\$19m
• Bank/Deposits	\$14m
• Net Debt	\$5m
• Notional Full Year Revenue	\$40m
Net Debt/Total Revenue	12.5%

2.8 External Debt plus Committed Facilities plus Liquid Assets (Available Finance) divided by External Debt must be greater than 110%

• External Debt	\$19m
• Bank/Deposits	\$14m
• Available Finance	\$33m
Available Finance divided by External Debt	173%

Recommendation

That the report 'Treasury and Debt - April 2022' be received.

9.3 QV Monthly Report - March and April 2022**Author:** Karen Griffiths, Acting Manager - Financial Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1. Reason for Report**

- 1.1 To provide the Finance and Performance Committee with the March and April 2022 monthly reports provided by QV.

2. Analysis

- 2.1 Sales, building consents and subdivisions data are all starting to show a decrease in activity and level compared to prior year.

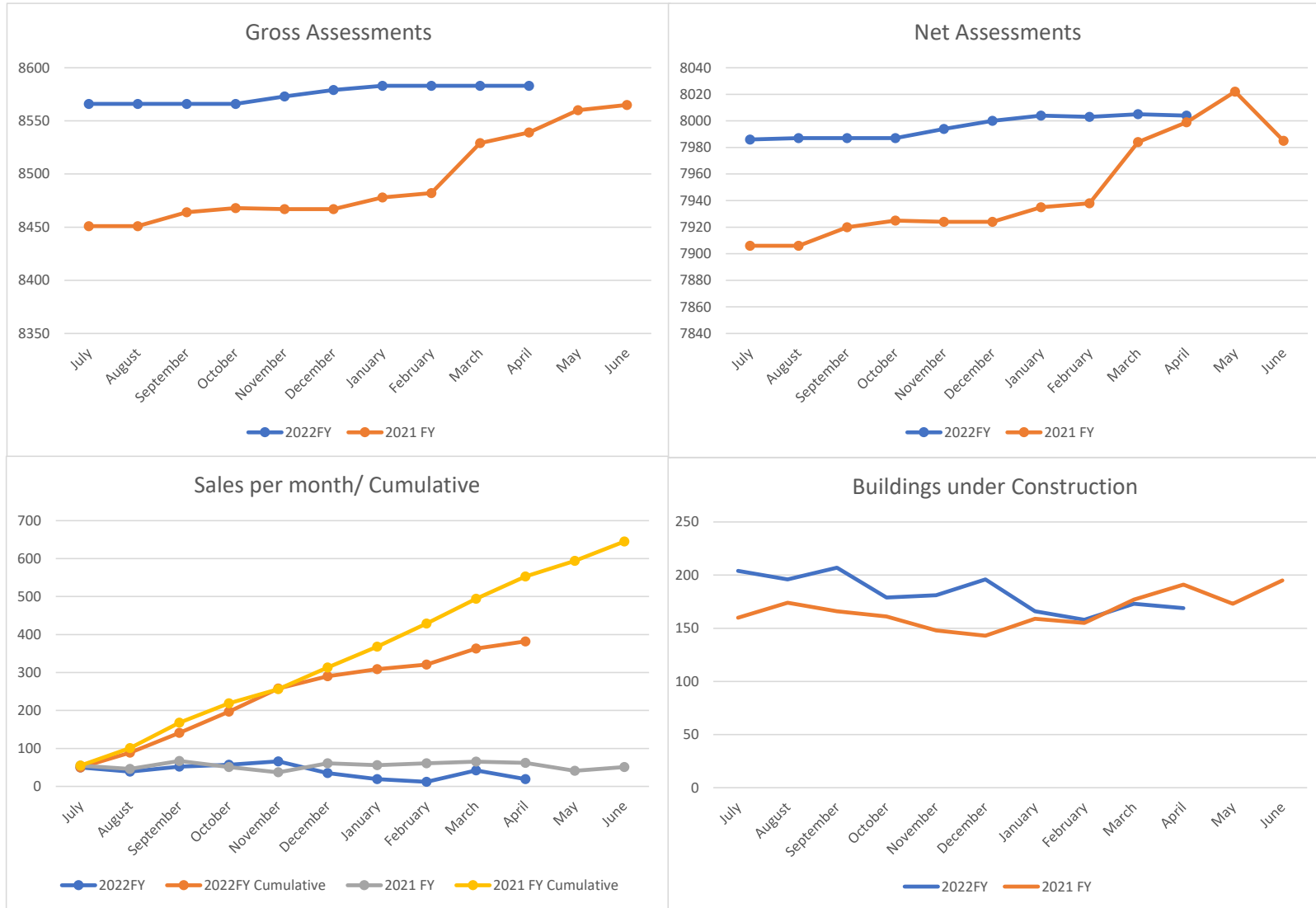
Attachments

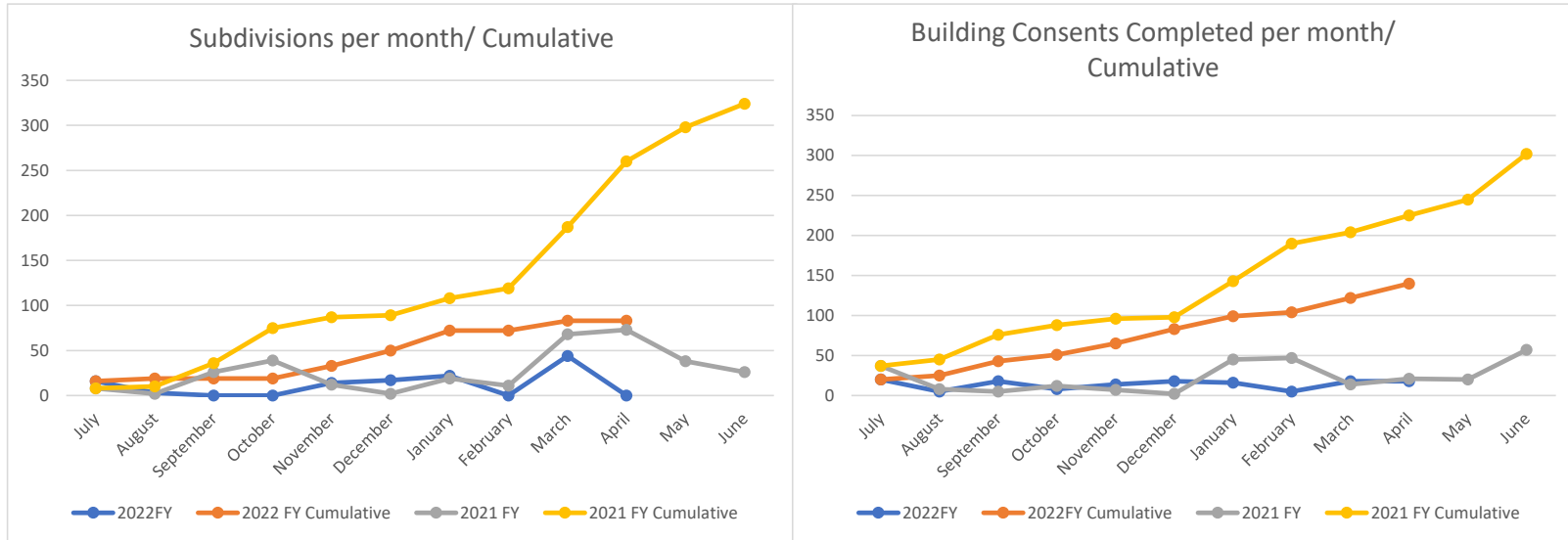
1. **QV Monthly Graphs April 2022** [↓](#)
2. **QV Monthly Report April 2022** [↓](#)
3. **QV Monthly Report March 2022** [↓](#)

