

Finance & Corporate Committee Agenda - 24 November 2020



Council Chambers
Waipa District Council
101 Bank Street
Te Awamutu

Chairperson
AW Brown

Members

His Worship the Mayor JB Mylchreest, EM Andree-Wiltens, EH Barnes, LE Brown, PTJ Coles, RDB Gordon, ML Gower, B Koroheke (Te Kanohi Representative), SC O'Regan, MJ Pettit, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber

24 November 2020 09:00 AM - 05:00 PM

Agenda Topic	Presenter	Time	Page
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2. Disclosure of Members' Interests	Chairperson	09:01 AM-09:02 AM	3
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4. Confirmation of Order of Meeting	Chairperson	09:03 AM-09:04 AM	5
5. Confirmation of Minutes	Chairperson	09:04 AM-09:05 AM	6
5.1 Finance and Corporate Committee Unconfirmed Open Minutes -20 October 2020	Chairperson	09:05 AM-09:10 AM	7
6. Four Month Report to 31 October 2020	Nada Milne	09:10 AM-09:40 AM	14
7. Quarterly Property Services Report	John Miles	09:40 AM-09:55 AM	63
8. Resolution to Exclude the Public	Chairperson	09:55 AM-09:56 AM	72



APOLOGIES



DISCLOSURE OF MEMBERS' INTERESTS

Members are reminded to declare and stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interest they may have.



LATE ITEMS

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.



CONFIRMATION OF ORDER OF MEETING

Recommendation

That the order of the meeting be confirmed.

FINANCE AND CORPORATE COMMITTEE REPORT



To: The Chairperson and Members of the Finance and Corporate Committee
From: Governance
Subject: **CONFIRMATION OF MINUTES**
Meeting Date: 20 October 2020

1 EXECUTIVE SUMMARY

To confirm the minutes of the Finance and Corporate meeting held on Tuesday 20 October 2020.

2 RECOMMENDATION

That the open and public excluded minutes of the Finance and Corporate Committee meeting held on 20 October 2020, having been circulated, be taken as read and confirmed as a true and correct record of that meeting.

3 ATTACHMENTS

Finance and Corporate Minutes – 20 October 2020



Time: 1.00pm
Date: Tuesday 20 October 2020
Venue: Council Chambers, Waipa District Council, 101 Bank Street, Te Awamutu

PRESENT

Chairperson

AW Brown

Members

His Worship the Mayor JB Mylchreest [arrived at 1.14pm], EM Andree-Wiltens, EH Barnes, LE Brown, PTJ Coles, RDB Gordon, B Koroheke (Te Kanohi Representative) [arrived at 1.12pm], SC O'Regan, MJ Pettit, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber

1 APOLOGIES

RESOLVED

3/20/42

That the apology of Councillor Gower for non-attendance and apologies of Mayor Mylchreest and Committee Member Koroheke for lateness be received.

Councillor Webber / Councillor L. Brown

2 DISCLOSURE OF MEMBERS' INTERESTS

Councillor Gordon declared an interest in the following items:

- Waipa i-SITES update post COVID-19
- Proposal to Establish a Trust to Manage the Cambridge Town Hall
- Cambridge Christmas Parade – Request for Temporary Road Closure

Councillor Coles declared an interest in the following items:

- Waipa i-SITES update post COVID-19 - as Chairperson of Destination Cambridge



- Proposal to Establish a Trust to Manage the Cambridge Town Hall
- Cambridge Christmas Parade – Request for Temporary Road Closure

Councillor Stolwyk declared a predetermination interest in the following item:

- Proposal to Establish a Trust to Manage the Cambridge Town Hall

3 LATE ITEMS

There were no late items.

4 CONFIRMATION OF ORDER OF MEETING

RESOLVED

3/20/43

That the order of the meeting be confirmed.

Councillor Thomas / Councillor St Pierre

5 CONFIRMATION OF MINUTES

RESOLVED

3/20/44

That the open minutes of the Finance and Corporate Committee meeting held on 15 September 2020, having been circulated, be taken as read and confirmed as a true and correct record of that meeting.

Councillor Gordon / Councillor Andree-Wiltens

6 HIGH PERFORMANCE SPORT & CYCLING NEW ZEALAND PRESENTATION

High Performance Sport New Zealand (HPSNZ) is the subsidiary of Sport New Zealand responsible for governing New Zealand's high performance sport programme. It was formed in 2011, following the merger of Sport New Zealand's high performance unit with the country's two academies of sport.



Wayne Maher, Senior Performance Team Leader at HPSNZ and Jacques Landry Chief Executive at Cycling New Zealand, provided an insight into the role of their organisations in Waipa ‘Home of Champions’ by way of PowerPoint presentation.

RESOLVED

3/20/45

That the report titled ‘High Performance Sport and Cycling New Zealand Presentation’ (document number 10466290), of Steve Tritt, Business Development Manager, be received.

Councillor St Pierre / Councillor Coles

7 WAIPA I-SITES UPDATE POST COVID-19

The Cambridge and Te Awamutu i-SITES are each part of the certified i-SITE network across New Zealand, the branding of which is managed by Tourism New Zealand.

Waipa District Council supports the operation of the local i-SITES through annual grants and service level agreements.

Miff MacDiarmid, Manager Cambridge i-Site and Bea Schiller, Manager Te Awamutu i-Site provided an update on their respective operations in the difficult post COVID environment and answered questions of the Committee.

RESOLVED

3/20/46

That the report titled ‘Waipa i-SITES update post COVID-19’ (document number 10482958), of Steve Tritt, Business Development Manager, be received.

Councillor L. Brown / Councillor Pettit

8 PROPOSAL TO ESTABLISH A TRUST TO MANAGE THE CAMBRIDGE TOWN HALL

[Councillors Stolwyk, Gordon and Coles left the council chambers at 2.26pm for this item of the agenda]

Consultant, Bev Gatenby presented the report and answered questions of the Committee.



It was agreed that item b) of the recommendation proposed in the report is redundant and be removed entirely, with the remaining numbering be amended accordingly.

Staff confirmed that the history and future vision for the Cambridge Town Hall would be promoted through Council's media channels.

RESOLVED

3/20/47

That –

- a) *The report titled 'Proposal to establish a trust to manage the Cambridge Town Hall' (document number 10474599), of Bev Gatenby, Consultant, be received;*
- b) *Pursuant to section 83 of the Local Government Act 2002, the Committee consider and, subject to any amendments, approve the content of the draft "Statement of Proposal: Making Better Use of the Cambridge Town Hall" attached as the Appendix (document number 10482665), with this document to be released for public consultation on 23 October 2020;*
- c) *Submissions be received on the Statement of Proposal until 5pm on 24 November 2020; and*
- d) *Submissions on the Statement of Proposal be considered and, if requested, be heard by the Finance and Corporate Committee on 8 December 2020, or Council on 15 December 2020.*

Councillor L. Brown / Councillor St Pierre

9 FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

[Councillors Stolwyk, Gordon and Coles re-entered the meeting at 2.37pm]

[Councillor Stolwyk left the meeting at 2.38pm]

Financial Accountant, Nada Milne provided a brief overview of the financial position for the period ended 30 September 2020.

RESOLVED

3/20/48

That the information contained in the 'Financial Report for the Period Ended 30 September 2020' (document number 10481968), of Nada Milne, Financial Accountant, be received.

Councillor St Pierre / Councillor Pettit



10 CAMBRIDGE CHRISTMAS PARADE – REQUEST FOR TEMPORARY ROAD CLOSURE

Cambridge Information Centre – Destination Cambridge has applied to temporarily close a number of roads to traffic between **12.00pm and 3.00pm on Sunday, 6 December 2020**:

The proposed closure is for the Cambridge Christmas Parade and was advertised publicly in the Cambridge News on Thursday, 17 September 2020. Objections were invited, closing at 4.00pm on Friday, 2 October 2020. No objections were received.

RESOLVED

3/20/49

That –

- a) *The report titled Cambridge Christmas Parade – Request for Temporary Road Closure (document number 10453872) of Julie Taylor, Transportation Safety Officer, be received;*
- b) *The Finance and Corporate Committee approves the temporary closure of:*
 - **Dick Street** – between Queen Street and Alpha Street
 - **Alpha Street** – between Dick Street and Victoria Street
 - **Victoria Street** – between Queen Street and Commerce Street
 - **Commerce Street** (all)
 - **Duke Street** – between Victoria Street and Commerce Street
 - **Empire Street** – between Alpha Street and Victoria Street

from 12.00pm to 3.00pm on Sunday, 6 December 2020 in accordance with Sections 319(h) and 342, and Section 11 of Schedule 10 of the Local Government Act 1974; and
- c) *The Finance and Corporate Committee authorises public notification of the approved road closure before the event, as required by the Local Government Act 1974.*

Councillor Pettit / Councillor L. Brown

FINANCE AND CORPORATE COMMITTEE MINUTES



11 RESOLUTION TO EXCLUDE THE PUBLIC

RESOLVED

3/20/50

THAT the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
12. Confirmation of Public Excluded Minutes	Good reason to withhold exists under section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
13. Notice of Annual General Meeting of Local Government Funding Agency		
14. Agreement for Cycleway Easement –Ministry of Education		
15. Land Acquisition for intersection improvement – Peake, Pickering and Bruntwood Roads		

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



Item No.	Section	Interest
12	Sections 7(2)(j)	<i>To prevent the disclosure or use of official information for improper gain or advantage.</i>
12	Section 7(2)(b)	<i>To protect information which if public would; disclose a trade secret; or i. unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.</i>
13	Section 7(2)(a)	<i>To protect the privacy of natural persons, including that of deceased natural persons.</i>
13	Section 7(2)(f)(ii)	<i>To maintain the effective conduct of public affairs by protecting members or employees of the Council in the course of their duty, from improper pressure or harassment.</i>
14 & 15	Section 7(2)(i)	<i>To carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</i>

Councillor Gordon / Councillor Coles

There being no further business the meeting closed at 3.03pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

CHAIRPERSON:

DATE:

FINANCE AND CORPORATE COMMITTEE REPORT



INFORMATION ONLY

To: The Chairperson and Members of the Finance and Corporate Committee

From: Financial Accountant

Subject: **Four Month Report to 31 October 2020**

Meeting Date: 24 November 2020

File Reference: 72.25

1 EXECUTIVE SUMMARY

The Four Month Report for the period ended 31 October 2020 is included as Appendix 1.

