



RANGITIKEI
DISTRICT COUNCIL
Making this place home.

ORDER PAPER

FINANCE/PERFORMANCE COMMITTEE MEETING

Date: Thursday, 15 December 2022

Time: 9.30 am

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Chair: Cr Fi Dalgety

Deputy Chair: Cr Jeff Wong

Membership: Cr Simon Loudon
Cr Greg Maughan
Cr Brian Carter
Cr Jarrod Calkin
Cr Dave Wilson
Cr Gill Duncan
HWTM Andy Watson

For any enquiries regarding this agenda, please contact:

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Locations:	<table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <u>Marton</u> Head Office 46 High Street Marton </td> <td style="vertical-align: top; width: 50%;"> <u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls </td> </tr> <tr> <td colspan="2" style="text-align: center; padding-top: 20px;"> <u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape </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 102 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, 15 December 2022 at 9.30 am.

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AGENDA

1 Welcome / Prayer

2 Apologies

3 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 as a late item at this meeting.

6 Confirmation of Minutes

6.1 Confirmation of Minutes

Author: Kezia Spence, Governance Advisor

1. Reason for Report

- 1.1 The minutes from the Finance/Performance Committee Meeting held on 23 November 2022 are attached.

Attachments

1. **Finance/Performance Committee Meeting - 23 November 2022**

Recommendation

That the minutes of Finance/Performance Committee Meeting held on 23 November 2022 [**as amended/without amendment**] be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

MINUTES

ITEM 6.1

ATTACHMENT 1

UNCONFIRMED: FINANCE/PERFORMANCE COMMITTEE MEETING

Date: Wednesday, 23 November 2022

Time: 9.30 am

**Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton**

Present

- Cr Fi Dalgety
- Cr Jeff Wong
- Cr Brian Carter
- Cr Dave Wilson
- Cr Gill Duncan
- Cr Simon Loudon
- Cr Greg Maughan
- Cr Jarrod Calkin
- HWTM Andy Watson

In attendance

- Mr Peter Beggs, Chief Executive
- Mrs Carol Gordon, Group Manager - Democracy and Planning
- Ms Gaylene Prince, Group Manager - Community Services
- Mr Dave Tombs, Group Manager - Corporate Services
- Ms Kezia Spence, Governance Advisor
- Ms Hilary Walker, Management and Systems Accountant

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1 Welcome / Prayer

The meeting was opened at 9.30am. Cr Dalgety read the council prayer.

2 Apologies

Resolved minute number 22/FPE/100

Apologies be received from Cr Hiroa and Cr Calkin.

Cr D Wilson/HWTM A Watson. Carried

3 Public Forum

Nil.

4 Conflict of Interest Declarations

Nil.

5 Confirmation of Order of Business

The Draft 2021-22 Annual Report was tabled as a separate item.

6 Follow-up Action Items from Previous Meetings

6.1 Follow-up Action Items from Finance/Performance Meetings

Taken as read.

Resolved minute number 22/FPE/101

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

Cr G M Maughan/Cr G Duncan. Carried

7 Chair's Report

7.1 Chair's Report - November 2022

The Chair highlighted key areas of her report and acknowledged the workshop with Mr Philip Jones on Finances101.

Resolved minute number 22/FPE/102

That the Chair's Report – November 2022 be received.

Cr F Dalgety/Cr D Wilson. Carried

8 Reports for Information

8.1 Financial Snapshot - October 2022

Mr Tombs advised that Council assets are revalued every 3 years. The current status of the roading network shows a significant level of depreciation and this will show in an increase of depreciation as part of the annual plan. Everything else, except roading are in line with LTP.

Resolved minute number 22/FPE/103

That the report 'Financial Snapshot – October 2022' be received, noting that unbudgeted expenditure items are to be funded from either other capital budgets or unbudgeted debt.

Cr D Wilson/Cr G M Maughan. Carried

8.2 Quarterly Property Sales

There are differences between urban and rural property sales and this can impact the reporting.

Resolved minute number 22/FPE/104

That the report 'Quarterly Property Sales' be received.

Cr G Duncan/Cr J F Wong. Carried

8.3 Treasury and Debt - October 2022

A similar paper has gone to the Risk and Assurance Committee. Future papers will include predictions for 3 and 12 months. Current debt levels are manageable. Mr Tombs will introduce a new paper to the next Finance and Performance Committee meeting for consideration.

Resolved minute number 22/FPE/105

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

Cr B Carter/HWTM A Watson. Carried

Resolved minute number 22/FPE/106

Council notes in section 2.2 that explains why the Current Account balance as per the Treasury Management Policy has been exceeded.

HWTM A Watson/Cr B Carter. Carried

8.4 QV Monthly Report - September 2022

Mr Tombs will confirm if there are costs associated with the production of the report.

There is no overall change to the rating and there are no impact on the rates take, this report is only for Council information.

Resolved minute number 22/FPE/107

That the QV Monthly Report – September 2022 be received.

Cr G Duncan/Cr SL Loudon. Carried

8.5 Draft 2021/22 Annual Report

Mr Tombs advised the Annual Report requires a specialist auditor and because of a number of contributing factors this has caused a delay and it will not be presented to Council until 2023. This delay does not impact current decision making by Council.

Resolved minute number 22/FPE/108

That the Finance and Performance Committee receive the draft Annual Report 2021/22.

Cr B Carter/Cr G Duncan. Carried

8.6 Public Feedback to Council - October 2022

Mrs Gordon answered questions on the report noting that when a request comes into Council an automatic response is sent, giving a timeframe for any required response.

Resolved minute number 22/FPE/109

That the Public Feedback to Council Report – October 2022 be received.

Cr G M Maughan/Cr J F Wong. Carried

The meeting closed at 10.21am.

The minutes of this meeting were confirmed at the Finance/Performance Committee held on 15 December 2022.

.....
Chairperson

UNCONFIRMED

7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Finance/Performance Meetings

Author: **Kezia Spence, Governance Advisor**

ITEM 7.1

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 Action Items from Finance/Performance Meetings** [↓](#)

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	23-Nov-22	Dave to provide a new report to next meeting re 3 waters impact	Dave Tombs	Report included	Closed
2	23-Nov-22	is there a cost to providing the QV monthly report to us?	Dave Tombs	QV advised that there is no fee for their report	Closed

ITEM 7.1 ATTACHMENT 1

8 Chair's Report

8.1 Chair's Report-December 2022

Author: **Fiona (Fi) Dalgety, Councillor**

ITEM 8.1

1. Reason for Report

What's keeping me awake at night.

Just yesterday in a workshop setting we were reminded of the importance of considering CONTEXT when thinking about the strategic outcomes we want to achieve.

In the furore of the election process, I definitely got excited – this has to be a triennium focused on delivery – we just can't keep kicking the can down the road – yet here we are a mere two months later and "BOOM" we're being constantly reminded of the huge inflationary pressures we are facing eg Rooding costs up 30-40% with no expected increase in funding from Waka Kotahi in the next three years; "BOOM" project delays from supply chain issues; "BOOM" enormous pressure on staff amidst capacity challenges and scope adjustments. All while needing to decarbonize the organisation and think through what life will look like when we're no longer responsible for Three Waters. BOOM – BOOM – BOOM! Hence a new regular report, 'Future Treasury Position' is now being presented to the Committee. Thank you to staff for this work.

I believe it is vital we work hard on establishing strong genuine relationships with organisations we need to partner with – such as Central Government, Iwi and others – to help get the delivery we desire.

Meanwhile our ratepayers are facing a 'cost of living crisis', with some mortgage rates now reaching double figures, we need to be mindful of producing a resilient and achievable Annual Plan with rates affordability being top of mind.

Hence in my view, the necessity to grow our District, our rating base and spread the rating burden.

I wish everyone a safe and happy Holiday Season and look forward to debating some of these challenges in what will undoubtedly be a busy New Year.

Recommendation

That the Chair's Report – December 2022 be received

9 Reports for Information

9.1 Financial Snapshot - November 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.
- 2.2 The 2022/23 full year budgets incorporate the amendments approved at Council Meeting 29 September 2022.

3. Capital Expenditure

Year To Date Summary

- 3.1 Capital expenditure is \$6.4m compared to the full year budget of \$34.5m. The attached summary shows the budget variances split by cost centre with the larger budgets (>\$500k) being shown separately.
- 3.2 'Gross proceeds of sale' of \$1.1m has been received from the sale of Bridge Street, 15 & 105 High Street and Froad Street properties:
 - i. This \$1.1m will decrease once the book value of these assets is netted off against this amount.
 - ii. Without this figure being included, YTD Capital Expenditure would be \$7.5m.
 - iii. This 'gross proceeds of sale' was planned to help offset the costs associated with the construction of Te Mataphi.

4. Funding of Unbudgeted Expenditure

- 4.1 The Capital Expenditure Attachment includes the following unbudgeted expenditure items:
 - Emergency Works 2022 \$1.15m: This relates to work undertaken on the 2021/22 emergency works. 84% of this will be funded by FAR with the balance (\$184k) will either be debt funded or offset against underspends in other project budgets. This amount is expected to increase throughout the financial year as work is directed to addressing the major weather events that occurred in 2021/22. Where the volume of Emergency Works is significant it *may* result in a deferral of other budgeted Roading projects.

ITEM 9.1

Attachments:

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

Recommendation

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

**Whole of Council
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
	\$000	\$000	\$000		\$000
Total Revenue	(20,952)	(19,626)	1,325	7%	(48,617)
Subsidies and Grants	(5,956)	(4,707)	1,249	27%	(17,299)
Other Revenue	(1,599)	(1,743)	(144)	-8%	(3,897)
Finance Revenue	(140)	(17)	123	738%	(41)
Gains	0	0	0	0%	(840)
Rates	(13,257)	(13,159)	97	1%	(26,541)
Total Expense	17,569	18,184	614	3%	45,734
Other Expenses	8,018	8,423	404	5%	22,850
Personnel Costs	3,240	3,158	(81)	-3%	7,298
Finance Costs	220	376	156	42%	752
Depreciation	6,092	6,227	135	2%	14,834
Overhead Allocation	0	(0)	0	0%	0
Grand Total	(3,382)	(1,442)	1,940		(2,883)

Variances > \$100k: Comments

Provided on following pages.