Recommendation

That the QV Monthly Report – March and April 2022 be received.

ITEM 9.3
ATTACHMENT 1







**April 2022
Rangitikei District**

QV Quotable Quote

Always Forgive your enemies, Nothing annoys them so much - Oscar Wilde

Assessment Numbers	Sales							
	COMPLETED	OUTSTANDING						
Net Assessments 8,004 <hr/> 50% Rateable: 3 8,583 <hr/> Gross Assessments	19 This Month <hr/> 382 Since 1 July	<table border="1"> <tr> <td>Sale Notices < 3 Days 0</td> <td>Sale Notices > 3 Days 0</td> </tr> <tr> <td>0</td> <td>0</td> </tr> <tr> <td>Partial Sales</td> <td>Changes to Address</td> </tr> </table>	Sale Notices < 3 Days 0	Sale Notices > 3 Days 0	0	0	Partial Sales	Changes to Address
Sale Notices < 3 Days 0	Sale Notices > 3 Days 0							
0	0							
Partial Sales	Changes to Address							

Building Consents		Subdivisions	
COMPLETED	OUTSTANDING	COMPLETED	OUTSTANDING
18 This Month <hr/> 140 Since 1 July	Under Construction 169 <hr/> 168 Ready to Check	0 This Month <hr/> 83 Since 1 July	In Progress 0 <hr/> 5 Subs to Value



QV Trivia

A Bolt of Lightning is about Six times hotter than the sun.