2 RECOMMENDATION

That –

- a) *The information contained in the 'Four Month Report to 31 October 2020' report (document number 10500773) of Nada Milne, Financial Accountant be received; and*
- b) *The Finance and Corporate Committee APPROVE the following 2020/21 funding requests and budget changes:*
 - *An increase of TWO HUNDRED AND NINETY THREE THOUSAND, ONE HUNDRED AND TEN DOLLARS (\$293,110) for the Halls budget for refurbishment expenses for the Horahora Memorial Hall – to be funded from external funding.*
 - *An increase of FOUR HUNDRED AND THIRTY THREE THOUSAND AND FIVE HUNDRED DOLLARS (\$433,500) for the Transportation budget for the cycleway from Hamilton Road/Victoria Road to the Velodrome – to be funded from external funding.*
 - *An increase of EIGHT HUNDRED AND SIXTY THREE THOUSAND AND FIVE HUNDRED DOLLARS (\$863,500) for the Property Services (Pensioner Housing) budget for purchase on land from Cambridge Cosmopolitan Club and associated costs – to be loan funded.*

3 STAFF COMMENTS

This Four Month Report is for the period ended 31 October 2020.

The financial statements show the results for the four months ended 31 October 2020 compared with the 2020/21 budget and the forecast to the end of the financial year.

The Four Month Report also provides an indication of the progress made with the measures, targets and key projects set out in the Annual Plan.

The non-financial reporting features the traffic light indicator system. Updates on exceptions from the Organisational Plan, Key Performance indicators, community engagement strategy and a non-financial performance overview are also included in this report.

BUDGET CHANGES REQUIRING APPROVAL

There are three budget changes requiring approval this month

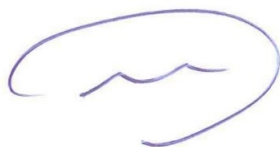
- Transportation – to provide for an unbudgeted item of \$433,500 to complete the cycleway from the Hamilton Road/Victoria Road intersection to the Velodrome. This is budgeted from external funding.
- Halls – to provide for an unbudgeted item of \$293,110 for refurbishment costs for the Hora Hora Memorial Hall. This is funded from Provincial Growth Fund external funding.
- Pensioner Housing – to provide for an increase in budget of \$863,500 for the purchase of land from the Cambridge Cosmopolitan Club, legal fees, fencing and consents. This is loan funded.



Nada Milne
FINANCIAL ACCOUNTANT



Reviewed by Sarah Davies
MANAGER FINANCE



Approved by Ken Morris
DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT

APPENDIX 1

Four Month Report to 31 October 2020 (document 10500773)



FOUR MONTH REPORT

FOR THE PERIOD ENDED
31 OCTOBER 2020

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Financial Overview

For the period ended 31 October 2020

The financial statements show the results for the four months ended 31 October 2020 compared with the annual budget and a forecast to year end. The forecast operating surplus of \$27.6 million is \$1 million higher than the budget of \$26.6 million.

Total operating revenue is forecast to be approximately \$1.3 million higher than budget. This is made up of:

- Fees and charges revenue is \$50,000 higher than budget. This is due to additional revenue forecast for Resource Consents of \$30,000, additional revenue forecast for the Don Rowlands Centre of \$48,000 offset by a reduction in revenue for Rata cost recovery of \$28,000.
- Subsidies and Grants is \$1.24 million higher than budget. This is mainly due to an increase of \$974,000 in NZTA external funding for District Wide Cycleway projects and an increase of \$293,000 in external funding for the Hora Hora Memorial Hall Refurbishment.

Total operating expenditure is forecast to be \$285,000 higher than budget.

The major variances relate to:

- Operating carry forwards of \$932,000 from 2019/20. This includes the unspent balances of Community Board grants, and Community Arts and District Promotion Fund grants. Also included are budgeted funds for Structure Plans and town concept plans commenced in 2019/20 but not yet completed.
- Decrease of \$650,000 for the Cambridge Museum (CB Heritage Charitable Trust) deferred to 2023/24.
- Decrease of \$350,000 from savings in the budget for Information Technology software maintenance.
- Increase in budget of \$108,000 in employee benefits due to vacant positions being filled which have been partially offset from savings.
- Increase of \$135,000 for consultancy costs for stormwater engineer and wastewater plant operators due to vacant positions.
- Increase of \$95,000 for Engineering work at 101 Bank Street.

Operating income is at 28 percent of the full year forecast and operating expenditure is at 27 percent of the full year forecast. Both revenue and expenditure are tracking just below the anticipated 33 percent.

Gross revenue from Significant Activities is at 31 percent of the full year forecast. Gross expenditure from Significant Activities is at 28 percent of the full year forecast. These exclude organisational revenue and expenditure.

Full variance explanations for each Activity are in the Group of Activities section of this report under the Cost of Service Statements.

Capital Expenditure

Capital expenditure is forecast at \$161.9 million compared to a budget of \$186.6 million. The table below summarises the capital forecast movements, details on individual projects are noted under the relevant Cost of Service Statement.

Capital forecast movement	\$000
Carry forwards from 2019/20 to the current year to complete contracts	13,733
Capital Work brought forward	90
Capital work not budgeted for – includes cost of work that is higher than what was anticipated	2,227
Projects deferred to future years	(32,800)
Capital work carried back to 2019/20	(3,993)
Capital projects savings	(3,942)
Total net changes	(24,685)

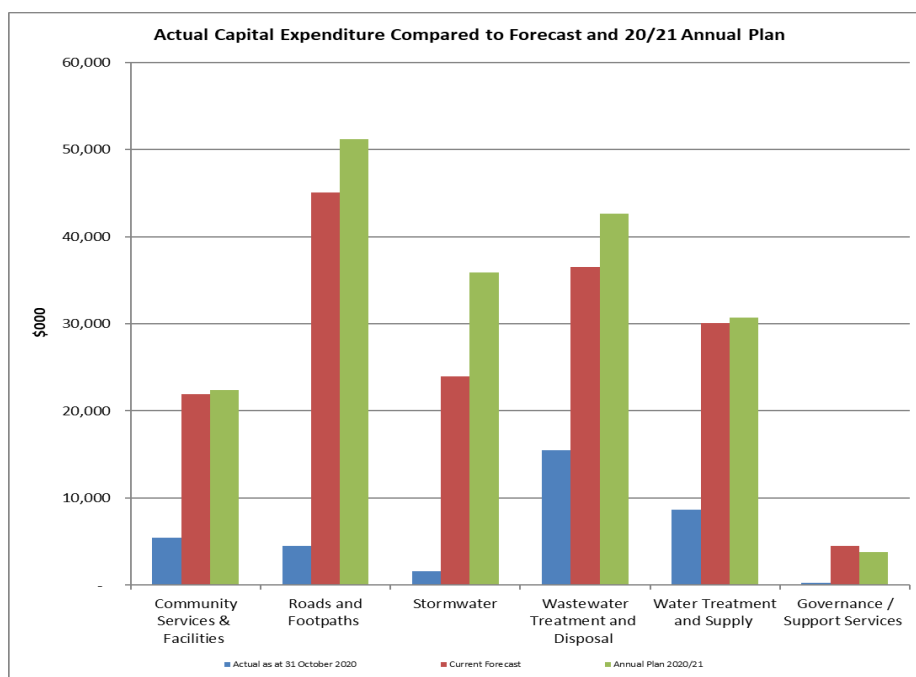
Explanation of significant capital variances – explained in further detail under each activity.

1. The significant variances in capital work brought forward relate to:
 - \$90,000 brought forward from 2024/25 for Te Ara Wai design and build for costs incurred.
2. The significant variances in capital work not budgeted for mainly relate to:
 - \$973,500 increase in forecast for District wide Cycleway projects. These are funded from external funding.
 - \$863,500 increase in forecast for Housing for the Elderly due to the purchase of adjacent land at Vaile Court. This is funded from reserves.
 - \$293,000 increase in forecast for the Hora Hora Memorial Hall refurbishment. This is funded from external funding.
 - \$59,000 increase in forecast for replacement equipment as part of lease conditions. This is loan funded.
3. The significant projects deferred to the 2021/22 year and beyond are:
 - \$31.3 million of Cambridge growth cell projects where timing has been reviewed as to estimated timeframes and project has been deferred.
 - \$1.5m of Housing for the Elderly construction projects that have since been reviewed as to estimated timeframes for actual construction within this year.
4. The significant projects carried back from the 2020/21 year mainly relate to:
 - \$1.9 million for Te Awamutu Wastewater Treatment Plant for work completed ahead of schedule.
 - \$939,000 for Waikeria Prison expansion for work completed ahead of schedule.
 - \$905,000 for the Cambridge Town Pool for work completed ahead of schedule.
 - \$141,000 for Williamson St streetscape for the undergrounding of the power supply.

5. The significant savings in capital projects mainly relate to:

- \$2.2 million for Parallel Rd to Taylors Hill pipeline due to works being finished ahead of schedule.
- \$1 million for Waikeria Prison Expansion – Waipa DC Upgrades due to Christie Ave capital work not required.
- \$400,000 for Christie Ave sewer pump station renewal due to tender less than anticipated.

Capital expenditure to date is at \$35.9 million which is 22 percent of the forecast. The graph below summarises the capital expenditure for each significant activity.



Treasury Management

The balance of external loans as at 31 October 2020 is \$70.4 million. It is anticipated Council will take out a further \$103.1 million of external loans this financial year, the year-end balance is forecast to be \$173.5 million. \$129 million of external debt was originally forecast in year three of the Long Term Plan (2020/21).