Business Units
Activity Performance Report
For the period ending November 2022

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(166)	19	185	972%	(790)
Subsidies and Grants	(47)	(46)	1	2%	(47)
Other Revenue	(5)	(5)	(1)	-15%	(23)
Finance Revenue	(140)	(17)	123	738%	(41)
Gains	0	0	0	0%	(840)
Rates	(4,102)	(4,003)	99	2%	(8,018)
Rate Apportionment	4,127	4,089	(38)	-1%	8,179
Total Expense	274	632	358	57%	276
Other Expenses	1,418	1,396	(22)	-2%	3,525
Personnel Costs	2,577	2,602	25	1%	5,985
Finance Costs	220	376	156	42%	(140)
Depreciation	234	272	37	14%	541
Overhead Allocation	(4,176)	(4,015)	161	4%	(9,635)
Grand Total	108	651	542		(514)

Variances > \$100k: Comments

Finance Revenue	The variance is caused by higher than anticipated interest rates and bank balances.
Finance Costs	The variance is caused by lower than budgeted debt levels.
Overhead Allocation	Timing difference: variance relates to expenses being allocated ahead of budget.

Community and Leisure Assets
Activity Performance Report
For the period ending November 2022

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(2,310)	(2,342)	(32)	-1%	(4,857)
Subsidies and Grants	0	(21)	(21)	-100%	(57)
Other Revenue	(310)	(350)	(40)	-11%	(857)
Rate Apportionment	(2,000)	(1,971)	28	1%	(3,943)
Total Expense	2,141	2,299	158	7%	6,334
Other Expenses	956	1,018	61	6%	3,046
Personnel Costs	44	36	(8)	-24%	84
Finance Costs	0	0	0	0%	215
Depreciation	601	720	119	17%	1,728
Overhead Allocation	540	526	(14)	-3%	1,261
Grand Total	(168)	(43)	126		1,477

Variances > \$100k: Comments

**Community Leadership
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(718)	(706)	12	2%	(1,467)
Other Revenue	0	0	0	0%	(55)
Rates	(42)	(42)	(0)	-1%	(84)
Rate Apportionment	(677)	(664)	13	2%	(1,328)
Total Expense	672	666	(6)	-1%	1,507
Other Expenses	392	394	2	0%	853
Depreciation	0	1	1	100%	2
Overhead Allocation	280	272	(8)	-3%	652
Grand Total	(46)	(40)	7		40

Variances > \$100k: Comments

**Community Wellbeing
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(712)	(694)	19	3%	(1,266)
Subsidies and Grants	(252)	(260)	(8)	-3%	(395)
Other Revenue	(23)	(6)	18	314%	(13)
Rate Apportionment	(438)	(429)	9	2%	(857)
Total Expense	775	800	25	3%	1,842
Other Expenses	426	547	121	22%	1,237
Personnel Costs	135	39	(96)	-249%	91
Depreciation	2	4	2	49%	10
Overhead Allocation	212	210	(2)	-1%	505
Grand Total	62	106	43		577

Variances > \$100k: Comments

Other Expenses

District Promotions Strategy has a YTD Budget in Other Expenses of \$75k and associated expenditure of \$0k. This budget is being used to fund the Personnel Costs related with this initiative which results in the apparent overspend of \$96k in Personnel Costs

**Environmental and Regulatory
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(1,743)	(1,735)	8	0%	(3,757)
Subsidies and Grants	0	0	0	0%	(302)
Other Revenue	(879)	(858)	21	2%	(1,700)
Rate Apportionment	(864)	(877)	(13)	-2%	(1,754)
Total Expense	1,431	1,398	(33)	-2%	3,616
Other Expenses	199	247	48	19%	873
Personnel Costs	484	482	(2)	-0%	1,138
Overhead Allocation	748	669	(79)	-12%	1,606
Grand Total	(312)	(337)	(25)		(140)

Variances > \$100k: Comments

**Roading and Footpaths
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(9,183)	(7,971)	1,212	15%	(24,182)
Subsidies and Grants	(5,087)	(3,902)	1,186	30%	(16,018)
Other Revenue	(54)	(63)	(10)	-15%	(152)
Rates	(3,970)	(3,935)	36	1%	(7,869)
Rate Apportionment	(72)	(71)	1	1%	(143)
Total Expense	7,539	7,577	38	1%	19,908
Other Expenses	2,456	2,525	69	3%	7,680
Finance Costs	0	0	0	0%	104
Depreciation	3,672	3,669	(2)	-0%	8,806
Overhead Allocation	1,411	1,383	(28)	-2%	3,318
Grand Total	(1,645)	(394)	1,251		(4,274)

Variances > \$100k: Comments

Subsidies and Grants

Timing difference: the variance relates to work being completed ahead of budget (note the November figure is 'indicative' as the month's amount has not yet been finalised).

**Rubbish and Recycling
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(882)	(966)	(83)	-9%	(2,075)
Other Revenue	(298)	(387)	(89)	-23%	(919)
Rates	(507)	(501)	5	1%	(1,003)
Rate Apportionment	(78)	(77)	1	1%	(154)
Total Expense	811	856	45	5%	2,260
Other Expenses	594	664	70	11%	1,797
Finance Costs	0	0	0	0%	2
Depreciation	47	28	(19)	-69%	66
Overhead Allocation	170	164	(6)	-4%	394
Grand Total	(71)	(109)	(38)		184

Variances > \$100k: Comments

**Water, Sewerage & Stormwater
Activity Performance Report
For the period ending November 2022**

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
Total Revenue	(5,237)	(5,232)	5	0%	(10,223)
Subsidies and Grants	(570)	(479)	91	19%	(479)
Other Revenue	(31)	(74)	(44)	-59%	(178)
Rates	(4,636)	(4,679)	(43)	-1%	(9,566)
Total Expense	3,927	3,956	30	1%	9,990
Other Expenses	1,575	1,632	56	3%	3,839
Finance Costs	0	0	0	0%	572
Depreciation	1,536	1,534	(2)	-0%	3,681
Overhead Allocation	816	791	(24)	-3%	1,899
Grand Total	(1,310)	(1,276)	35		(233)

Variances > \$100k: Comments

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

Whole of Council	YTD Actuals	YTD Budgets	Full Year Budget	Comments
	6,427,073	10,474,918	34,575,540	

Business Units	YTD Actuals	YTD Budgets	Full Year Budget	Comments
	181,301	191,617	1,795,083	
95500701. Motor Vehicle Purchases (dr)	990	0	500,001	Procurement of vehicles is in underway.

Community and Leisure Assets	YTD Actuals	YTD Budgets	Full Year Budget	Comments
	365,594	1,607,283	6,575,714	
Proceeds on disposal of Properties	(1,093,522)			This will be reduced once the value of the Properties disposed of are netted off.
4410170611. Taihape Amenities Detailed Design Construction bf from 20/21	717,763	231,397	535,995	Detailed report provided separately to Council as part of PMO Reporting
4410174501. Taihape Amenities Detailed Design & Construction	0	362,500	2,900,004	Detailed report provided separately to Council as part of PMO Reporting

Roading and Footpaths	YTD Actuals	YTD Budgets	Full Year Budget	Comments
	3,006,679	3,106,571	15,078,056	
70100745. Marton Rail Hub	413,466	1,169,444	2,900,000	Detailed report provided separately to Council as part of PMO Reporting
70100781. Sealed Road Pavement Rehabilitation	78,383	167,350	824,100	Programmed for September to April, subject to weather and road temperature.
70100782. Drainage Renewals	65,580	133,100	618,600	Progressing as planned with the bulk of the physical work being in February and March.
70100783. Structures Components Replacements	86,338	189,363	597,816	Network bridge corrosion and asset assessments underway.
70100787. Sealed Road Surfacing	59,550	182,514	915,084	Programmes is due to start January, due to weather and road temperature.
70100795. Improvements- Low Cost Low Risk	373,854	700,000	7,341,936	The work programme increases from October to March, highlighting the bulk of the expenditure.
70100797. Emergency Works 2022	1,147,389	0	0	Unbudgeted expenditure. This relates to work undertaken on emergency works of 2021/22. 84% of this will be funded by FAR, the remaining will be either debt funded or offset against underspends in other projects.
7030076106. Subdivisional Roads - Construction	240,000	42,960	103,104	Purchase of land, Henderson's Line - Lot 2, for future road connectivity to future developments north of the subdivision site as advised in Council Paper in May 2022.

Water, Sewerage & Stormwater	YTD Actuals	YTD Budgets	Full Year Budget	Comments
	2,873,499	5,569,447	11,126,687	
6060174501. 117.1: New Plant	12,590	208,335	500,004	Detailed report provided separately to Council as part of PMO Reporting
6060174503. Marton New Bore	558,893	561,112	2,000,004	Detailed report provided separately to Council as part of PMO Reporting
6070176204. 52: Wastewater Reticulation - Renewals	6,942	341,816	698,172	Detailed report provided separately to Council as part of PMO Reporting
6070176206. Marton to Bulls Centralisation Project	851,445	866,666	999,998	Detailed report provided separately to Council as part of PMO Reporting
6070176207. Land Purchase - Marton to Bulls Centralisation Project	0	1,200,000	1,200,000	Detailed report provided separately to Council as part of PMO Reporting
6070177109. Taihape / Papakai Wastewater Pump Station	9,107	453,770	1,068,741	Detailed report provided separately to Council as part of PMO Reporting
6070177111. Ratana Complete Upgrade	103,148	732,664	1,750,695	Detailed report provided separately to Council as part of PMO Reporting

9.2 Future Treasury Position

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Peter Beggs, Chief Executive

1. Reason for Report

- 1.1 Officers currently provide the Finance/Performance Committee with a monthly report focussing on Council's **current actual** Treasury Position.
- 1.2 Council's **future budgeted** Treasury Position is included in the LTP and Officers wish to provide some commentary regarding known impacts on the future budgeted Treasury Position.
- 1.3 This report:
 - is intended to be a standing item to Finance/Performance Committee, providing commentary regarding future Treasury figures based on 'what we currently know'; and
 - sets the scene for future reports, with updates being included to reflect various scenarios.

2. Introduction : Future Treasury Position

- 2.1 It is generally recognised that :
 - the Three Waters reforms will have a major impact on Council's future budgeted Treasury position (as per the LTP) and that the exact impact of these reforms will not be known for some time; and
 - unforeseen events can also have an impact on budgeted Treasury figures; and
 - delays in capital programs can have an impact on future budgeted Treasury figures.
- 2.2 These matters are discussed below.

3. Three Water Reforms : Overview

- 3.1 Primarily, the Three Waters reforms will have the biggest impact on Council's LTP financial figures in the following areas:

Balanced Budget Impact

- Rates income
- Direct operating expenses
- Depreciation

Other

- Debt/Treasury
- Transition funding received

3.2 This report provides initial commentary on each of these topics, for information and to help identify which areas may require further analysis/commentary.

4. Three Water Reforms : Balanced Budget Impact

Rates Income

4.1 Council's LTP includes Rates Income, for Year 4 (2024/25), is as follows:

- Whole-of-Council (page 119) \$30.08m
- Water Supply Group (page 70) \$6.98m
- Wastewater Group (page 76) \$2.99m
- Stormwater Group (page 82) \$0.77m

4.2 These figures provide a total Three Waters related LTP Rates Income figure for 2024/25 of \$10.74m.

4.3 Accordingly, the removal of the Three Waters related Rates Income in 2024/25 would reduce Council's LTP Rates Income by \$10.74m, resulting in a reduced rates income figure of \$19.34m.