Revision Objections

Maintenance Objections

Revision Objections		Maintenance Objections	
DECISIONS ISSUED	OUTSTANDING	DECISIONS ISSUED	OUTSTANDING
<p>0 This Month</p> <hr style="border: 1px solid white;"/> <p>0 Since 1 July</p>	<p>Being Processed</p> <p>0</p> <hr style="border: 2px solid #003366;"/> <p>0</p> <p>Lodged with LVT</p>	<p>0 This Month</p> <hr style="border: 1px solid white;"/> <p>0 Since 1 July</p>	<p>Being Processed</p> <p>1</p> <hr style="border: 2px solid #003366;"/> <p>0</p> <p>Lodged with LVT</p>

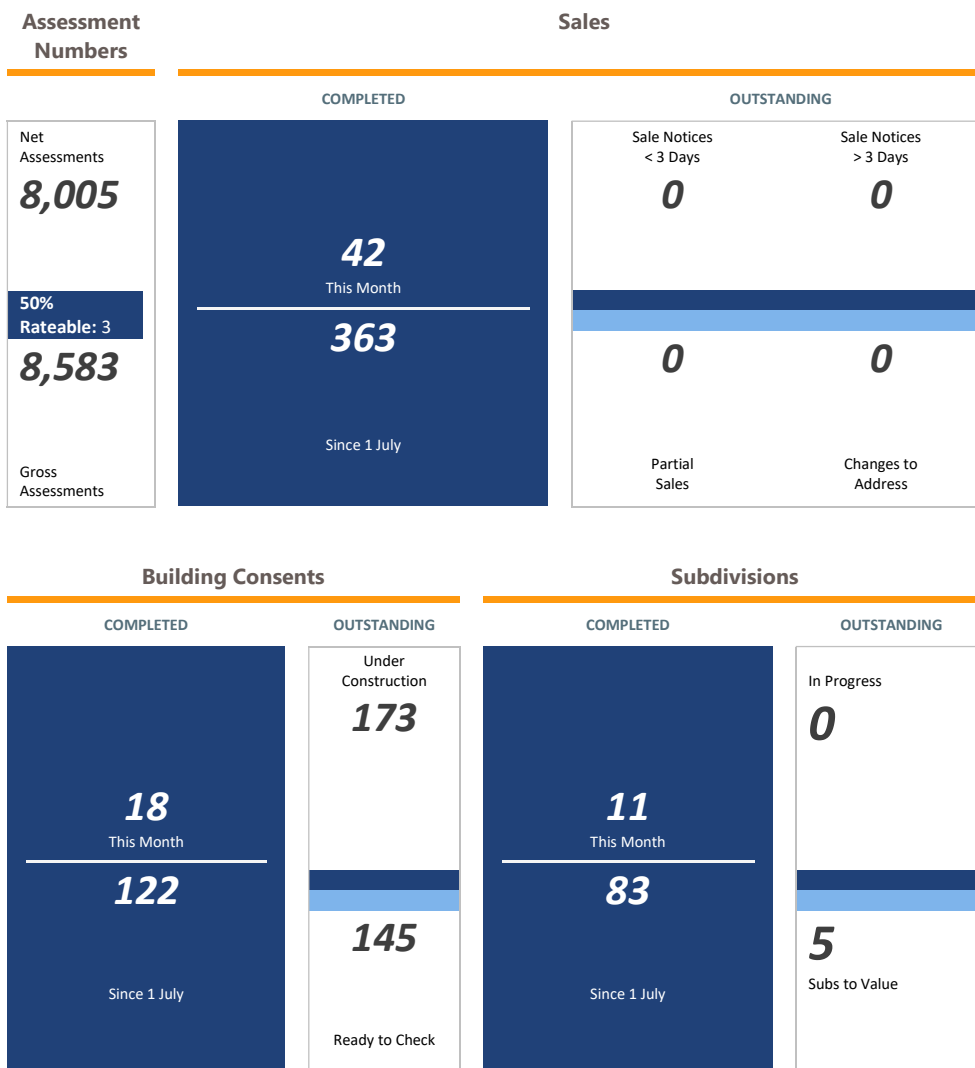




**March 2022
Rangitikei District**

QV Quotable Quote

Don't watch the clock; do what it does. Keep going.