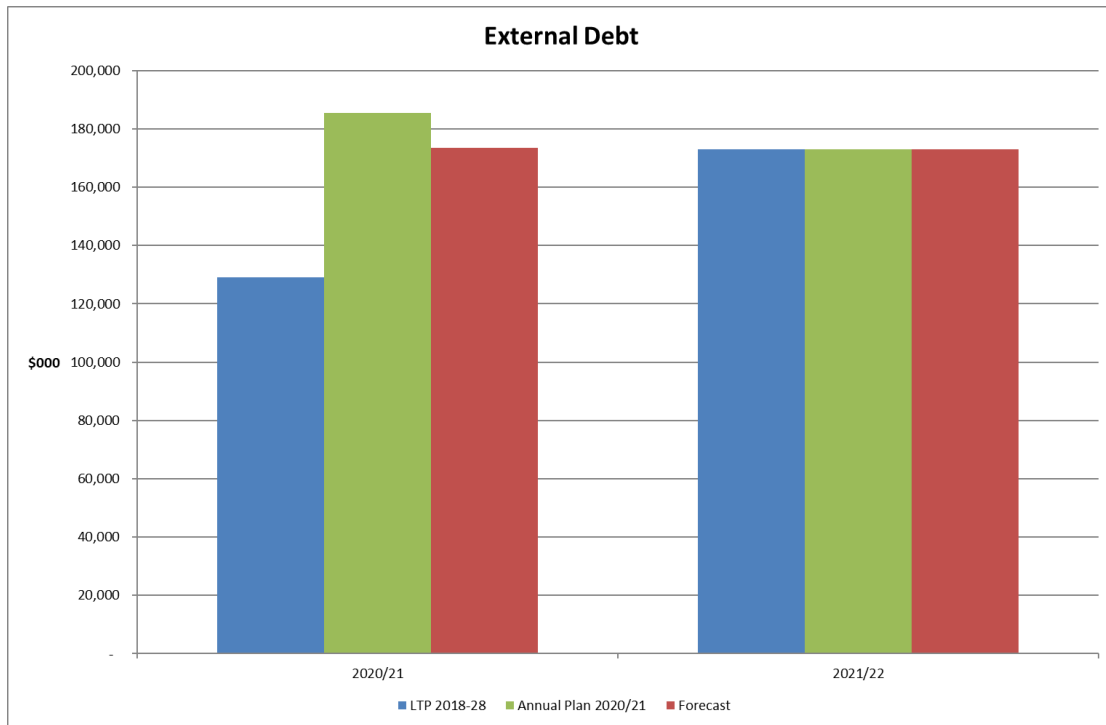
Debt movement		\$'000
Opening cash position Annual Plan 2019/20		1,875
Less:	Capital Project increases after February Forecast	(34,914)
Plus:	Timing of Trade Payables / Trade Receivables	6,220
	Expenditure lower than February Forecast (includes employee benefits and other expenses)	7,396

	Revenue higher than February Forecast (includes DC's, interest, subsidies and grants)	20,460
	Increase in Investments	825
Opening cash balance 1 July 2020		1,862

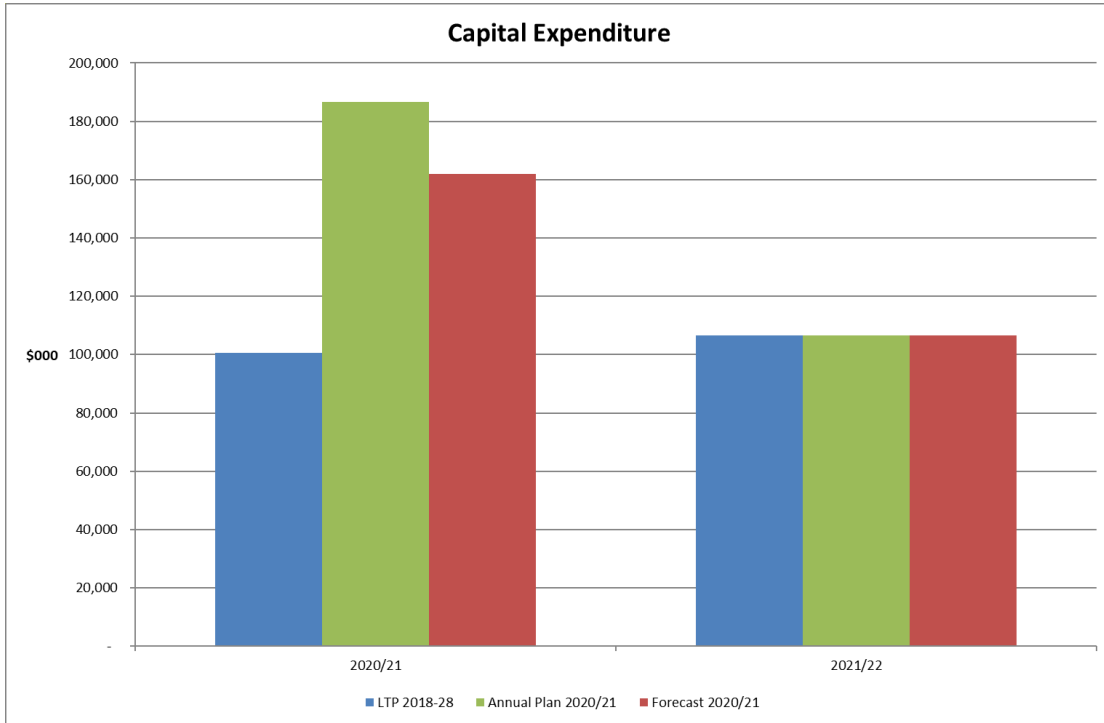
Debt movement		\$000
Opening cash balance 1 July 2020		1,862
Less:	Carry forwards from 2019/20	(13,733)
	Timing of Trade Payables / Trade Receivables	(14,629)
Plus:	Positive cash movement in revenue and expenditure – October Forecast	1,019
	Capital expenditure movement – October Forecast (excluding External Funding)	38,420
Adjusted Cash Balance		12,939
External Debt Decrease		12,000
Decrease in Cash Balance		939

Compared to the Annual Plan this is \$12m decrease in debt at year end.

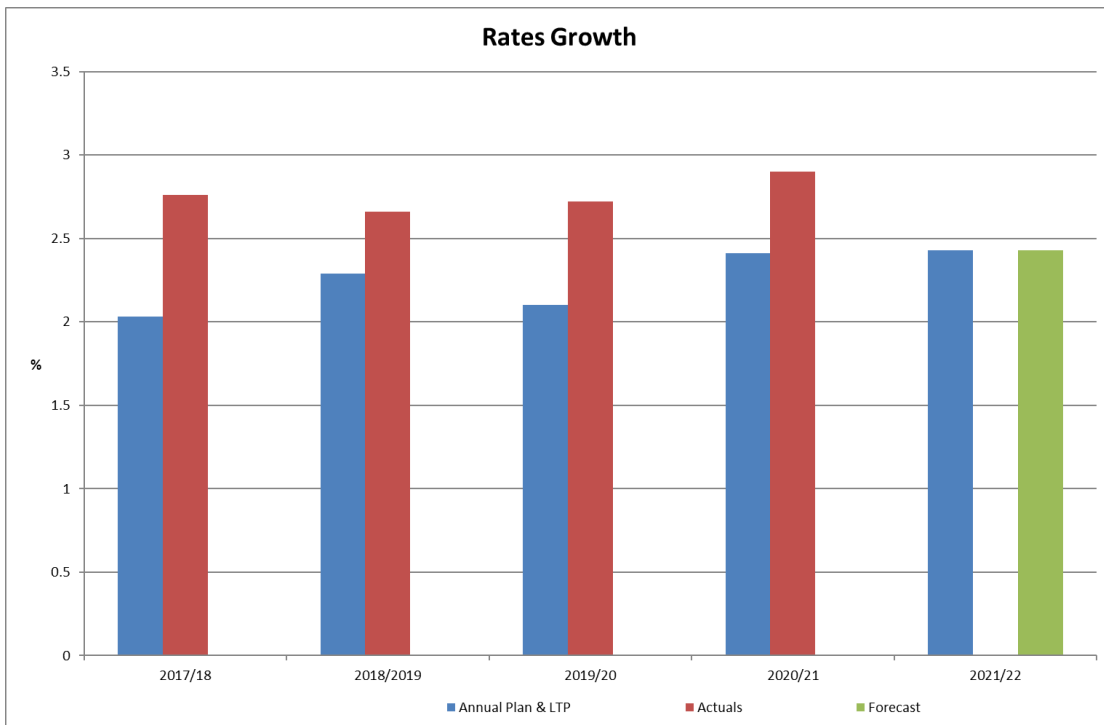
Financial Planning Implications of Forecast Changes Going Forward



The changes in level of external debt have been derived from the October 2020 forecast. The forecast adjusts the Annual Plan budget figure with any changes made during the October 2020 forecast process. At this stage 2021/22 has not been re-projected.



The changes in capital expenditure have been derived from the October 2020 forecast. The forecast adjusts the Annual Plan budget figure for any changes made during this financial year. Capital expenditure for 2021/22 is forecasted at year 4 LTP 2018/28 at this present time.