4.4 The LTP also includes \$186k of Fees and Charges for the Three Waters Groups in 2024/25 that are now not expected to be received.

Direct Operating Expenses

4.5 Council's LTP includes Direct Operating Expenses, for Year 4 (2024/25), as follows (same page numbers as indicated above):

- Whole-of-Council \$20.76m
- Water Supply Group \$2.46m
- Wastewater Group \$0.85m
- Stormwater Group \$0.10m

4.6 These figures provide a total Three Waters related LTP Operating Expense figure for 2024/25 of \$3.41m.

4.7 Accordingly, the removal of the Three Waters related Direct Operating Expenses would reduce Council's LTP Direct Operating Expenses in 2024/25 by \$3.41m, resulting in a reduced figure of \$17.35m.

4.8 The LTP also includes \$1.52m of Finance Costs for the Three Waters Groups in 2024/25 that are now not expected to be incurred.

Depreciation

4.9 Council's LTP includes Depreciation costs, for Year 4 (2024/25), as follows (same page numbers as indicated above):

- Whole-of-Council \$17.07m
- Water Supply Group \$2.34m
- Wastewater Group \$1.69m
- Stormwater Group \$0.45m

4.10 These figures provide a total Three Waters related LTP Depreciation figure for 2024/25 of \$4.48m.

4.11 Accordingly, the removal of the Three Waters related Depreciation costs would reduce Council's LTP Depreciation in 2024/25 by \$4.48m, resulting in a reduced figure of \$12.59m.

Summary : Balanced Budget Impact

4.12 Sections 4.3 and 4.4 of this report show, as a result of the removal of Three Waters related income and based on LTP figures, Council would incur a reduction of Income in 2024/25 of \$10.93m.

4.13 Sections 4.7, 4.8 and 4.11 of this report show, as a result of the removal of Three Waters related expenditure and based on LTP figures, Council would incur a reduction of Operating Expenditure in 2024/25 of \$9.41m.

4.14 Sections 4.12 and 4.13 show that the removal of Three Waters from Council's 2024/25 LTP Operating Statement has in a negative *direct* impact of \$1.52m.

Important : Additional Commentary

4.15 Officers acknowledge that:

- indirect cost savings may arise from the removal of the Three Waters activities, most obviously in some of the Business Unit activities. Such savings are in the process of being determined; and
- the above analysis is provided to help set the scene for ongoing discussion – it is *not* intended to represent a final overview of the financial impact of the Three Water reforms to Council. Further commentary, including reviews of strategies to address 'stranded overheads', will be provided to the Finance/Performance Committee throughout the build-up to the Three Waters reforms.

5. Three Water Reforms : Treasury Impact

Debt : June 2024

5.1 Council's 2020/21 Annual Report includes the following debt levels for the Three Waters Groups at June 2021:

- | | |
|--------------------------|---------|
| • Water Supply (page 36) | \$17.3m |
| • Wastewater (page 41) | \$3.9m |
| • Stormwater (page 46) | \$0.9m |
| • Total | \$22.1m |

5.2 Council's LTP shows that for the following three years, these debt levels were expected to increase by:

- | | |
|---|---------|
| • Water Supply (page 70 : (-1.1m+3.8m+3.4m) | \$6.1m |
| • Wastewater (page 76) : (9.6m+6.3m+7.4m) | \$23.3m |
| • Stormwater (page 82) : (0.4m+0.1m+0.1m) | \$0.6m |
| • Total | \$30.0m |

- 5.3 This provides a notional Three Water debt figure as at June 2024 (which is Year 3 of the LTP), based on LTP figures, of \$52.1m

Note : these Debt figures are 'bottom line'. Rates will have been charged in relation to the Depreciation of existing water assets that has not yet been spent. If this figure was shown separately, the \$52.1m figure above would increase by the same amount.

- 5.4 Council's LTP shows a Whole of Council budgeted Debt figure at June 2024 of \$67.3m (page 120).
- 5.5 Accordingly, should Council be repaid the Three Water related Debt, Council's notional/LTP Debt figure at June 2024 could reduce from \$67.3m to \$15.2m.
- 5.6 Officers emphasise that this analysis simply removes budgeted Three Waters debt from the overall total to help set the scene, and emphasise that this is not a predicted level of debt.

Debt : LTP

- 5.7 Council's LTP shows that its peak debt over the course of the LTP is \$71m in years 5 and 6 of the LTP, of which \$46m is related to Three Waters.
- 5.8 This indicates that Council is budgeted to have non Three Waters Related Debt of \$25m at, say, the end of Year 5 of the LTP (2025/26).
- 5.9 Applying this level of debt to Council's four borrowing covenants indicates that a debt level of \$25m would be comfortably within Council's borrowing capacity (the borrowing covenants are not currently expected to change as a result of the Three Waters reforms):
- 5.10 Covenant 1 : Net Interest/Total Revenue must **not exceed 20%**
- Net Interest (assume interest rate of 5.5%; ignore interest received) \$1.4m
 - Total Revenue (48.6m-7.7m-3.4m-0.9m) \$36.0m
 - Net Interest/Total Revenue **3.9%**
- 5.11 Covenant 2 : Net Interest/Annual Rates Revenue must **not exceed 25%**
- Net Interest \$1.4m
 - Total Revenue (32.8m-7.6m-3.3m-0.8m) \$21.1m
 - Net Interest/Total Revenue **6.7%**
- 5.12 Covenant 3 : Net Debt/Total Revenue must **not exceed 175%**
- Net Debt (assume \$5m in Bank) \$20m
 - Total Revenue (as above) \$36m
 - Net Interest/Total Revenue **55%**
- 5.13 Covenant 4 : External Debt Plus Bank/External Debt must be **greater than 110%**
- External Debt \$25m
 - Bank \$5m
 - External Debt Plus Bank/External Debt **125%**

- 5.14 The analysis in Sections 5.11 to 5.14 is not designed to represent predicted balances as at June 2025. This analysis is intended to provide a sensitivity analysis to see – notionally – the potential impact of Three Waters on Council’s future debt levels as per the LTP.
- 5.15 This sensitivity analysis suggests that the amended budget numbers provide sufficient headroom for future budgeted debt levels.

6. Three Waters Reforms : Transition Funding

- 6.1 Since the announcement of the Three Waters reforms Council has been advised of various new Funding Streams associated with the reforms – these are not included in the LTP.
- 6.2 Council will receive \$13.3m in ‘Better Off’ funding in two tranches, between July 2022 and June/July 2024. These funds are to be used for non BAU purposes, for the long term wellbeing of the community. Tranche 1 funding (\$3.3m) is currently being confirmed.
- 6.3 Council are likely to be eligible to receive funding from the ‘No Worse Off’ program, which has a national funding amount of \$0.5b. Details of this program are still being finalised but it is thought that these funds will need to be spent during 2024/25. The formula being developed to determine how much each Council will receive is thought to include to the level of stranded overheads Councils will have after the reforms.
- 6.4 Council have been approved up to \$353k of Transition Funding in 2022/23 to assist with costs associated with the information gathering that is required to enable the reforms to proceed.

7. Other

Capital Program

- 7.1 Council’s capital program is under constant review. Like every council, variances will arise between Council’s budgeted capital program and its actual capital program for a number of reasons, including:
- Delays in completing capital projects; and
 - Scope creep and/or cost escalation with some projects; and
 - Unforeseen projects becoming necessary
- 7.2 These matters:
- all have an impact on Council’s future Treasury/Debt position; and
 - are reported to Council each month (the PMO Report).
- 7.3 Officers note that the capital program for 2022/23 is \$34.5m, which was reduced from the Annual Plan figure of \$50m as a result of deferring some budgets (\$15.5m) to 2023/24. Other deferrals to the capital programme for roading are anticipated and are to be reported to Council separately.
- 7.4 Page 75 of the 2022/23 Annual Plan shows that the initial capital program budget of \$50m would have increased Council’s budgeted Debt figure in 2022/23 by \$28.7m. Reducing this capital program figure by the \$15.5m of deferred projects would, at a high level, defer the increase in debt to a future year. In itself, this would not result in an increase in overall debt or directly cause any debt related issues.

- 7.5 Officers continue to monitor the impact of any capital project that requires a significant increase in its budget.

Balanced Budget

- 7.6 Officers advise that numerous Operating Expenses are subject to inflationary pressures greater than the figures used in the LTP. This puts pressure on Council's ability to provide a balanced budget and may require a greater volume of future Operating Expenses to be debt funded.
- 7.7 Officers are currently reviewing such pressures as part of its 2023/24 Annual Plan.

8. Impact on Strategic Risks

- 8.1 The impact of the Three Waters reforms has the potential to impact on most, if not all, of Council's Strategic Risks. Officers are assessing these impacts.
- 8.2 The other financial aspects of this report directly relate to the '*Financial Stability Is Lost*' Strategic Risk. Officers are conducting the ongoing analyses summarised in this report to help mitigate the potential impact on this Risk.

9. Mana whenua implications

- 9.1 The impact of the Three Waters reforms has the potential to have mana whenua implications. Officers continue to monitor these implications.

10. Other

- 10.1 Officers have attached a Presentation of these (and other) Three Waters related matters that were discussed in September 2022, for general information.

Attachments:

1. **3W Presentation** [↓](#)

Recommendation

That the report Future Treasury Position be received.