QV Trivia

29'th of March, 1886, Coa-Cola was first Introduced to the world.

Revision Objections

Maintenance Objections

Revision Objections		Maintenance Objections	
DECISIONS ISSUED	OUTSTANDING	DECISIONS ISSUED	OUTSTANDING
<p>0 This Month</p> <hr/> <p>0 Since 1 July</p>	<p>Being Processed</p> <p>0</p> <hr/> <p>0 Lodged with LVT</p>	<p>0 This Month</p> <hr/> <p>0 Since 1 July</p>	<p>Being Processed</p> <p>1</p> <hr/> <p>0 Lodged with LVT</p>



9.4 HappyOrNot Report - April 2022**Author:** Carol Gordon, Group Manager - Democracy & Planning**Authoriser:** Carol Gordon, Group Manager - Democracy & Planning**1. Reason for Report**

- 1.1 To provide the Finance/Performance Committee with the regular monthly report from Council's HappyOrNot system.

2. Context

- 1.2 The report for the month of April 2022, showing results from over the four locations, is attached (Attachment 1).
- 1.3 139 responses were received during the month, this is an increase in the last few months, as Te Matapihi, Marton Library and Taihape Library / Information Centre were reopened. 91% of the feedback was very positive.

3. Decision Making Process

- 3.1 This item is not considered to be a significant decision according to the Council's Policy on Significance and Engagement.

Attachments

1. **April 2022 - Happy or not report** [↓](#)

Recommendation

That the HappyOrNot Report – April 2022 be received.

Monthly report April 2022	Management report RDC Offices (4 units)
-------------------------------------	---

Please rate our service today



85%
118 resp.



6%
8 resp.

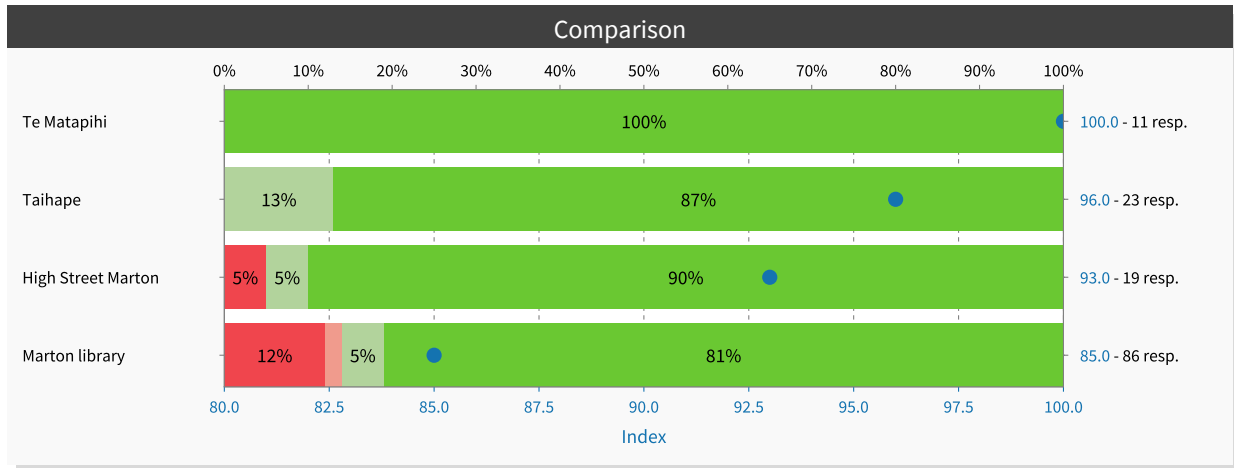


1%
2 resp.



8%
11 resp.