Financial Risks

Risk	Assumptions 2020/21 (Annual Plan)	Status Update
Borrowing & Interest Rates	1.86 percent	Council's current average borrowing rate is 1.00 per cent, this is lower due to lower than expected rates
Development Contribution Revenue	\$12 million	No change in assumption
Growth – Impact on Rates	2.4 percent	2020/21 actual was 2.9 percent
Inflation	2.0 percent	No change in assumption
Central Government Subsidy Payments	\$7 million	Forecast at \$11.5 million due to 2019/20 carry forwards and other changes

Statement of Comprehensive Income For the period ended 31 October 2020

	Notes	2020/21	2020/21		2020/21	Budget	Budget	Budget	2019/20
		Actual	Forecast	Forecast	Full Year	Variance	Variance	Variance	YTD
		\$000	\$000	%	\$000	Carryforward from 19/20	Previously Reported	This Period	Last Year
		\$000	\$000	%	\$000	\$000	\$000	\$000	\$000
OPERATING INCOME									
Rates, excluding targeted water supply rates		19,113	68,263	28%	68,263	-	-	-	17,694
Fees, charges, and targeted rates for water supply	1	8,626	14,770	58%	14,720	-	-	50	6,975
Reserve contributions		126	522	24%	522	-	-	-	141
Development contributions		1,335	12,072	11%	12,072	-	-	-	1,793
Gain on revaluation of investment properties & forestry		-	447	0%	447	-	-	-	-
Vested assets		1,542	15,176	10%	15,176	-	-	-	3,768
Discovered assets		621	-	-	-	-	-	-	179
Dividends		4	20	20%	20	-	-	-	5
Finance income		1	271	0%	271	-	-	-	337
Subsidies and Grants	2	3,744	12,567	30%	11,327	-	-	1,240	2,032
Other revenue		122	1,577	8%	1,563	-	-	14	128
Total Operating Income		35,234	125,685	28%	124,381	-	-	1,304	33,052
OPERATING EXPENDITURE									
Employee benefit expenses	3	8,199	27,130	30%	27,023	-	-	108	8,305
Depreciation & amortisation		8,541	25,461	34%	25,461	-	-	-	8,306
Other expenses	4	9,851	43,653	23%	43,465	932	(57)	(698)	15,699
Finance costs		337	1,870	18%	1,870	-	-	-	443
Total Operating Expenditure		26,928	98,114	27%	97,819	932	(57)	(590)	32,753
OPERATING SURPLUS		8,306	27,571	30%	26,562	(932)	57	1,894	299
Other Comprehensive Income recognised directly in Equity									
Property Plant and Equipment		-	20,819	0%	20,819	-	-	-	(142)
Revaluation gains/(losses) taken to equity		-	206	0%	206	-	-	-	-
Cash flow hedges		-	-	-	-	-	-	-	-
Total Other Comprehensive Income for the year		-	21,025	0%	21,025	-	-	-	(142)
Total Comprehensive Income for the year		8,306	48,596	17%	47,587	(932)	57	1,894	157

* Any Operating surpluses generally come from non-cash items. Council budgets for a general funds cash breakeven position.

- Increase in fees and charges revenue of \$50,000 due to additional revenue forecast for Resource Consents of \$30,000, additional revenue forecast for the Don Rowlands Centre of \$48,000 offset by a reduction in revenue for Rata cost recovery of \$28,000.
- Increase in subsidies and grants of \$1.2 million due to an increase in revenue of \$974,000 in NZTA external funding for District Wide Cycleway projects and an increase of \$293,000 in external funding for the Hora Hora Memorial Hall Refurbishment.
- Increase in employee benefits expenses of \$108,000 due to vacant positions being filled.
- Increase in other expenses of \$177,000 due to unspent balances carried forward of \$932,000. This includes the unspent balances of Community Board grants, and Community Arts and District Promotion Fund grants. Also included are budgeted funds for Structure Plans and Town Concept Plans commenced in 2019/20 but not yet completed. A further decrease in other expenses of \$755,000 including; decrease in budget of \$650,000 for the Cambridge Museum (CB Heritage Charitable Trust) due to deferral to 2023/24, Decrease in budget of \$350,000 for Information Technology due to savings found in budget, Increase in budget of \$135,000 for consultancy costs for stormwater projects due to positions still vacant, Increase in budget of \$95,000 for engineering work required at 101 Bank Street.

Summary Cost of Service For the period ended 31 October 2020

	2020/21		2020/21 Full Year Forecast %	2020/21		Budget Variance Carryforward from 19/20 \$000	Budget Variance Previously Reported \$000	Budget Variance This Period \$000	2019/20 YTD Last Year \$000
	Actual	Forecast		Budget					
	\$000	\$000		\$000					
Revenue									
Governance & Strategic Direction	32	54	59%	54	-	-	-	-	21
Planning and Regulatory	2,474	5,583	44%	5,553	-	-	30	-	2,333
Community Services and Facilities	1,511	9,080	17%	8,751	-	-	329	-	1,701
Roads and Footpaths	3,571	12,779	28%	11,834	-	-	945	-	1,384
Stormwater	6	7	86%	7	-	-	-	-	16
Wastewater Treatment and Disposal	110	845	13%	845	-	-	-	-	223
Water Treatment and Supply	4,670	11,517	41%	11,517	-	-	-	-	2,370
Support Services*	9	87	10%	87	-	-	-	-	3,966
GROSS REVENUE	12,383	39,952	31%	38,648	-	-	1,304	-	12,014
Less Internal Charges	(5,159)	(15,440)	33%	(15,477)	-	-	37	-	(3,959)
NET INCOME	7,224	24,512	29%	23,171	-	-	1,341	-	8,055
Expenditure									
Governance & Strategic Direction	2,928	10,518	28%	9,816	586	-	116	-	2,628
Planning and Regulatory	2,826	9,211	31%	9,100	50	-	61	-	2,648
Community Services and Facilities	7,041	27,682	25%	28,407	183	(57)	(851)	-	6,162
Roads and Footpaths	6,913	22,285	31%	22,369	-	-	(84)	-	5,757
Stormwater	1,125	4,446	25%	4,368	-	-	78	-	2,585
Wastewater Treatment and Disposal	2,841	11,055	26%	11,124	-	-	(69)	-	2,521
Water Treatment and Supply	3,474	13,616	26%	13,124	-	-	492	-	3,317
Support Services	4,958	15,304	32%	15,562	-	-	(258)	-	4,334
GROSS EXPENDITURE	32,106	114,117	28%	113,870	819	(57)	(515)	-	29,952
Less Internal Charges	(5,159)	(15,477)	33%	(15,477)	-	-	-	-	(3,959)
Less rates charged to Council properties	-	(1,126)	0%	(1,126)	-	-	-	-	(270)
NET EXPENDITURE	26,947	97,514	28%	97,267	819	(57)	(515)	-	25,723

* This includes internal charges

Refer individual Costs of Service Statements for explanation on variances.

Statement of Equity

For the period ended 31 October 2020

	2020/21 Year to Date Actual \$000	2020/21 Full Year Forecast \$000	Forecast %	2020/21 Full Year Budget \$000	Budget Variance \$000	2019/20 Full Year \$000
Balance at 1 July	1,767,132	1,767,132	100%	1,782,731		1,716,737
Total comprehensive income previously reported	8,307	48,596	17%	47,587	1,009	50,395
Balance at 30 June	1,775,439	1,815,728	98%	1,830,318	1,009	1,767,132

Statement of Financial Position As at 31 October 2020

Notes	2020/21	2020/21	Forecast %	2020/21	2019/20
	Year to Date Actual \$000	Full Year Forecast \$000		Full Year Budget \$000	Full Year \$000
ASSETS					
Current Assets					
	2,033	2,976	68%	2,801	1,862
Cash and cash equivalents					
Other financial assets	-	-		-	-
Investments in CCO's	1,065	-		240	-
Assets held for sale	-	85	0%	85	85
Trade and other receivables	14,881	6,005	248%	5,295	7,842
Total Current Assets	17,979	9,066	198%	8,421	9,789
Non Current Assets					
Trade and other receivables	-	13	0%	-	13
Property plant and equipment	1,836,550	1,967,334	93%	1,998,368	1,808,417
Intangible Assets	2,860	5,338	54%	2,465	2,938
Forestry Assets	2,559	2,559	100%	2,977	2,559
Investment Properties	15,911	15,942	100%	16,611	15,942
Investments in CCO's	17,108	18,160	94%	14,980	17,748
Total Non Current Assets	1,874,988	2,009,346	93%	2,035,401	1,847,617
Total Assets	1,892,967	2,018,412	94%	2,043,822	1,857,406
LIABILITIES					
Current Liabilities					
Trade and other payables	43,081	9,399	458%	24,107	17,589
Provisions	252	652	39%	412	252
Employee benefit liabilities	1,804	1,844	98%	1,547	1,644
Borrowings	1	53,500	25%	55,000	13,500
Derivative financial instruments	-	-		-	-
Total Current Liabilities	58,537	65,395	90%	81,066	32,985
Non Current Liabilities					
Trade and other payables	-	15,298	0%	-	15,298
Derivative financial instruments	1,292	1,292	100%	-	1,292
Provisions	699	699	100%	1,937	699
Borrowings	1	120,000	48%	130,500	40,000
Total Non Current Liabilities	58,991	137,289	43%	132,437	57,289
Total Liabilities	117,528	202,684	58%	213,503	90,274
EQUITY					
Retained Earnings	530,036	555,249	95%	570,075	523,731
Other reserves	1,245,403	1,260,479	99%	1,260,243	1,243,401
Total Equity	1,775,439	1,815,728	98%	1,830,318	1,767,132

- The balance of external loans at 31 October is \$70.4 million. It is anticipated that Council will take out a further \$103.1 million of external loans this financial year bringing the forecast end of financial year loan balance to \$173.5 million.

Statement of Capital Expenditure As at 31 October 2020

	Full Year			Full Year	Budget	Budget	Budget	YTD
	Actual	Forecast	Forecast	Budget	Variance Carryforward from 19/20	Variance Previously Reported	Variance This Period	Last Year
	\$000	\$000	%	\$000	\$000	\$000	\$000	\$000
Water treatment and supply	8,628	30,075	29%	30,718	2,507	(150)	(3,000)	6,801
Waste water	15,523	36,511	43%	42,670	602	(2,162)	(4,600)	3,576
Roads and Footpaths	4,476	45,062	10%	51,206	4,896	(263)	(10,777)	4,494
Stormwater	1,615	23,933	7%	35,871	4,116	(205)	(15,850)	1,802
Community Services & Facilities	5,434	21,909	25%	22,367	887	(1,174)	(172)	5,176
Governance	-	-	0%	-	-	-	-	9
Support services	253	4,458	6%	3,776	710	-	(28)	99
Planning & Regulatory	-	14	0%	-	14	-	-	-
	35,929	161,962	22%	186,608	13,732	(3,954)	(34,427)	21,957
Vested Assets (included above)					Carryforward from 19/20	Previously Reported	This Period	
Water treatment and supply	712	1,660	43%	1,660	-	-	-	833
Waste water	410	2,697	15%	2,697	-	-	-	231
Roads and Footpaths	136	7,714	2%	7,714	-	-	-	2,613
Stormwater	284	3,105	9%	3,105	-	-	-	693
	1,542	15,176	10%	15,176	-	-	-	4,370
Totals excluding Vested					Carryforward from 19/20	Previously Reported	This Period	
Water treatment and supply	7,916	28,415	28%	29,058	2,507	(150)	(3,000)	5,968
Waste water	15,113	33,814	45%	39,973	602	(2,162)	(4,600)	3,345
Roads and Footpaths	4,340	37,348	12%	43,492	4,896	(263)	(10,777)	1,881
Stormwater	1,331	20,828	6%	32,766	4,116	(205)	(15,850)	1,109
Community Services & Facilities	5,434	21,909	25%	22,367	887	(1,174)	(172)	5,176
Governance	-	-	0%	-	-	-	-	9
Support services	253	4,458	6%	3,776	710	-	(28)	99
Planning & Regulatory	-	14	0%	-	14	-	-	-
	34,387	146,786	23%	171,432	13,732	(3,954)	(34,427)	17,587

Capital expenditure is forecast at \$161.9 million compared to a budget of \$186.6 million. Capital expenditure to date is at \$35.9 million which is 22 percent of the forecast.