Three Water Reforms Financial Impact



Introduction



Three Water Reforms – Financial Impact Summary

Many unknowns at this stage:

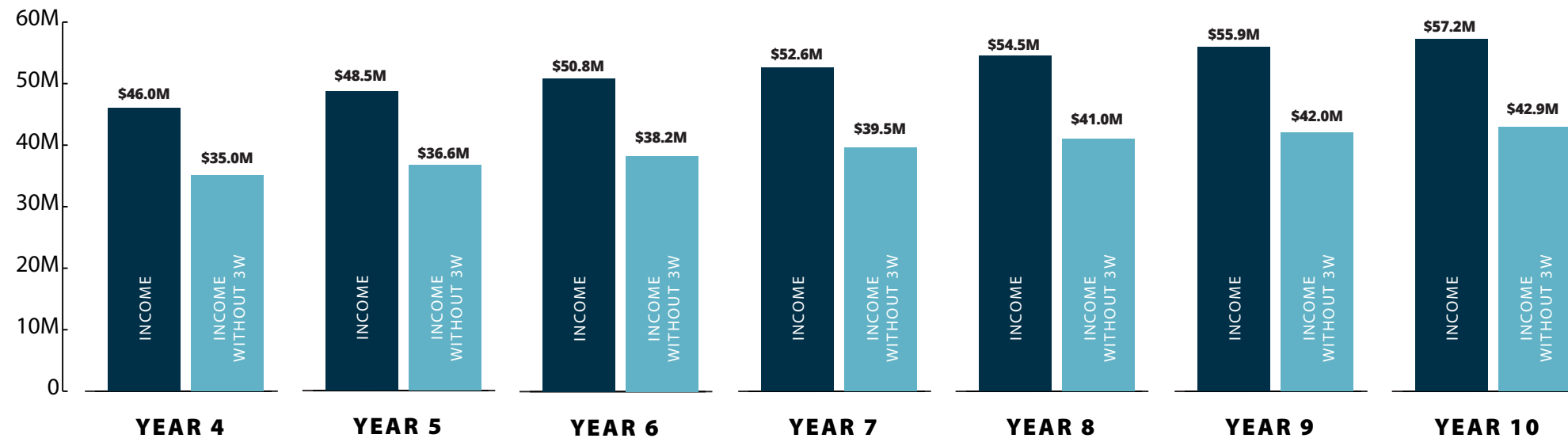
- Likely to be more questions than answers at the moment
- Not expected to be perfect on Day One

Not intended to be a Forecast:

- simply an analysis of LTP Figures

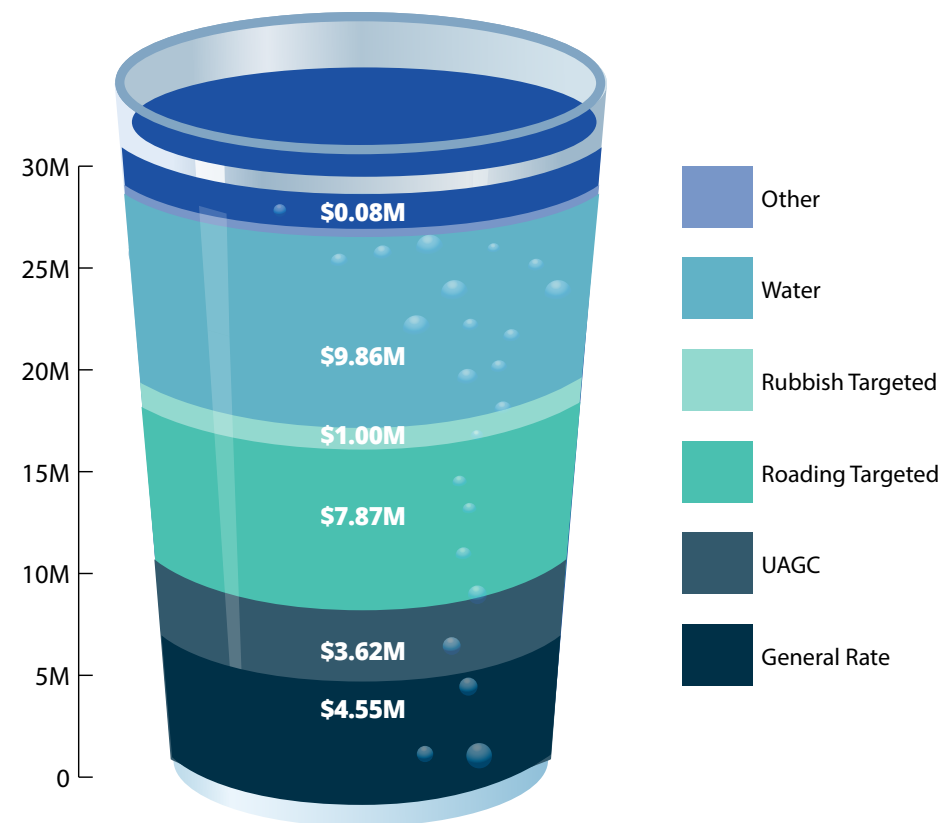
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Income Impact



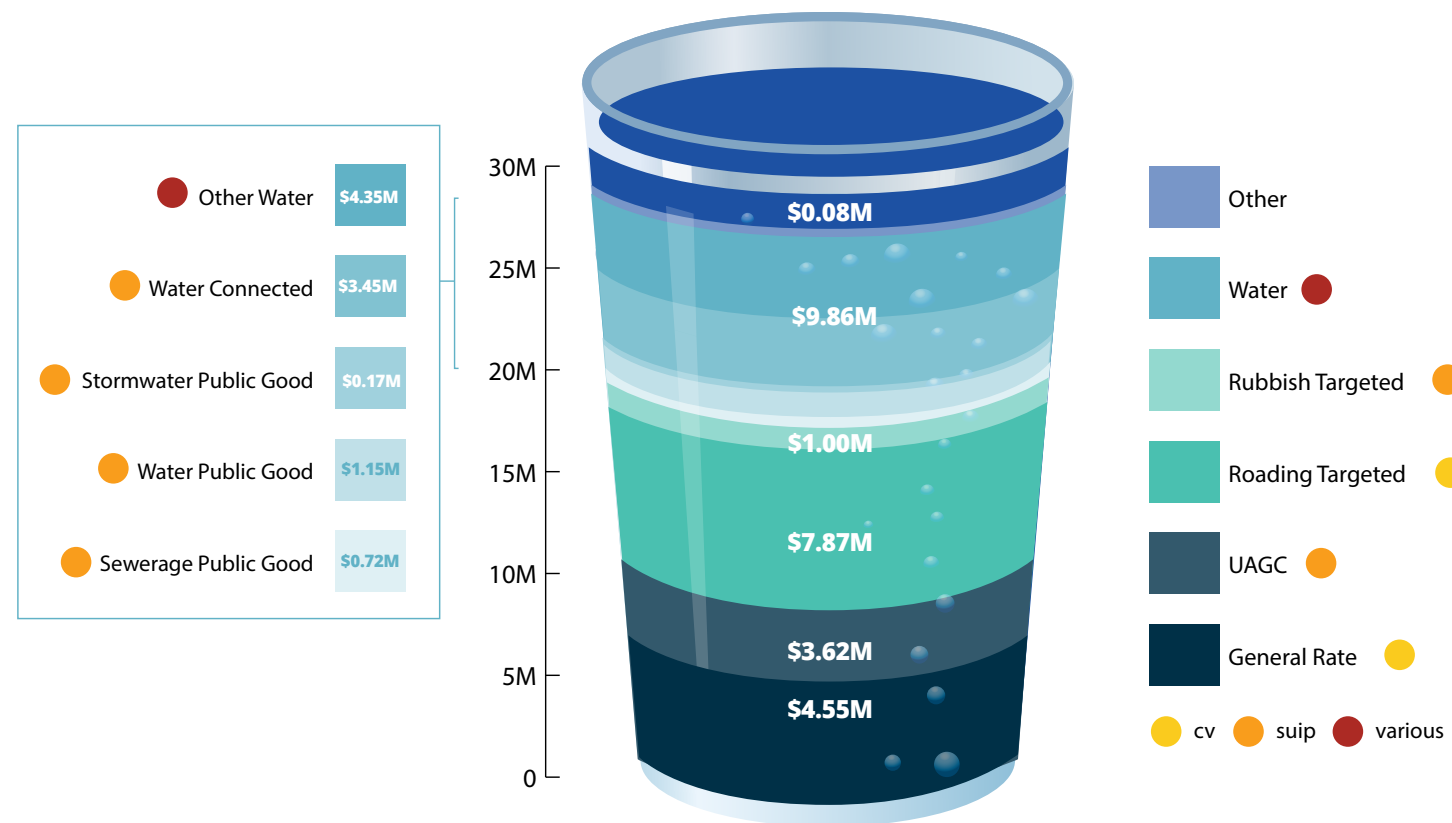
Rates Considerations

Rates Summary 2022/23: \$27M



Rates Considerations

Further Analysis



Rates Considerations

Rating Act S21: SUIP based income, excluding Water Supply and Sewage Disposal must not exceed 30% of total rate income



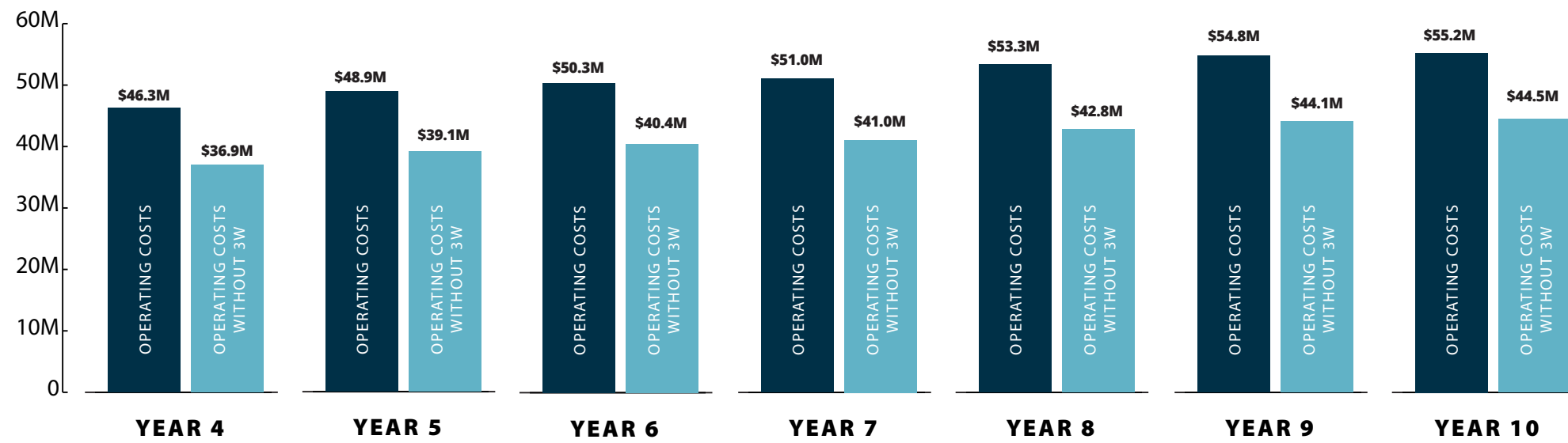
We are currently 18% (\$4.8m)