Index: 89.0
Responses: 139



Risers		
Survey	Index	Change
Marton library	85	100% ↑
Taihape	96	28% ↑
High Street Marton	93	8% ↑

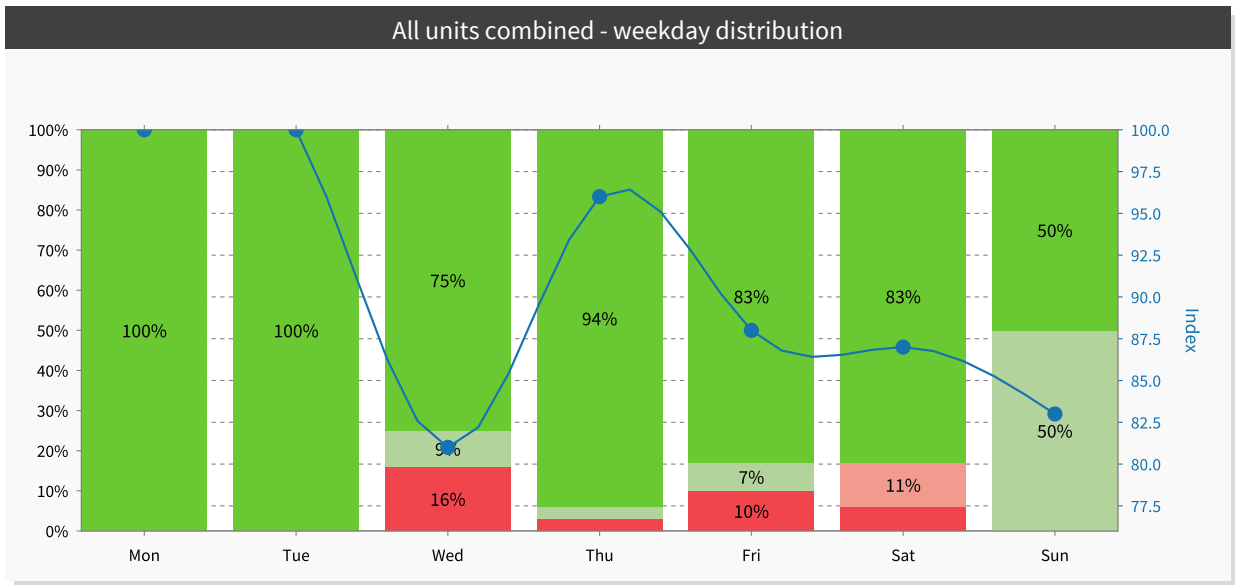
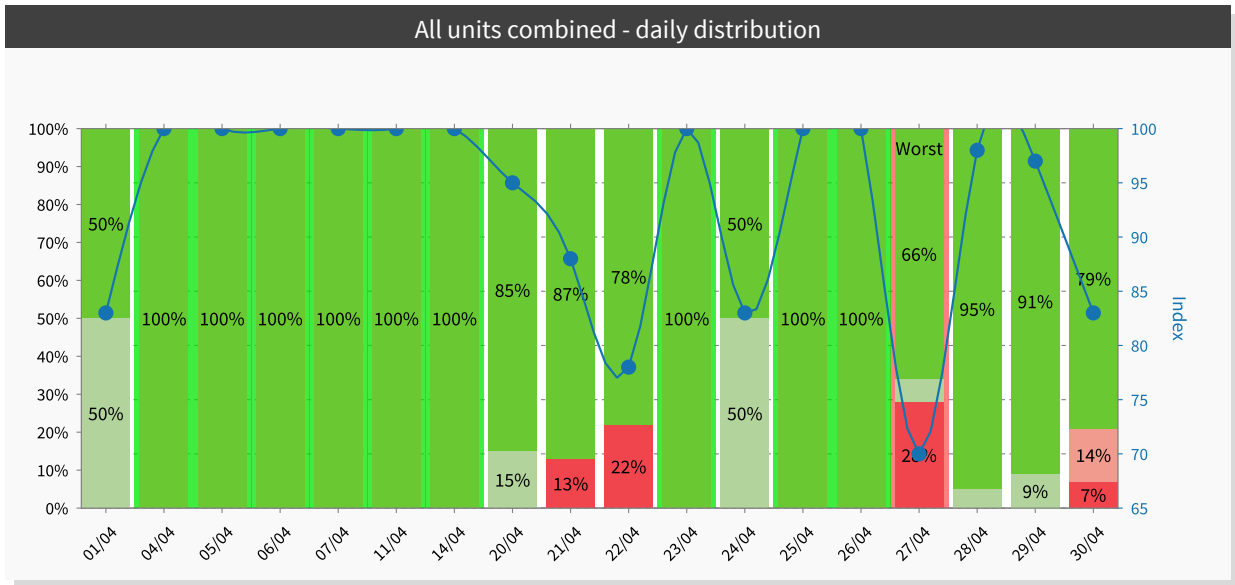
Fallers		
Survey	Index	Change
No degraded results found.		