Treasury Management Report

INVESTMENT POLICY (Treasury Management Policy)

1. Market Commentary

The Official Cash Rate is 0.25% set 16 March 2020.

2. Cash and Treasury Investments

	S&P Rating - Short (Long) Term	Total Short Term Investments	Policy Limit (\$)	%	Policy Limit (%)	Policy Compliance
Registered Banks						
ASB Bank Limited	A-1+(AA-)	631,208	40,000,000			✓
ANZ Bank New Zealand Limited	A-1+(AA-)	-	40,000,000			✓
Bank of New Zealand	A-1+(AA-)	-	40,000,000			✓
Westpac Banking Corporation	A-1+(AA-)	-	40,000,000			✓
Total Registered Banks		631,208		100.0%	≤100%	✓
Local Authorities						
Local Authorities	N/A	-	10,000,000			✓
Total Local Authorities and Other Issuers		-		0.0%	≤50%	✓
Total Investments		631,208		100%		

Commentary

There are no policy breaches.

Cash and Cash Equivalents on the Statement of Financial Position is \$2.0million which includes bank accounts and LGFA borrower notes. LGFA borrower notes are excluded from the local authorities actuals as they relate to borrowing not to investment.

BORROWING POLICY (Treasury Management Policy)

3. External Borrowing Maturity Profile

	Total Debt	2020/21	2021/22	2022/23 Onwards
Total Existing	70,400,000	13,000,000	-	57,400,000
Total Forecast Borrowing at year end	173,500,000	-	55,000,000	118,500,000

Commentary

Existing borrowing maturing this financial year is \$13 million. It is anticipated that Council will take out a further \$103.1 million of new debt this financial year.

4. Refinancing

Existing Debt to be Refinanced this year -

Policy Compliance ✓

Policy Parameters - No more than \$30 million of outstanding external debt is subject to refinancing over the next 12 months or any rolling 12 month period thereafter.

5. Weighted Average Borrowing Rate 1.00%

Other Treasury Matters

Internal Loans

	31/10/2020	30/06/2020
	\$000	\$000
Development Contribution Loans	30,438	31,385
Governance	2,154	2,675
Planning & Regulatory	164	190
Community Services & Facilities	28,358	29,662
Roads & Footpaths	15,971	17,301
Stormwater	479	484
Wastewater	15,341	15,742
Water Treatment & Supply	11,845	12,252
Support Services	7,063	7,501
Arbitrage Debt	-	-
Total Debt	111,813	117,192
Less External Debt	70,400	53,500
Arbitrage Debt	-	-
Balance External Debt	70,400	53,500
Internal Loans	41,413	63,692

Net Debt

	31/10/2020	30/06/2020	28/02/2020	31/10/2019	30/06/2019	28/02/2019	31/10/2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total External Loans	70,400	53,500	64,500	81,000	15,000	42,000	47,000
Less Total Investments	1,696	2,496	36,427	58,719	739	45,589	48,273
Net Debt	68,704	51,004	28,073	22,281	14,261	(3,589)	(1,273)

Forecast 30 June 2021 Net Debt

	30/06/2021
	\$000
Total External Loans	173,500
Less Total Investments	640
Net Debt	172,860

Organisational Performance Overview

A brief overview of organisational achievements for the four months July 2020 to October 2020 is outlined below.

The first four months of the year were again a busy time. The 2019/20 Annual Report was completed receiving an unqualified audit opinion. Work continued on the development of Council's 2021-31 Long-Term Plan; this is in a challenging environment with the ongoing uncertainty of the long-term effects of COVID 19. This included confirming Council's refreshed vision with the Community "Waipā Home of Champions – Building Connected Communities."

This work is occurring in an environment where the risks of the resurgence of COVID in our community are being monitored. On the 12th August Waipa again joined a large proportion of the country in Alert Level 2 with Auckland moving to Alert Level 3. This saw the reintroduction of health and safety restrictions across Waipa District Council's museums, libraries, offices and work sites for a period of approximately six weeks.

The details of performance levels and key achievements for the period are set out in each of the Group of Activity areas in the report. The following outlines some key highlights;

- Council continued to focus on delivering the ambitious capital works portfolio programmed for the year:
 - The Cambridge Pool facility building is now more than 70 percent complete with the roof, glazing, 25m pool and toddler pool finished.
 - Vehicles can now access the new Hanlin Road roundabout, with landscaping and other finishing touches set to continue over the coming months.
 - A major milestone for Waipā District Council's Waikeria wastewater pipeline project was reached with the completion of the Waikeria to Kihikihi section.
- Focus was maintained on continuous improvement; making processes easier for both Council's staff and customers with an ongoing focus on digital improvements:
 - A unified communications solution was rolled out across the organisation, improving communication between staff and enhancing Council's contact centre functionality.
 - A digital property file viewer was implemented, allowing customers to search property records online via Waipā District Council's website.
 - A portion of the accounts payable process was automated enabling significant time savings for this process.
 - A new digital solution was implemented to make Council's budgeting and forecasting processes more efficient.
- Risks continued to be actively managed through the Audit and Risk Committee:
 - Council's Top Risks and Risk Appetite Statement for 2020/21 were adopted by Council, via the Strategic Planning and Policy Committee.
 - A Compliance Management Policy and Compliance Management Strategy were endorsed for adoption. These provide the foundations for the Compliance Management Improvement Programme developed through Council's internal audit program.

- Council's Crisis Management Plan was also approved that includes the learnings from management of the COVID-19 crisis earlier in the year.
- Changes to Council's governance structure were made. Four iwi representatives, known as Te Kanohi, were appointed to formal Committees of Waipā District Council. Te Kanohi will bring a Māori world view to each Committee and will be a voice for mana whenua interests across the district.
- Residents continued to take great Pride in their District as indicated through resident surveying results. This was reinforced when Victoria Street in Cambridge won the title of Best Street in the annual Keep New Zealand Beautiful Awards. The street was recognised for its street appeal, cleanliness and sense of community pride.

Again it has been a busy time as staff and residents transition from response to recovery following the COVID-19 pandemic. Council continues to deliver solid performance and remains committed to continuing to improve on behalf of the community.

Community Engagement Strategy

Engagement

The period between 1 July and 31 October 2020 has been extremely productive for the communications team with a number of external and internal projects, initiatives and campaigns completed.

Completed community / stakeholder projects:

- Long Term Plan pre-engagement with the community including stakeholder research
- Annual Report 2019/20
- Annual Plan 2020/21
- Innovating Streets (“Streets for People”) community engagement strategy
- New Pirongia toilets communications
- Recycling contamination communications
- Recycling plastics 1, 2 and 5 change programme
- Maungatautari Road roadworks updates
- Lake Te Koo Utu draft concept plan community engagement
- Memorial Park draft concept plan community engagement
- Hanlin Road roundabout communications
- Cambridge Pool communications strategy review and updates
- The Pirongia Village Concept Plan refresh – “Pirongia Be Bold” consultation
- Covid-19 community-wide communications
- Cambridge Road Pipeline project – stage 1 communications
- Cambridge Town Hall remedial work updates
- Cambridge Town clock updates
- Roll out of the revised vision and community outcomes
- Pukerimu outage crisis-communications
- Maungatautari Reserve Management Plan
- Sub-regional metro spatial plan stakeholder engagement
- Growth community perceptions research
- Procurement strategy information for suppliers
- Pirongia Esplanade Walkway updates
- Settlers Track upgrade updates
- Centennial park toilets install & designer dunny wrap competition
- Rate rebates campaign
- C2 & C3 waters infrastructure & intersection design communications
- Protected trees communications
- Te Wiki O Te Reo Maori campaign
- Structure plan consultation for T11 and T6
- Kihikihi town concept plan consultation
- Recovery fund campaign
- District promotions fund campaign
- Community Events fund campaign
- Creative communities scheme campaign

Internal communications projects:

- Covid-19 internal communications
- Values refresh video and posters for campaign
- Te Wiki O Te Reo Maori campaign

- Microsoft Teams campaign
- Customer experience strategy

Ongoing projects

- Long Term Plan communications and engagement
- Recovery communications strategy
- Marketing strategy for Waipā (as part of the recovery programme)
- Streets for People community engagement campaign roll out
- Hamilton Road Cycleway communications
- Urban mobility business case communications strategy
- Te Ara Wai communications strategy
- Stormwater modelling communications strategy implementation
- Cambridge Road Pipeline completion communications
- Waikeria pipeline project communications
- Te Awamutu water supply upgrade communications
- Cambridge Town Hall consultation
- Plan Change 12 consultation
- Memorial Park Concept Plan follow up with the community
- Christie Ave pump station upgrades
- Asset maintenance work programme
- Ngahinapouri concept plan consultation
- Parks signage
- Three waters reform communications strategy for Waipā
- Smart Water campaign
- Waste minimisation fund communications
- Intranet upgrade
- Macron -branding roll out
- 'What's happening here' campaign

Funding Rounds

District Promotions

The District Promotion Fund supports events that promote and benefit the wellbeing of the Waipā district and its people. This year the fund was boosted from \$150,000 to \$200,000 to support the recovery of the district post-Covid-19 lockdown.