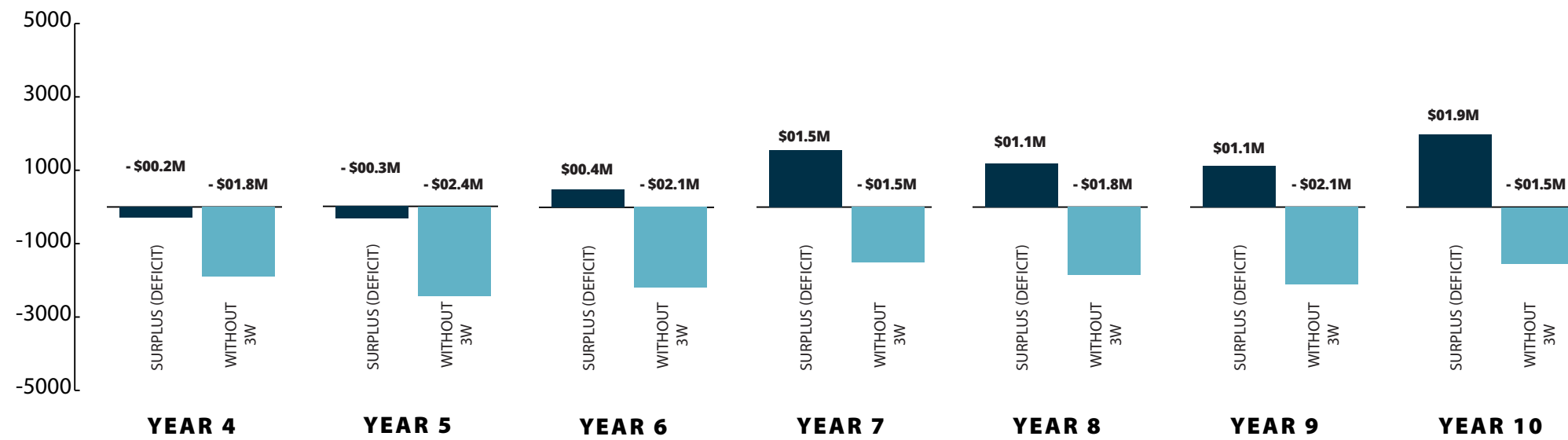
'Merge' in 3 water public goods
this becomes 25%
(means \$2m of **'water rates'**
become UAGC)

6

Expense Considerations



Balanced Budget Impact



Debt Impact



Assuming we are repaid our 'book 3W debt' our 'new' LTP Debt levels (years 4 to 8) : \$17m to \$27m

Covenant 1:

Debt must be < 175% of Total Revenue
 - Revenue \$35m provides Debt Ceiling of \$60m

Covenant 2:

Net Interest/Rates Income must be < 25%
 - Rates Income (assume no change to 3W rates) = \$17m
 - Max Interest = \$4.25m
 - Assume interest rate 6% provides Debt Ceiling of \$70m

Transition Funding



No Better Off
\$13.3m (2 tranches: 2022 and 2024)



No Worse Off
(due 2024/25; details not finalised:
around \$5m?)



\$353k for 'office support' (2022/23)

Other: Consent Costs



Accounting Standard: Consent Costs can be capitalised

Costs of PPE includes costs directly attributable to bringing the asset to the necessary condition/location for it to be capable of operating in the manner intended

Directly attributable includes professional fees

11



Ngā mihi, thank you



9.3 Treasury and Debt - November 2022**Author:** Sam Zhang, 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 current Treasury and Debt position.
- 1.2 A separate paper has been prepared to provide a similar overview based on future scenarios.

2. Discussion

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

Investments

- 2.2 As stated in a previous month's report, Council currently earns a higher interest rate on its Current Account than it would earn on term deposits (upto 180 days). Accordingly, Council's Current Account balance (\$11.2m at the end of November) exceeds the limit recommended in our Treasury Management Policy (\$3m).

Council has no other significant financial investments.

Liquidity

- 2.3 As at 30 November 2022 Council had a strong liquidity position as shown below:

2.3.1 Treasury Assets

- | | |
|-----------------|------------------------|
| • Bank/Deposits | \$11.26 million |
| • Receivables | \$1.83 million |
| • Prepayments | \$0.58 million |
| • Total | \$13.67 million |

(Note : Receivables figures includes an estimate of Waka Kotahi claim and will differ from the final month-end figure)

2.3.2 Treasury Current Liabilities

- | | |
|------------|----------------|
| • Payables | \$2.20 million |
|------------|----------------|

2.3.3 Net Current Treasury Position	\$11.47 million
--	------------------------

Debt

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

Amount	Maturity Date	Rate of Interest
3 million	15/4/2029	3.12%
5 million	14/4/2033	3.68%
11 million	15/4/2027	4.17%

2.5 Council's 22/23 Annual Plan includes a budgeted debt level at 30 June 2023 of \$47.7m.

Liquidity Ratios

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

2.7 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 Risk and Assurance Committee):

2.8 Net Debt/Total Revenue must not exceed **175%**:

• Debt	\$19m
• Bank/Deposits	\$11.26m
• Net Debt	\$7.74m
• Budgeted Full Year Revenue	\$53m
Net Debt/Total Revenue	15%

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

• External Debt	\$19m
• Bank/Deposits	\$11.26m
• Available Finance	\$30.26m
Available Finance divided by External Debt	159%

Recommendation

That the report 'Treasury and Debt – November 2022' be received.

9.4 QV Report

Author: Sam Zhang, Manager - Financial Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 To provide the Finance and Performance Committee with data provided by QV.
- 1.2 Officers provide this data in response to a prior request from members of the Committee. Officers have previously noted that certain market transactions cause apparent anomalies in some of the data included in the attached and emphasise that this raw information is not used for any decision making.

2. Summary

- 2.1 QV have ceased providing the report that was formerly provided to the Finance/Performance Committee and are in the process of providing the data in an alternative format.
- 2.2 The attachment to this report is an interim format that is currently being developed. Note that the data included in the attached mini-report is 'live' data so is current as at the first week of December 2022.

3. Explanations

- 3.1 QV have provided the following explanations for some terminology used in the Building Consents 'Outstanding' section of the attached report. These figures arise from the 'general practice' of QV visiting a property six months after the Building Consent application has been approved (actual timing of the visit is also based on logistical considerations):
 - 3.1.1 Under Construction: the visit reveals that construction has not been completed (QV will schedule a follow up visit); and
 - 3.1.2 Ready to Check: the 'six month waiting period' has lapsed and QV are in the process of scheduling/conducting the inspection visit. On inspection if the property is found to be not ready to value, QV would extend the date for re-inspection and the property will revert to "Under Construction" until the date is met and ready to value again.

Attachments

1. **QV Data - Interim Report Format** [↓](#)

Recommendation

That the QV Report be received.

You are using a browser that is not supported by Monarch. Please change to Chrome. clear

[QIVS Application](#) [Logout](#)

38 - Rangitikei ...

Search



TOTAL CAPITAL VALUE	\$6,357,383,650	SINCE 1 JULY 2022 +0.11%
TOTAL LAND VALUE	\$4,121,582,950	+0.02%
TOTAL RATING UNITS	8,687	+13
RATING VALUATION	01 September 2020	NEXT RATING VALUATION 01 September 2023

Report Centre

- Building Consents Listing
- Objections Listing
- Outstanding Objections
- Subdivisions Listing
- Sales Listing

QV Insights

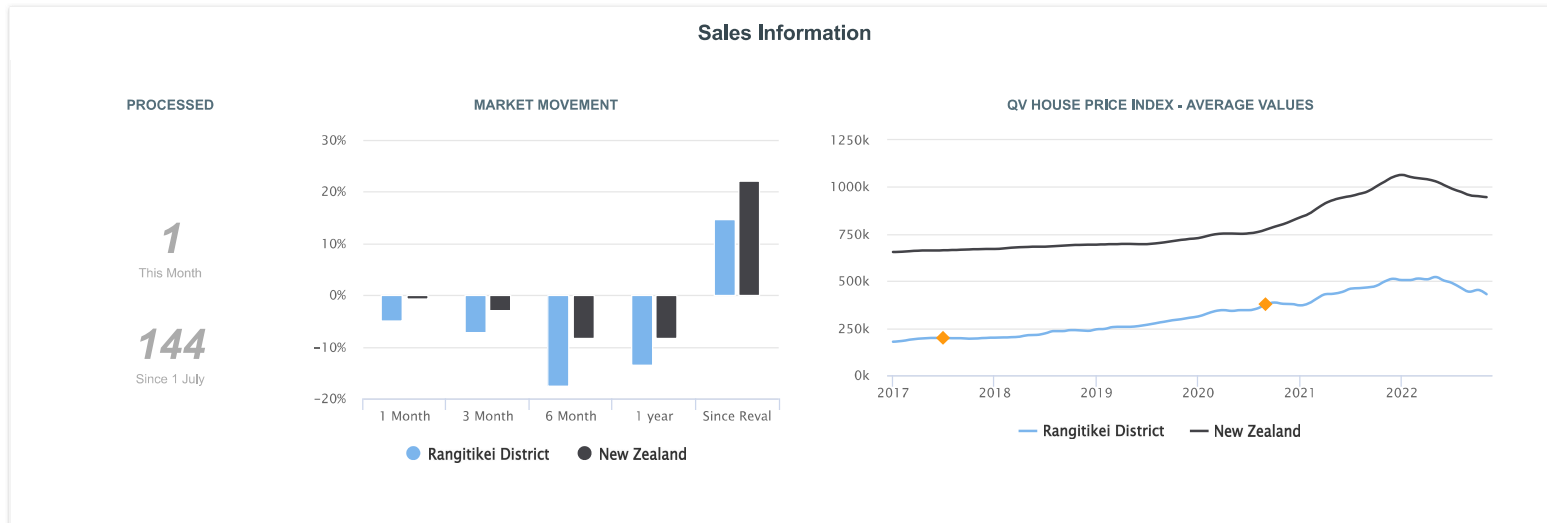
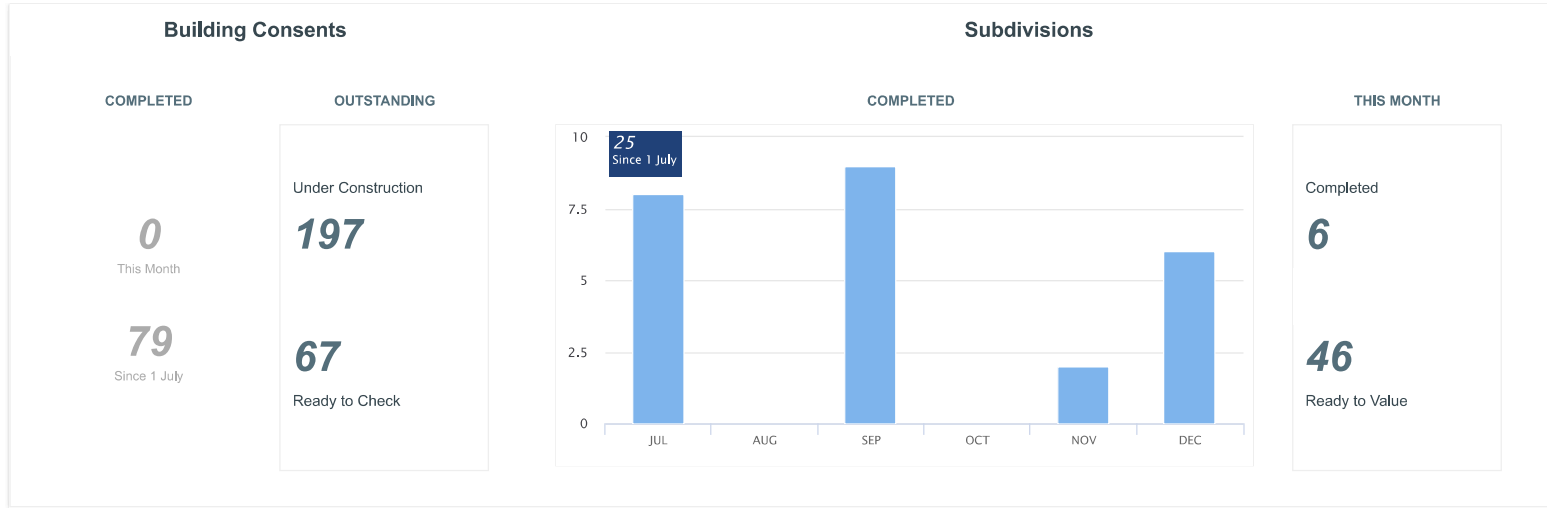
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04 576 4477
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9.5 Annual Report 21/22 Progress Update**Author:** Sam Zhang, Manager - Financial Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1. Reason for Report**

- 1.1 A report was presented to the November Finance and Performance Committee providing a status update on the 2021/22 Annual Report.
- 1.2 This report provides an update of the progress in, and expected timeframes associated with, the completion of the Annual Report 2021/22.