ITEM 9.4 ATTACHMENT 1

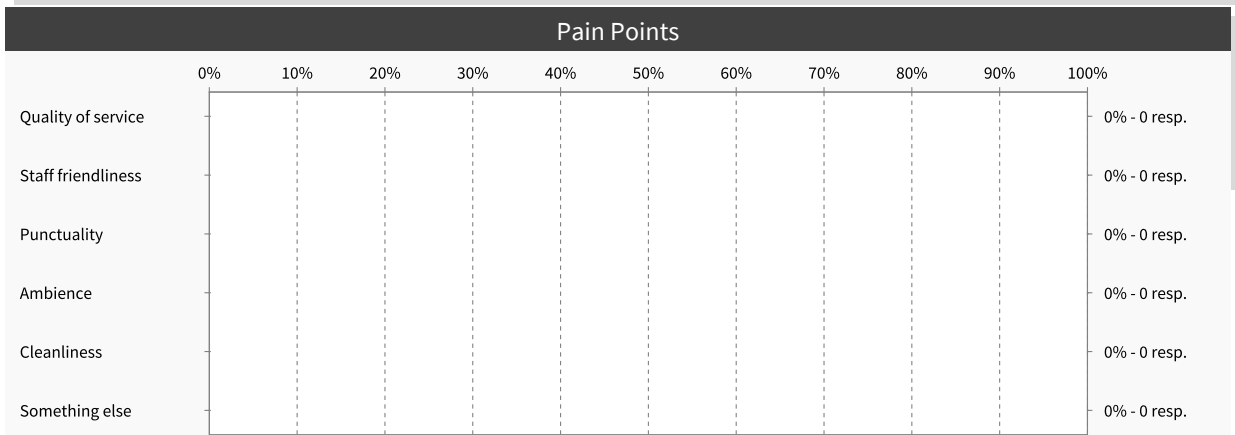
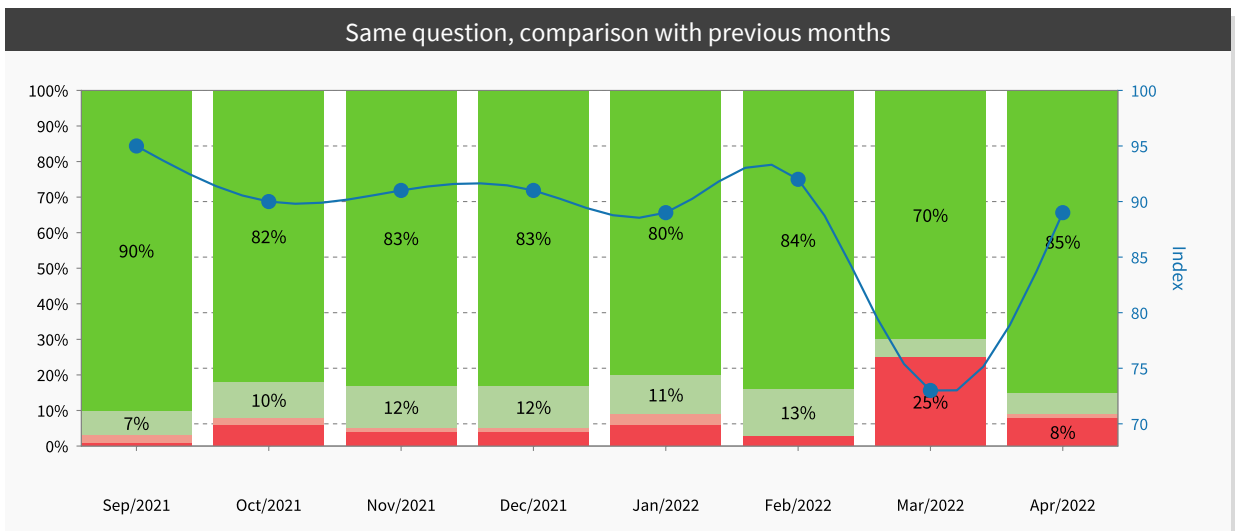
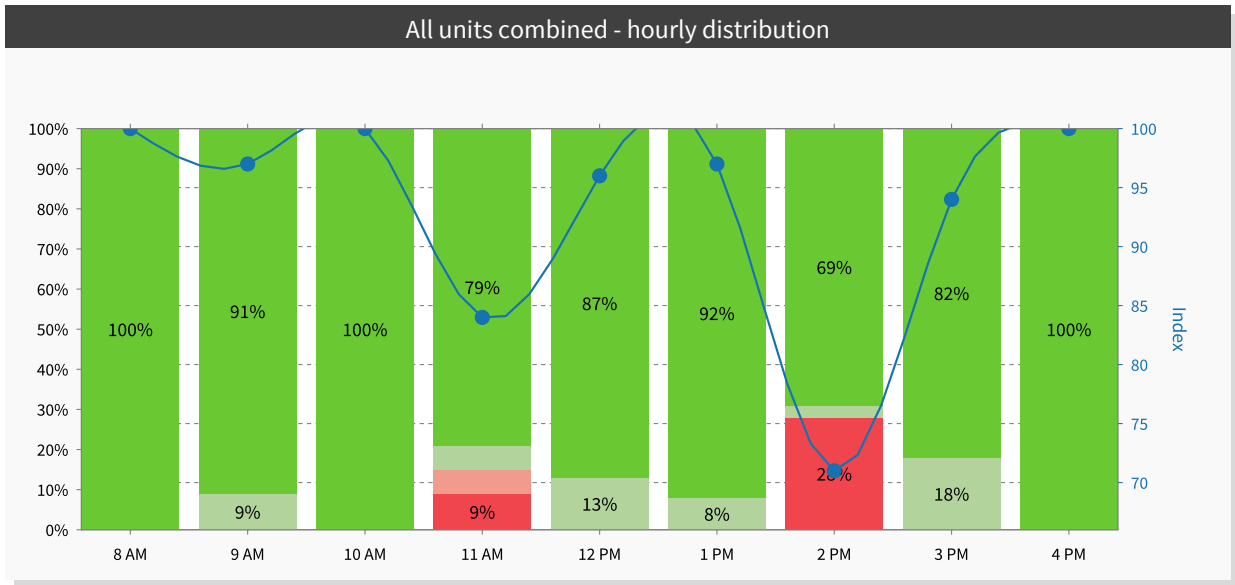
Monthly report
April 2022