The fund is limited and the application process is competitive. In the 2020/21 funding round 39 events were funded a total of \$190,500.

Community Event Fund

This fund aims to support community led events that build and celebrate community pride, connect our communities and celebrate our diversity. This year the fund was boosted from \$30,000 to \$50,000 to support the recovery of the district post-Covid-19 lockdown.

In the 2020/21 funding round, 22 events were funded a total of \$49,000.

Creative Communities Scheme

The Creative Communities Scheme is funded by Creative New Zealand and administered by Council. It's designed to support community arts initiatives that help grow and promote creativity in Waipā and around New Zealand.

In the latest round, just under \$28,400 was allocated to 16 initiatives.

Events

Although events have been heavily impacted by the Covid-19 lockdown levels. It's been a busy few months on the events front too with organisers planning and requesting to hold their events in a condensed timeframe than in previous years. We are ramping up to a busy summer.

District Promotion and Community Events taking place in the last four months include:

- Hamilton to Cambridge Paddle Race
- 100K Flyer
- Cambridge BMX Twilight meet
- Spring Challenge Women's Adventure Race – new event
- Jetski Nationals
- Kihikihi Speedway Fireworks

Support has provided to these events in the way of funding, use of Council equipment, planning advice and promotion support.

Social media

Some key statistics for this period:

- 7,874 page likes
- 8,684 followers
- Peak engagement on 15 November
- An hour is the ongoing average response time to direct messages 24/7
- 70% female users follow the Waipā District Council page
- The largest group of users by age is 25-35 years
- Average monthly reach 14,860

Facebook

We have reviewed how we are interacting with our followers, including frequency of posts, timing and type of content to ensure Council's Facebook page remains engaging and appropriate for our audience.

The number of customers contacting us through Facebook remains the same.

More people engaged with our Facebook page as New Zealand moved up and down Covid-19 alert levels.

Instagram

We have developed our Instagram page to showcase all things we love about our district with the majority of content this period produced by locals.

Our engagement has grown since our events team are back to full strength, promoting local events. We currently have 1,421 followers which is steadily increasing.

Twitter

We are still working to reinvigorate our Waipā District Council Twitter account, however we have noticed a slow move away from customers contacting us through this platform.

We currently have 482 followers, as well as the Home of Champions account which has 524 followers and now use this more for keeping up to date on trending topics and news from our area and throughout New Zealand.

Website

The website has been performing well during the last four months with visits increasing in response to Covid-19.

The response to the website continues to be very positive with the online payment gateway use increasing substantially since this time last year.

Some key statistics for this quarter:

- We have had 75,857 users on our site
- These users have had 146,143 sessions (i.e. visits to the website), average session time of 2m 00s and 352,822 page views
- 50.2% of website users visit the page organically (i.e. straight to the website, not a link click) and 38.7% through direct channels
- 8% of users are coming through to the website via our social media channels
- Apart from the home page and the search page, the most searched pages are
 - Make a payment
 - Recycling
 - Rates
- 61% of visitors were on desktop, 33.9% on mobile and 3% on tablets
- People on average are most active on our site on Tuesdays between 9am -3pm
- 52% of users are female
- The highest group by age is 65+

Ad hoc and Emergency Work

These work requests have been generated as a result of Council meetings/workshops or Councillor requests, or from the Chief Executive or Executive team that are outside of budgeted work programmes or emergency work.

Ad hoc work request	Impact / update	Budget Implications
Covid-19	Additional budget for cleaning and protective equipment.	\$9,000

Top Risks 2019/20

Waipa District Council’s Top Risks – Updated November 2020

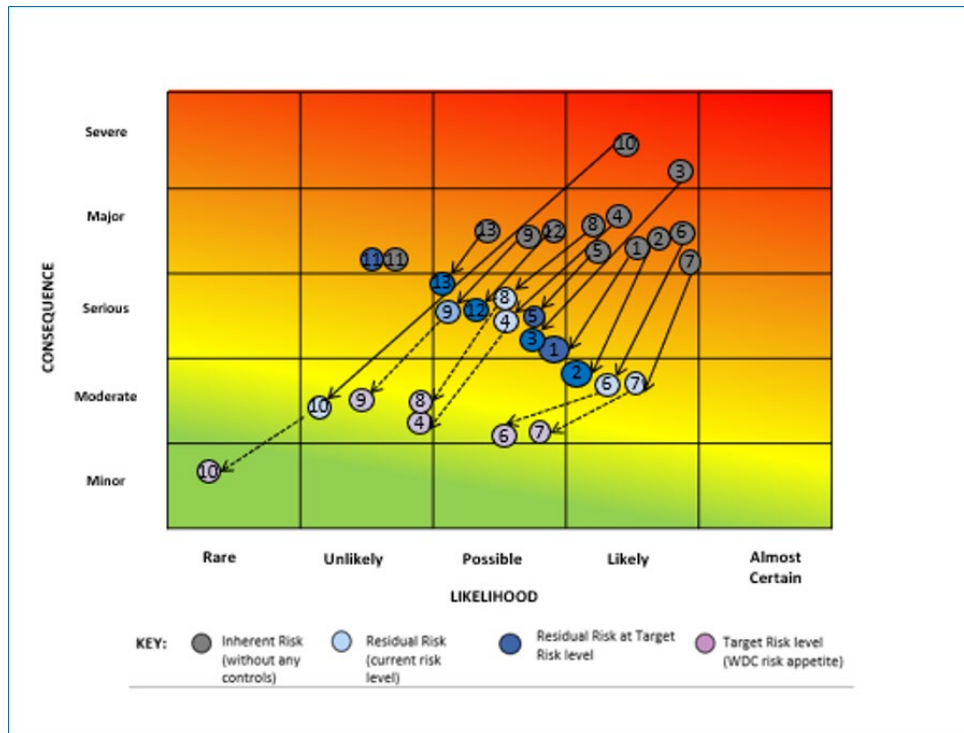
WDC’s Top Risks are reviewed annually and monitored by the Executive Team and ARC on a quarterly basis.

The following are the top risks to the achievement of Waipa District Council’s 2019/20 strategic priorities. Detail on each risk is set out on subsequent pages.

Monitoring and Review:

- Planned activity monitoring will occur through the existing business plan monitoring mechanism.
- Quarterly Executive Team and Audit and Risk Committee reporting on risk management.

Note: That the Target Risk Level for the majority of risks has been raised compared to last year’s Top Risk profile to more accurately and realistically state Council’s risk appetite rather than an aspirational target. The current economic environment constrains the amount of investment required to lower the target risk further.



#	Risk Area and Statement	Residual (current) level
1	Adequate staffing capacity and capability to deliver Council’s objectives: If Council is not adequately resourced, both in terms of capacity and capability, then this under resourcing may contribute to failure and/or significantly increased costs to deliver service levels and key projects.	High
2	Failure to deliver the programme of capital works impacting future projects and priorities: If Council fails to plan and deliver the proposed programme of capital works then this will impact the overall delivery of infrastructure to support growth, levels of service improvements and asset replacement.	High
3	COVID-19 Impact: If Council fails to adequately respond and recover from the ongoing impacts of COVID-19 then there will be a negative impact on the wellbeing of both the organisation and District.	High
4	Risks to Information Management: If information management is compromised through actions of staff or other parties, technology system impacts, cyber-security attacks, privacy breaches, or data loss or corruption then Council’s delivery of services and reputation will be negatively impacted.	High
5	Changes in Central Government policy or legislation: If Council does not proactively monitor and respond to the increased level of proposed and pending changes of legislation and/or policy, then adequate financial planning and exploiting potential opportunities may be missed.	High
6	Failure of relationships with key stakeholders: If Council has a breakdown in relationships with stakeholders, then Council’s ability to operate and deliver services and key projects cost effectively and within reasonable timeframes will be significantly impacted.	High
7	Failure of Iwi/Mana Whenua partnership: If Council’s partnerships with Iwi/Tangata Whenua breakdown then Council’s ability to operate and deliver key projects will be significantly impacted and it may also fail to meet its post Treaty settlement obligations.	High
8	Risk to Financial Sustainability: If Council does not have sufficient liquidity and/or funding or debt levels are at limit, then delivery of service levels and key projects will be significantly impacted.	High
9	Failure to respond to Customer Demand: If Council does not meet the increasing expectations of customers in how they engage with Council and what services Council provides as well as respond to changing demands then customers will be dissatisfied, and Council’s reputation will be negatively impacted.	High
10	Failure to embed a Health and Safety culture: If Council does not have a strong Health and Safety culture and commitment to keeping staff, contractors and members of the public safe for Council controlled activities then there will be unacceptable injuries and potentially fatalities with legal consequences.	Medium
11	Climate change impacts: If Council does not understand and/or adequately prepare for climate change impacts, then the lack of knowledge and forward planning may have significant financial and reputational effects as well as adverse economic and social impacts on the community.	High
12	3 Waters reforms: If Council does not understand and/or adequately prepare for the proposed 3 waters changes from Central Government, then there may be adverse financial and reputational impacts as well as the economic and social wellbeing of the community being negatively impacted.	High
13	Failure to prioritise and develop future projects that meet community expectations: If Council fails to prioritise and develop the future projects that meet community expectations then there will be adverse impacts on finances and reputation and contention for capital expenditure.	High

Strategic Priority Indicators

The following outlines the year to date status of the confirmed 2020/21 internal and external Strategic Priorities.

In summary there are a total of 34 Strategic Priority lag indicators (CE KPIs) and 41 lead indicators.