2. Commentary

- 2.1 Officers and Audit NZ are aiming to have the audit fieldwork completed so that Council's 2021/22 Annual Report can be approved in February 2023.
- 2.2 The Auditor General is committed to have all local governments' audit signed off by 31 March 2023.

Recommendation

That the report 'Annual Report 2021/22 Progress Update' be received.

9.6 Copy: Council Paper - Proposed Changes to 2022/23 Roding Budget**Author: Hilary Walker, Management and Systems Accountant****Authoriser: Dave Tombs, Group Manager - Corporate Services****1. Reason for Report**

- 1.1 To provide Finance/Performance Committee with a copy of a report that is being presented to Council on 15 December 2022.

2. Context

- 2.1 Officers have identified a range of proposed changes to the 2022/23 Roding Budget.
- 2.2 Changes to Budgets require Council approval and, ordinarily, such changes are presented to Finance/Performance Committee beforehand to provide their recommendation to Council.
- 2.3 Due to the timing of Council/Committee meetings Officers are instead presenting:
 - a. the Roding Budget Amendments Report to Council 'directly' for approval on the afternoon of 15 December 2022; and
 - b. a copy of the Roding Budget Amendments Report to Finance/Performance Committee for noting/discussion on the morning of 15 December 2022.
- 2.4 Note: this process mirrors the process that was followed in September 2022 when amendments to Non-Roding Budgets were considered, and when it was noted that the proposed amendments to Roding budgets would be presented to Finance/Performance Committee and Council at a later date.

Attachments:

1. **2022/23 Roding Budget Proposed Amendments** [↓](#)

Recommendation

That the report 'Copy: Council Paper - Proposed Changes to 2022/23 Roding Budget' be received.

0.0 Roothing - 2022/23 Budget Amendments**Author:** Dave Tombs, Group Manager - Corporate Services**Authoriser:** Peter Beggs, Chief Executive**1. Reasons for Report**

- 1.1 To recommend to Council a range of proposed amendments to Council's 2022/23 Roothing Budget.
- 1.2 These proposed amendments:
 - Were presented to the Finance/Performance Committee earlier today, for their information and discussion; and
 - Were excluded from the similar exercise that was undertaken at the September 2022 Finance/Performance Committee and Council meetings, where the Non-Roothing Budget amendments were considered (and at which point it was noted that the Roothing Budget Amendments would be presented separately).
 - Are, mainly, the result of aligning the volume of work that can reasonably be expected to be delivered during 2022/23 with the Roothing Budgets.

2. Roothing ProgramRoothing Program Budgets - Background

- 2.1 The Waka Kotahi *Subsidised Roothing Work Program 2021/22 to 2023/24* provides Officers with the ability to transfer budgets between the three years covered by the Program.
- 2.2 It is not uncommon for these capital budgets to be deferred where significant Emergency Events occur. However, for 2021/22, these Emergency Events also impacted on Council's operating budgets.

Disruptions to the 2021/22 Work Program

- 2.3 COVID and Emergency Events impacted on Council's ability to deliver its 2021/22 Roothing Program.
- 2.4 The following Emergency Events required staff to divert key resources from the scheduled Roothing Work Program to respond to the Events.

Event	Waka Kotahi Approved Budget	FAR %	Waka Kotahi contribution	RDC contribution
Emergency Works December 2021	\$977,071	64	\$625,325	\$351,746
Emergency Works December 2021	\$570,829	84	\$479,496	\$91,333
Emergency Works February 2022	\$150,000	64	\$96,000	\$54,000
Emergency Works May 2022	\$714,223	84	\$599,947	\$114,276
Emergency Works June 2022	\$1,436,703	84	\$1,206,831	\$229,872
Total	\$3,848,826		\$3,007,599	\$841,227

2.5 The FAR rate is 64% for the first \$1m of these Emergency Works and then 84% thereafter.

2.6 Of this Approved Emergency Work Program, around \$1.4m was completed in 2021/22, with around \$2.4m of unbudgeted Emergency Work being required in 2022/23. The 2022/23 expenditure will be largely Capital Expenditure.

Capital Work Program (Capex)

2.7 In August 2022 staff reported to the Assets and Infrastructure Committee that there were some delays in the 2021/22 Roding Capital Work Program and several projects (budget \$3,846,278) had to be deferred to future years.

2.8 The August report mentioned that staff would try to source additional contractor resources to deliver on a larger works programme over the next two years to catch up on the deferred work.

2.9 These endeavours have been unsuccessful. The civil construction market (construction companies, engineers and related consultants) is at capacity with a high volume of large projects and there is little interest to even tender for this work.

2.10 Officers are conscious of the market's capacity restraints and are accordingly planning to defer this \$3.8m as follows:

- 2022/23 (year 2 of the current Work Program) \$426k
- 2023/24 (year 3 of the current Work Program) \$877k
- 2024/25 \$2,542k

2.11 Notes:

- the Work Program for 2024/25 has not yet been developed: Council will have to apply for this deferred amount to be added to the Work Program; and
- the inability of Council to deliver the Work Program any quicker is a direct impact of having to direct resources to address the Emergency Events and the market capacity constraints.

Operational Works Program (Opex)

2.12 The 2022/23 Annual Plan includes \$1m of unspent 2021/22 Budget carry forward. Officers wish to realign some of the budget to reflect the Waka Kotahi Work Program and to defer some of the budget to 2023/24 to reflect market conditions. The impact of this would be to reduce the current 2022/23 Operating Budget by \$410k.

3. Financial Implications

3.1 Officers:

- Are seeking approval to amend Council’s 2022/23 Rooding Budgets to reflect deferral of the 2021/22 Work Program to 2022/23 and beyond; and
- Are **not** recommending amending budgets to reflect the impact of the Emergency Events. Essentially, such events are unscheduled and, accordingly, should be noted as unbudgeted. The income and expenditure associated with these Events will continue to be reported on by Officers.

Subsidised Rooding Capex

3.2 Officers are proposing to:

- Defer \$3.42m to future years (as per S2.10 above)
- Carry forward \$1.70m of unspent 2021/22 Rooding Capital Budgets (see S3.3 below)

3.3 The 2021/22 Subsidised Rooding Capex Program had a \$5.6m Budget surplus of which \$3.3m is already included in the Annual Plan. Officers are seeking approval to carry over \$1.70m of the remaining balance of \$2.2m (the main difference between these figures relates to Mangaweka Bridge that had a \$942k budget surplus in 2021/22 but only requires \$592k to be brought forward to 2022/23).

Non Subsidised Rooding Capex

3.4 Officers are proposing to carry forward the unspent 2021/22 Non-Subsidised Rooding Capital Budget to 2022/23. The 2021/22 budget was \$390k of which \$7k was spent.

Subsidised Rooding Opex

3.5 The 2022/23 Annual Plan for Subsidised Rooding Opex included a carry forward from 2021/22 of \$1m. This provides a 2022/23 Annual Plan Budget for Subsidised Rooding Opex of \$2.2m.

3.6 Officers are now seeking to re-align some of these budgets which will result in \$410k being deferred to 2023/24.

3.7 These proposals will impact Council’s current budgets (ie as amended in September 2022) as follows:

	Capital Expenditure	Operating Expenses
Current Balance	\$34.51m	\$22.85m
Proposed Amendments	(\$1.34m)	(\$0.41m)
Amended Balance	\$33.17m	\$22.44m

4. Impact on Strategic Risks

- 4.1 One of the key measures to manage the Strategic Risk : *Financial Stability is Lost* is having effective Budget management, and this requires appropriate budgets to be maintained and reported upon.
- 4.2 Not having appropriate budgets would increase this Risk.

5. Mana whenua implications

- 5.1 No known implications.

Recommendation 1

That Council receives the report 'Roading – 2022/23 Budget Amendments'.

Recommendation 2

That Council approves/declines **{delete one}** the proposed amendments to reduce the 2022/23 Capital Budget to \$33,170,170 for the deferral of certain capital expenditure budgets, changes to some Budget Carry Forwards from 2021/22 and the realignment of other capital budgets.

Recommendation 3

That Council approves/declines **{delete one}** the proposed amendments to reduce the 2022/23 Operating Expense Budget to \$22,439,994 for the deferral of certain roading operating expenditure budgets and changes to some Budget Carry Forwards from 2021/22.

9.7 Public Feedback to Council - November 2022**Author:** Carol Gordon, Group Manager - Democracy & Planning**Authoriser:** Carol Gordon, Group Manager - Democracy & Planning**1. Reason for Report**

- 1.1 This report provides the Finance/Performance Committee with the regular monthly report from Council's HappyOrNot system. Feedback from the feedback system - Korero Mai – Have Your Say is also included.

2. Context

- 2.1 The Happy or Not report for the month of November 2022, showing results from over the four locations, is attached (Attachment 1).
- 2.2 A total of 243 responses were received during the month from the Marton main office, Te Matapihi, Marton Library and Taihape Library / Information Centre. 89% of the feedback was very positive. You will note that some comments in the open feedback has been redacted, due to the language in the comments that were entered.
- 2.3 Only two further responses have been received (during December) to the Korero Mai – Have Your Say feedback system. Staff intend to run a campaign to promote this system in the new year.