Management report
RDC Offices (4 units)

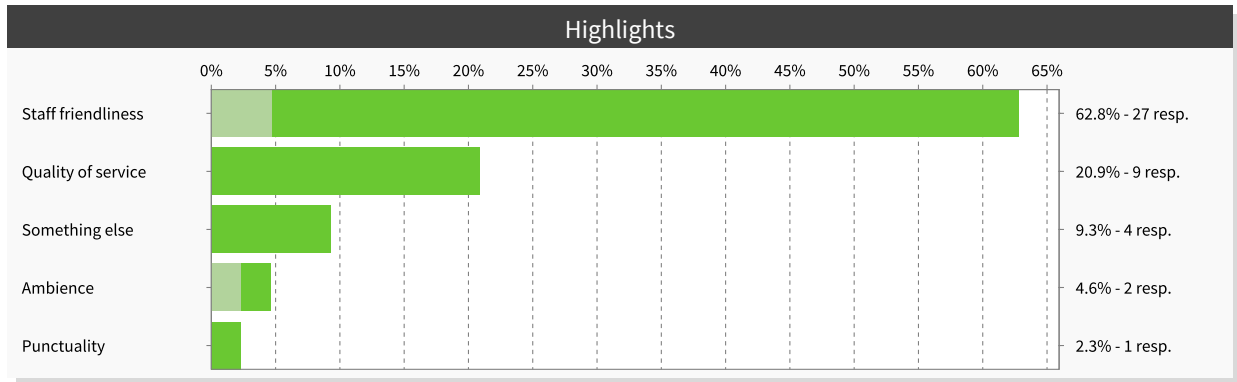


Monthly report
April 2022

Management report
RDC Offices (4 units)



Monthly report April 2022	Management report RDC Offices (4 units)
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<p>Monthly report April 2022</p>	<p>Management report RDC Offices (4 units)</p>
---	---

Please rate our service today

High Street Marton

	<p>2022-04-22 2:42 PM</p>	<p>Quality of service best place in nz</p>
	<p>2022-04-22 2:32 PM</p>	<p>Staff friendliness good</p>
	<p>2022-04-14 12:56 PM</p>	<p>Punctuality good</p>



10 Next Meeting

The next Finance/Performance Committee meeting is scheduled for 30 June 2022 at 9.00 am.

11 Meeting Closed