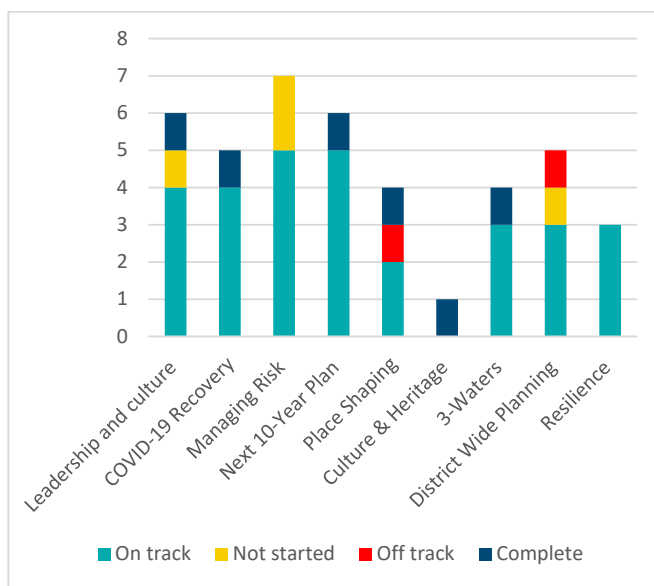


Figure 1: Strategic Priority Lead Indicators ((Actions to deliver the CE KPIs))

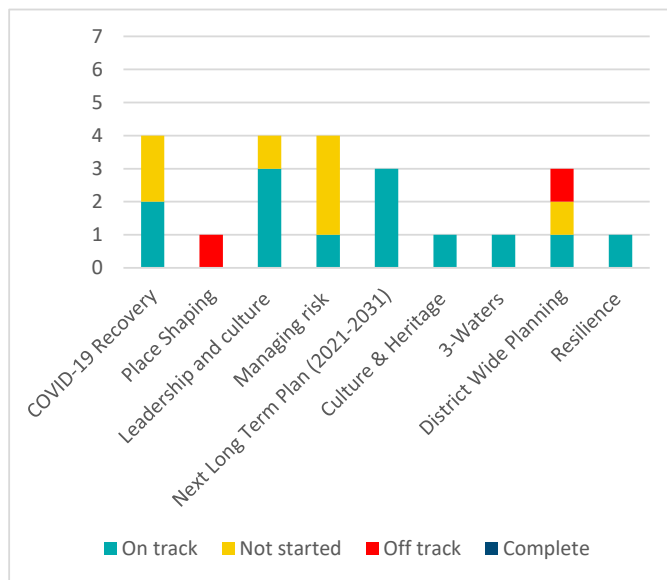


Figure 2: Strategic Priority Lag Indicators (CE KPIs)

The exceptions with associated commentary are outlined below.

Table 1: Strategic Priority Lead Indicators (actions to deliver the CE KPIs) exceptions





Strategic Priority	Strategic Priority Statement	Comment	Status
District Wide Planning	Implement recommendations from the parking management plan and programme for TA and CB.	Budget is yet to be allocated for this project and it may not proceed this financial year. Some changes have been carried out, restricted parking timeframes near Cambridge Council facilities have been introduced to improve parking availability for users.	
Place Shaping	Upgrade to Cambridge pool completed by March 2021.	Construction has experienced a number of delays, however construction is now 70% complete.	

Table 2: Strategic Priority Lag Indicators (CE KPIs) exceptions

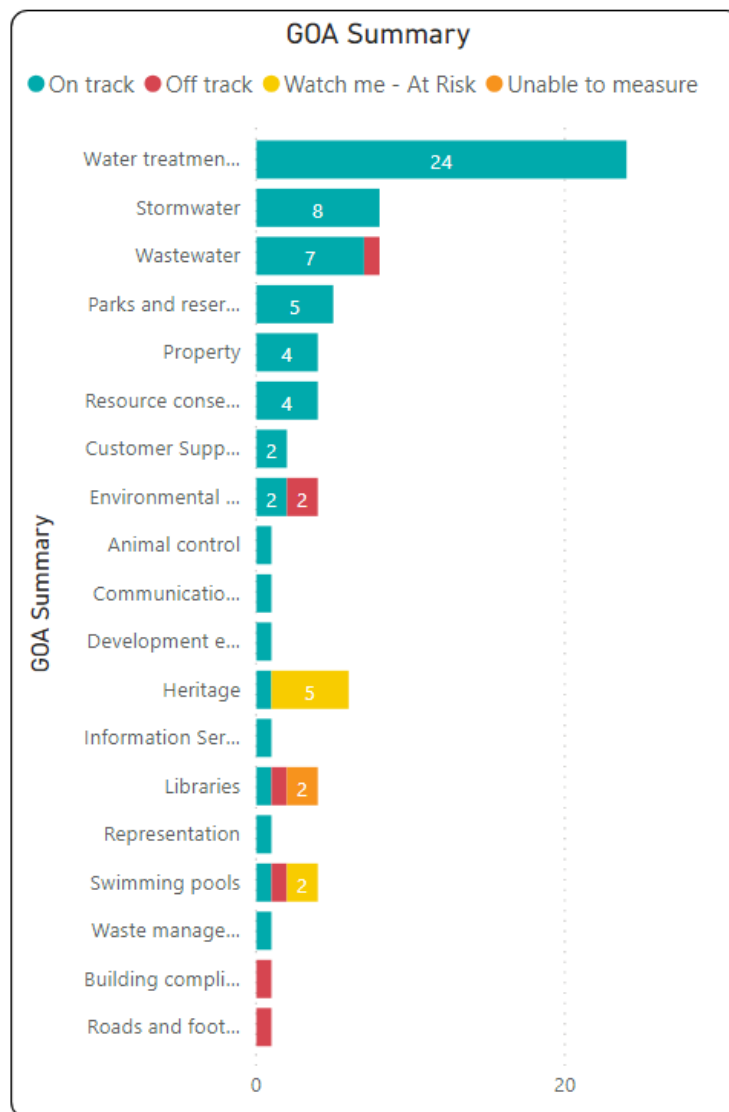
Strategic Priority	Strategic Priority Statement	Comment	Status
District Wide Planning	Positive trend in Resident perception survey- “How satisfied are you with the way your town is developing in terms of look and feel?”	This perception has dropped for the first quarter. It will continue to be monitored over the longer-term.	
Place Shaping	Resident perception survey – “Council has a clear vision and provides clear direction for the development of the District.”	This perception has dropped for the first quarter. It will continue to be monitored over the longer-term.	

Non-financial performance summary

From a total of 103 non-financial performance measures which span 8 groups of activity, 80.25% are currently On Track. Two measures were unable to be reported on;

- Library door counters are not currently operating and therefore no data was available for two measures within this activity group

Of the remaining 101 performance measures, 7 are considered At Risk of not meeting the end of year target and a further 7 are considered Off Track.



Group of Activity - Governance

Council governance is the decision-making of the elected Council, its committees and community boards. This work is supported by the Strategy and Community Services Group and the Legal and Governance Support departments.

The following outlines the year to date status of the level of service performance measures for the governance group of activities. In summary there are a total of 4 performance measures for the group, 2 measured annually and 2 considered on track.

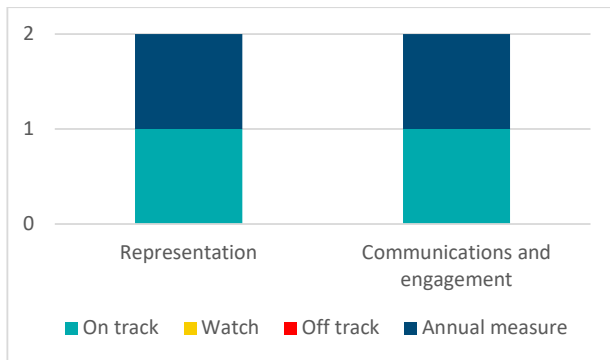


Figure 2: Governance key performance indicator graph

Operating and Capital Costs

	2020/21		2020/21		2020/21		Budget	Budget	Budget	2019/20
	Year to Date		Full Year		Full Year		Variance	Variance	Variance	YTD
	Notes	Actual	Forecast	Forecast	Budget	Carryforward	Previously	This Period	Last Year	
	\$000	\$000	%	\$000	\$000	\$000	\$000	\$000	\$000	
REVENUE										
Council & Committees	9	12	75%	12	-	-	-	-	-	1
Elections	-	-	-	-	-	-	-	-	-	7
Community Grants	24	42	57%	42	-	-	-	-	-	24
TOTAL REVENUE	33	54	61%	54	-	-	-	-	-	32
OPERATING EXPENDITURE										
Council & Committees	999	2,964	34%	2,949	15	-	-	-	-	890
Cambridge Community Board	66	212	31%	212	-	-	-	-	-	62
Te Awamutu Community Board	61	187	33%	187	-	-	-	-	-	60
Elections	1	1	100%	1	-	-	-	-	-	146
Community Grants	1	324	1,385	23%	1,222	163	-	-	-	273
Strategic Planning	2	619	3,433	18%	3,026	407	-	-	-	843
Community Relationships		726	1,832	40%	1,832	-	-	-	-	772
Strategic Relationships	3	132	503	26%	387	-	-	-	116	115
TOTAL EXPENDITURE	2,928	10,517	28%	9,816	585	-	116	3,161		
OPERATING SURPLUS/(DEFICIT)	(2,895)	(10,463)	28%	(9,762)	(585)	-	(116)	(3,129)		
CAPITAL EXPENDITURE										
Capital Expenditure (excluding Vested)	-	-	-	-	-	-	-	-	-	9
Debt Repayment	521	521	100%	-	-	-	-	521	-	584
TOTAL CAPITAL EXPENDITURE	521	521	100%	-	-	-	521	593		

Explanation of significant cost of service variances

1. Increased budget of \$163,000 for carry forward of funds not spent in 2019/20 for community grants.
2. Increase in budget of \$407,000 for carry forward of funds not spent including \$175,000 for the heritage grants and structure plans commenced in 2019/20 but not yet completed, \$109,000 for Ngahinapouri Village & Pirongia Village concept plans due to delays from covid-19 restrictions, \$72,000 for Annual Plan/LTP costs due delays from covid-19 and \$50,000 for the Te Waka Forum.
3. Increase in budget of \$116,000 for strategic relationships due to increase in employee benefits from vacant positions being filled.

Group of Activity - Planning and Regulatory

The planning and regulatory group of activities covers resource management, building compliance, environmental health, animal control and development engineering. We provide these services to manage the natural and physical resources of the district, and promote and protect the health and safety of our communities and the general public. The avoidance or mitigation of natural hazards is a core service of our Council and is a central concern of this group of activities.