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. **Feedback - November / December 2022** [↓](#)

Recommendation

That the Public Feedback to Council Report – November 2022 be received.

Please rate our service today



89%
216 resp.



9%
22 resp.

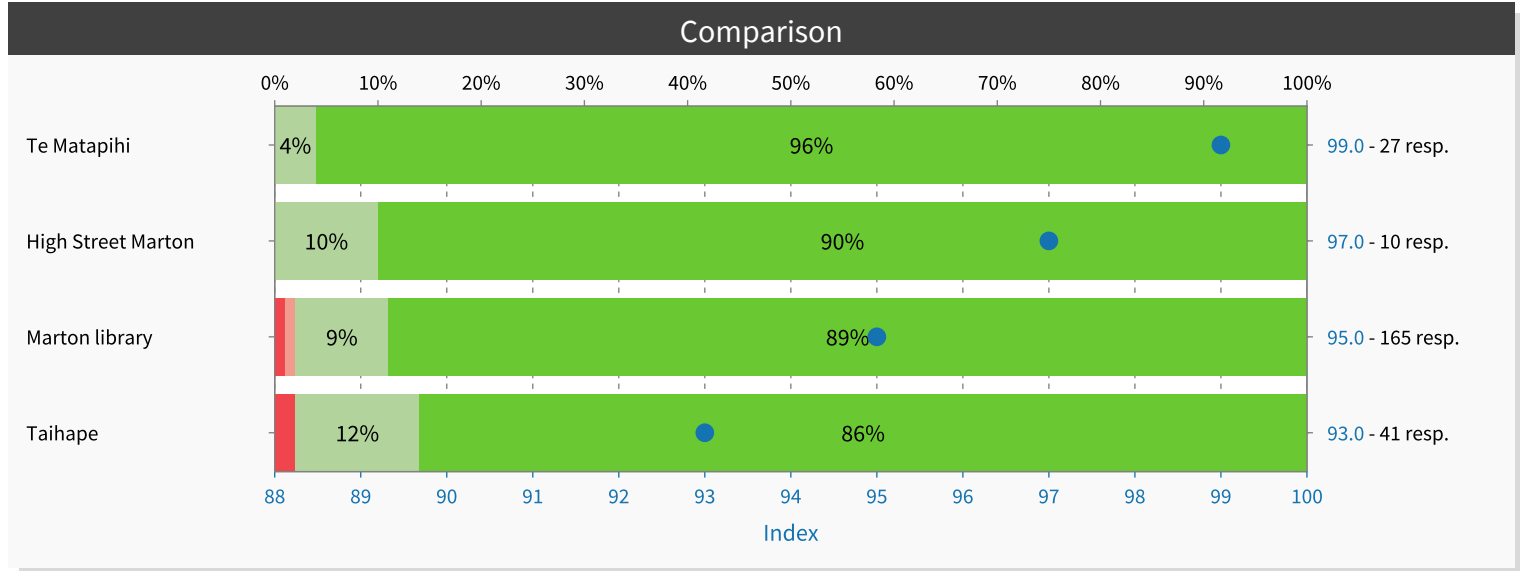


1%
2 resp.



1%
3 resp.

Index: 95.0
Responses: 243



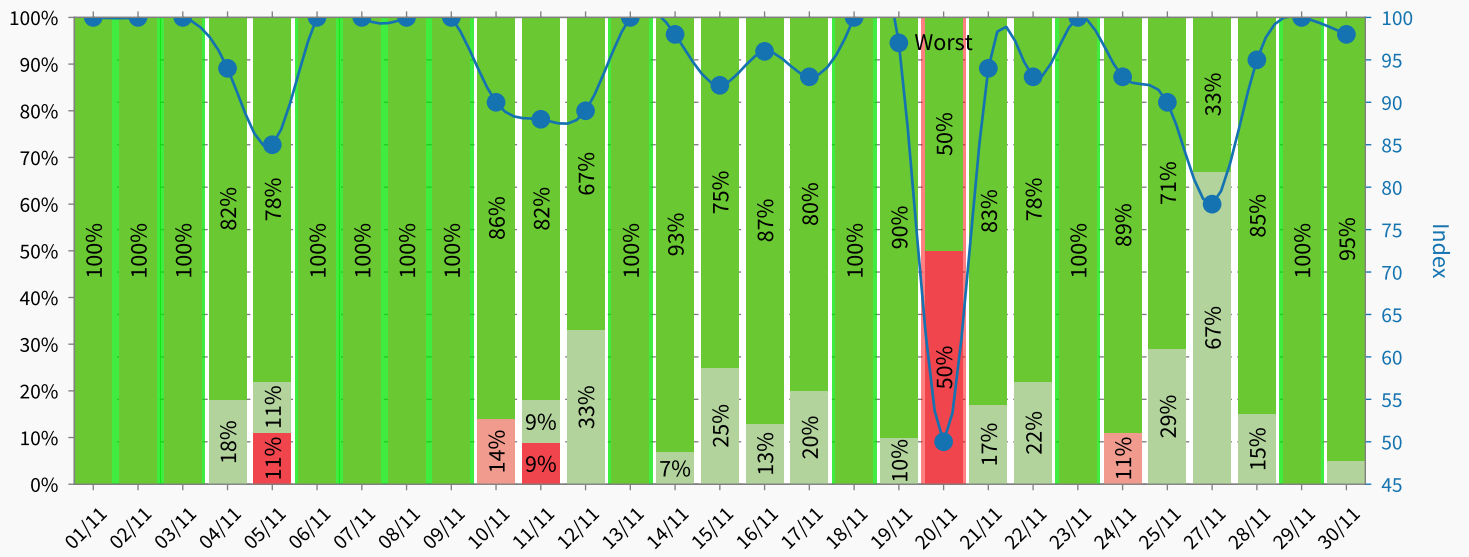
Risers

Survey	Index	Change
Te Matapihi	99	9% ↑
Taihape	93	4% ↑
Marton library	95	2% ↑

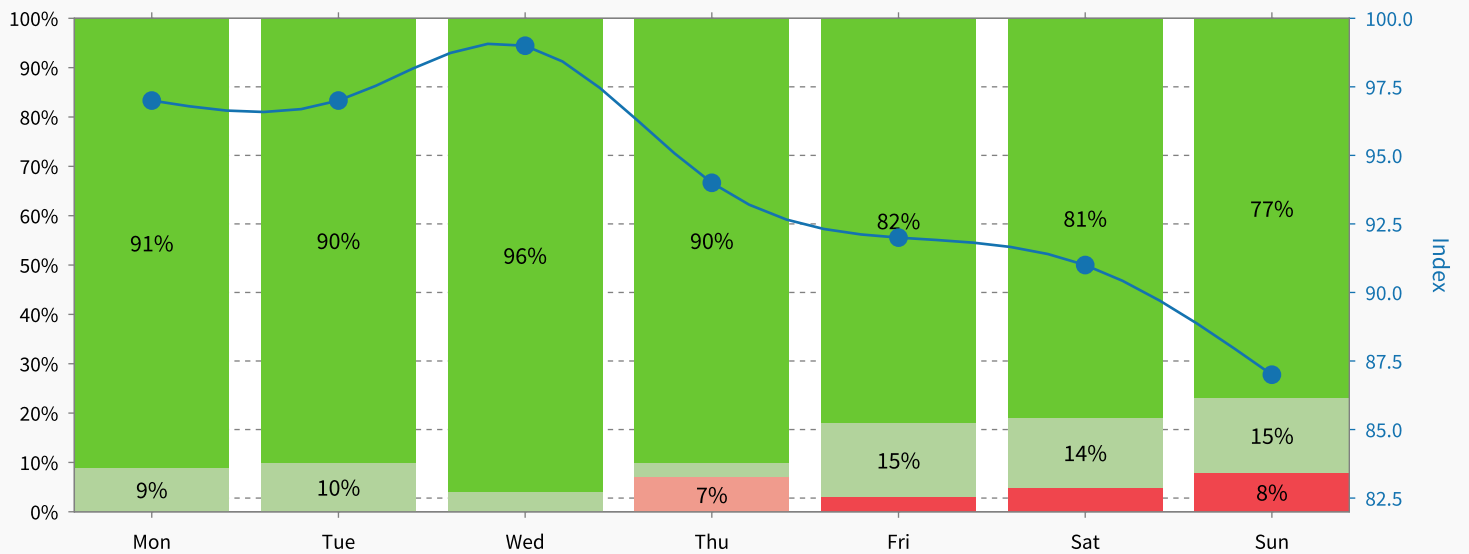
Fallers

Survey	Index	Change
High Street Marton	97	-2% ↓

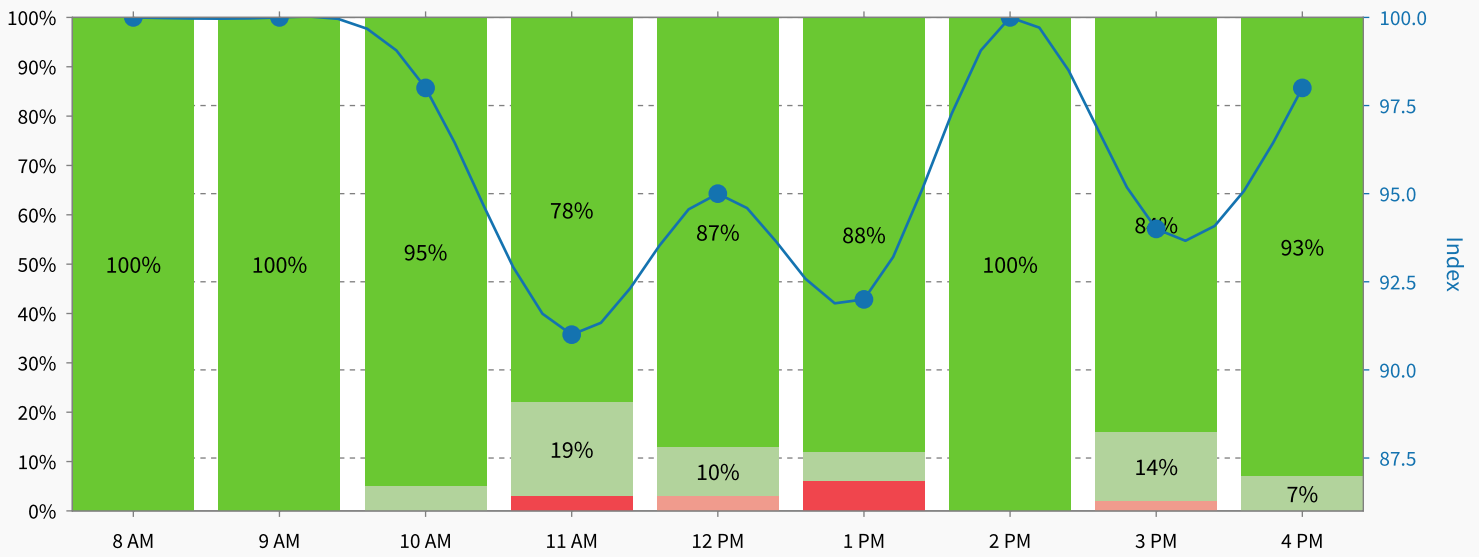
All units combined - daily distribution



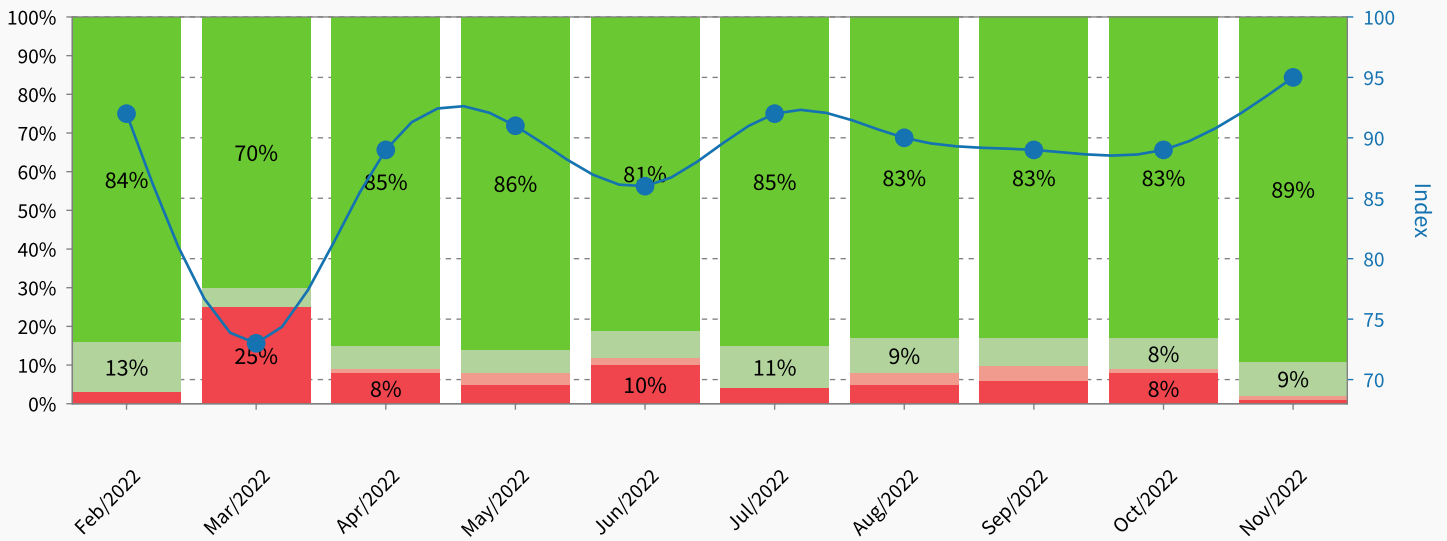
All units combined - weekday distribution



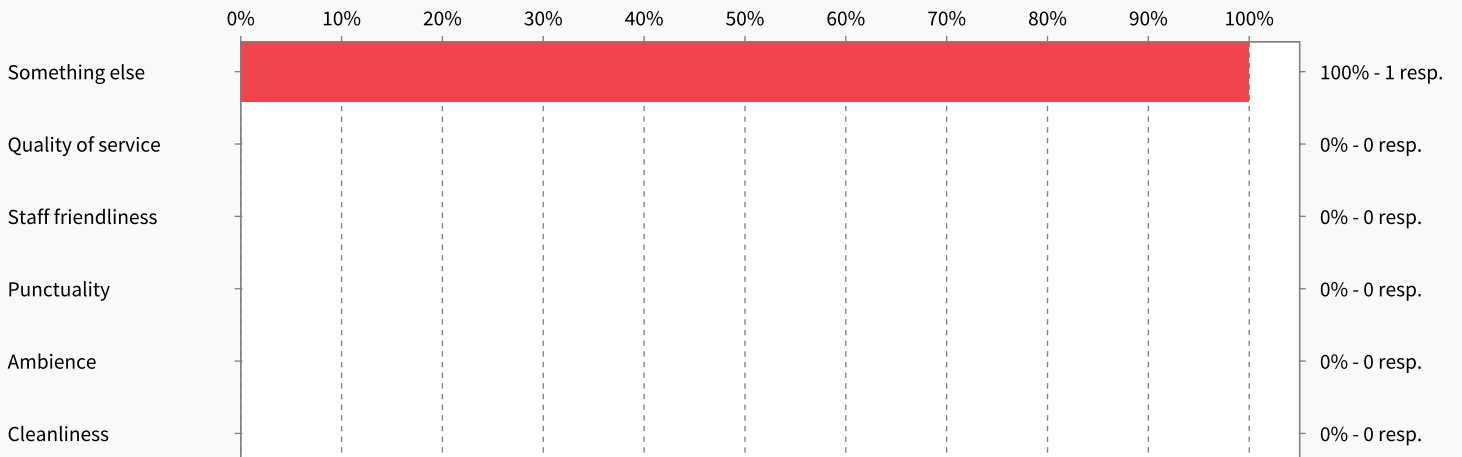
All units combined - hourly distribution



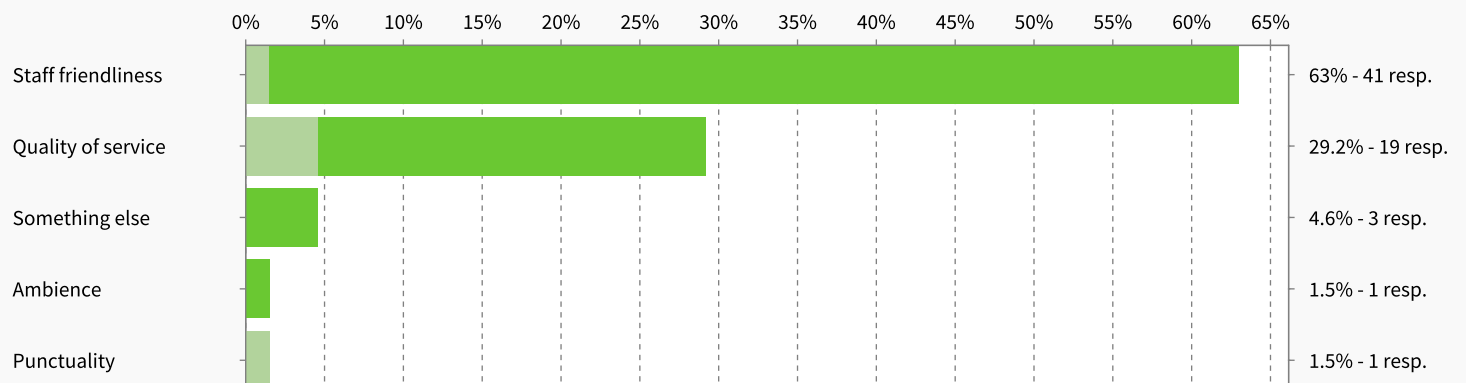
Same question, comparison with previous months



Pain Points









Highlights







Please rate our service today

Taihape

-  2022-11-29 3:58 PM **Staff friendliness**
what lovely staff
-  2022-11-28 12:28 PM **Staff friendliness**
thanks
-  2022-11-27 12:00 PM **Quality of service**
thank you
-  2022-11-21 4:14 PM **Punctuality**
good
-  2022-11-20 11:42 AM **Something else**
fun
-  2022-11-13 2:14 PM **Staff friendliness**
lovely staff but urgently need better signage and flags as public struggle to find them

Te Matapihi

-  2022-11-27 2:04 PM **Staff friendliness**
lovely helpful girl
-  2022-11-16 12:27 PM **Quality of service**
marvellous!
-  2022-11-14 2:34 PM **Staff friendliness**
great service, friendly staff
-  2022-11-07 9:13 AM **Quality of service**


[REDACTED]


[REDACTED]


[REDACTED]

[REDACTED] ?

High Street Marton

 2022-11-09 4:16 PM **Staff friendliness**
sarah is the best, so is sharn the boss man

 2022-11-07 1:30 PM **Quality of service**
helpful and freindly

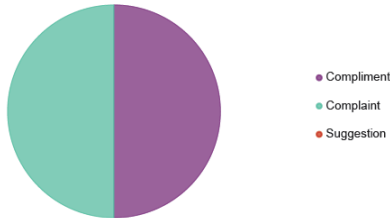
 2022-11-03 11:17 AM **Staff friendliness**
very helpful

KŌRERO MAI - HAVE YOUR SAY

COUNCIL FEEDBACK FORM REPORT

DECEMBER 2022

What type of feedback do you have?

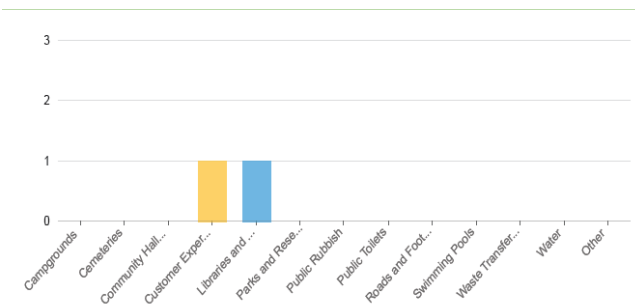


Answers	Count	Percentage
Compliment	1	50%
Complaint	1	50%
Suggestion	0	0%

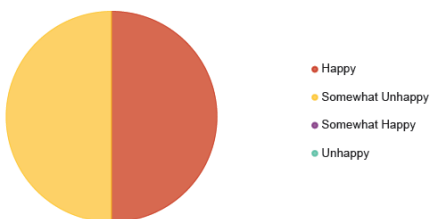
Comments

- I just wanted to share how much I love the staff at Te Matapihi - all are friendly and helpful but a special shout out to Matthew and Jody. They remember both myself and my children and really create a sense of belonging and community within the centre. There are days when if things are feeling a bit grim, I know that a pop in to the library if these two are on means a chat and I always leave feeling happier than when I go in. It's always a good day when it's Jody at the front desk. Thanks!
- I was in the marton office and would like to make a comment about the setup and service. I found the staff all sitting up on their high chairs with big screens unwelcoming. All three staff were on phone calls and I had to wait at least 10 minutes to be served. I am a business person and found this frustrating .the service by the staff member was fine. It feels like walking into someone s office rather than a customer friendly space. I don't think it has a friendly vibe any more.

Which area does your feedback relate to?



How happy are you with your experience?



Answers	Count	Percentage
Happy	1	50%
Somewhat Unhappy	1	50%
Somewhat Happy	0	0%
Unhappy	0	0%

10 Open Meeting