The following outlines the year to date status of the level of service performance measures for the Planning and Regulatory group of activities. In summary there are a total of 11 performance measures for the group of which 8 are considered on track.

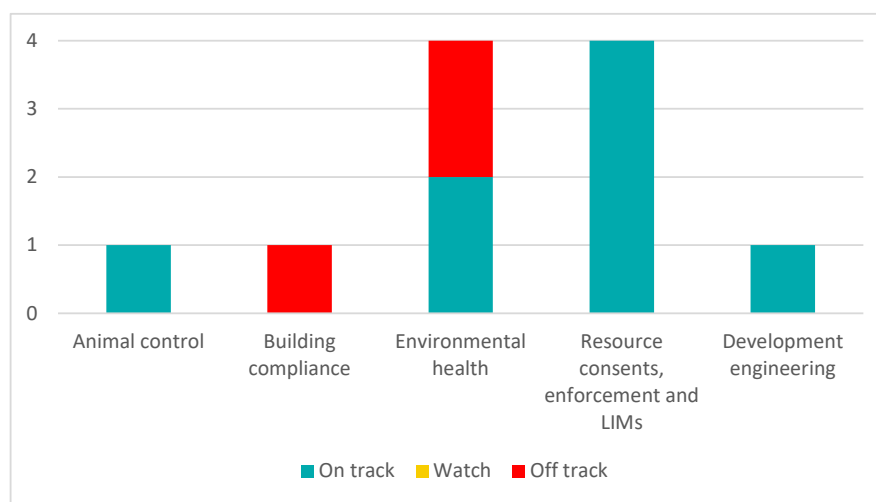



Figure 3: Planning and regulatory key performance indicator graph

The exceptions with associated commentary are outlined below.

Table 1: Planning and regulatory key performance indicator exceptions

Measure	Comment	YTD Target	YTD Actual	Status
Building consent applications are processed within statutory timeframes.	There have been a 589 Building Consents granted year to date. Two applications were of poor quality and multiple requests for Further Information (RFI's) were required, as a result the statutory timeframes were exceeded.	100 percent	99.66 percent	🟡🟢🔴
The percentage of smoke complaints investigated within 1 hour.	19 smoke nuisance calls have been classed as urgent. 18 of those were attended within 1 hour. One call in October was not attended within 1 hour.	95 percent	94.74 percent	🟡🟢🔴

Measure	Comment	YTD Target	YTD Actual	Status
All premises that sell food to the public are registered.	There are three premises yet to pay their invoices. It is believed at least one of those is no longer trading, and one is a new premise (yet to open).	100 percent	99.56 percent	

Operating and Capital Costs

	2020/21 Year to Date	2020/21 Full Year		2020/21 Full Year	Budget Variance	Budget Variance	Budget Variance	2019/20 YTD	
		Actual	Forecast						Forecast
	Notes	\$000	\$000	%	\$000	\$000	\$000	\$000	
REVENUE									
Resource Management	1	690	1,647	42%	1,617	-	-	30	831
Building Control		974	2,289	43%	2,289	-	-	-	915
Environmental Health		143	435	33%	435	-	-	-	145
Animal Control		492	491	100%	491	-	-	-	496
Development Engineering		175	720	24%	720	-	-	-	182
TOTAL REVENUE		2,474	5,582	44%	5,552	-	-	30	2,569
OPERATING EXPENDITURE									
Resource Management	1	928	2,919	32%	2,844	50	-	25	911
Building Control	2	954	3,214	30%	3,114	-	-	100	1,011
Environmental Health		367	1,227	30%	1,247	-	-	(20)	358
Animal Control		260	861	30%	888	-	-	(27)	257
Development Engineering		317	991	32%	1,005	-	-	(14)	299
TOTAL EXPENDITURE		2,826	9,212	31%	9,098	50	-	64	2,836
OPERATING SURPLUS/(DEFICIT)		(352)	(3,630)	10%	(3,546)	(50)	-	(34)	(267)
CAPITAL EXPENDITURE									
Capital Expenditure (excluding Vested)		-	14	0%	-	14	-	-	-
Debt Repayment		26	26	100%	-	-	-	26	24
TOTAL CAPITAL EXPENDITURE		26	40	1	-	14	-	26	24

Explanation of significant cost of service variances

1. Increase budget of \$30,000 for resource management consents, this is partially offset by increase in employee benefits.
2. Increase in building control of \$100,000 due to vacant positions being filled, this has been partially offset from savings in other activities within the group.

Group of Activity - Community Services and Facilities

The community services and facilities group of activities provides recreational benefit and promotes the health and safety; and social and environmental wellbeing of our communities. Libraries, museums, reserves, and other recreational facilities are recognised by our Significance and Engagement Policy as significant activities of Council. In addition, the Policy also recognises the pensioner housing units as strategic assets.

The following outlines the year to date status of the level of service performance measures for the Community Services and Facilities group of activities. In summary there are a total of 27 performance measures for the group of which 13 are considered on track.

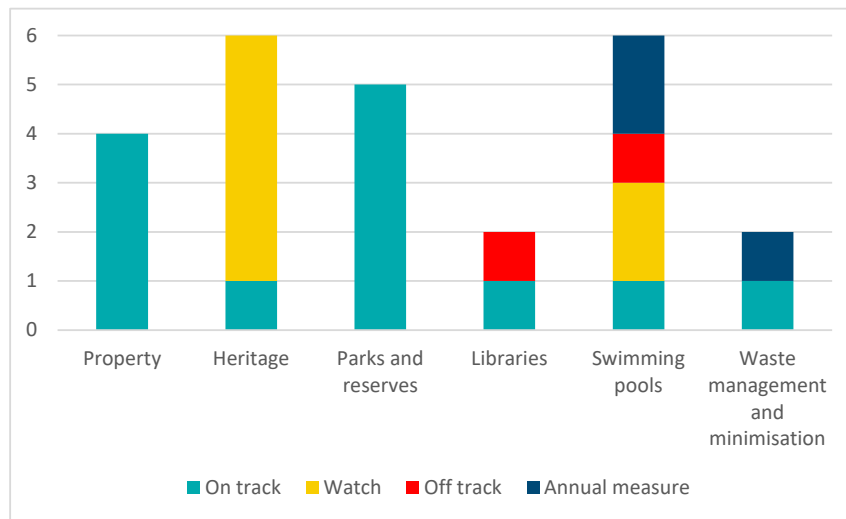


Figure 4: Community services and facilities key performance indicator graph

The exceptions with associated commentary are outlined below.

Table 2: Community services and facilities key performance indicator exceptions

Measure	Comment	YTD Target	YTD Actual	Status
The number of annual visitors to key Heritage sites – Te Awamutu Museum (excluding school students).	Visitor numbers have consistently tracked below target of late, a number of factors are thought to be contributors including limited parking in the area, lower pedestrian counts, isolated location and standard of facilities. The move between COVID-19 Alert Levels has also affected visitor numbers.	2950	1675	🟡🟢🟠
The number of annual visitors to key Heritage sites – Pirongia Visitor Centre	The move between COVID-19 Alert Levels has affected visitor numbers.	1187	1086	🟡🟢🟠

Measure	Comment	YTD Target	YTD Actual	Status
The number of annual visitors to key Heritage sites – Cambridge Museum	The move between COVID-19 Alert Levels has affected visitor numbers.	1871	1601	
The number of annual visitors to key Heritage sites – Lake Ngāroto	The move between COVID-19 Alert Levels has affected visitor numbers. The visitor numbers are less than 2% under the YTD target.	14,235	14,061	
The number of school students experiencing Heritage based educated through the LEOTC programme	The move between COVID-19 Alert Levels, as well as school holidays has affected the education programmes carried out. Schools have been reluctant to schedule programs of late, however November is expected to see an increase in activity in this area.	1585	479	
The number of walk-in library visitors per annum – Te Awamutu	Door counters are no longer operational in either library. Work is underway to investigate and select alternative technology to be implemented at a later date.	32,985	0	
The number of walk-in library visitors per annum – Cambridge	Door counters are no longer operational in either library. Work is underway to investigate and select alternative technology to be implemented at a later date.	35,763	0	
Size of the Library collection compared to the LIANZA standard of 3 items per resident.	The library closure throughout COVID-19 Alert Levels 4 and 3 allowed time for staff to carry out a book stocktake, this identified a number of books which were unable to be accounted for. This has reduced the collection size.	2.95 - 3.05	2.72	
The number of admissions per annum – Te Awamutu Pool	Visitor numbers have been significantly impacted throughout COVID-19 Alert Level 2 restrictions.	48,782	27,788	
The number of admissions per annum – Cambridge Pool	Due to a number of delays the pool construction is not yet complete, therefore this measure is unlikely to be achieved.	46,974	0	
The percentage of compliance with water quality standards. (no. of tests compliant) -- Cambridge Pool	Due to a number of delays the pool construction is not yet complete, therefore there have been no tests carried out.	85 percent	0 percent	

Operating and Capital Costs

	Notes	2020/21	2020/21	2020/21	Budget	Budget	Budget	2019/20
		Year to Date	Full Year	Full Year	Variance	Variance	Variance	YTD
		Actual	Forecast	Forecast	Carryforward	Previously	This Period	Last Year
		\$000	\$000	%	\$000	\$000	\$000	\$000
REVENUE								
Parks and Reserves		24	-	-	-	-	-	10
Mighty River Domain		159	1,044	15%	1,053	-	(9)	197
District Museums		40	92	43%	92	-	-	34
District Libraries		45	179	25%	179	-	-	54
District Pool Te Awamutu		87	161	54%	161	-	-	76
District Pool Cambridge		22	596	4%	596	-	-	102
Heritage		-	-	-	-	-	-	-
Cemeteries		97	364	27%	364	-	-	124
Public Toilets		-	250	0%	250	-	-	-
Properties	1	469	2,373	20%	2,035	-	338	383
Pensioner Housing & Own your Own Housing		416	1,162	36%	1,162	-	-	435
Forestry		-	2,498	0%	2,498	-	-	-
Rural Fire/Civil Defence		52	208	25%	208	-	-	49
Waste Management		100	152	66%	152	-	-	109
TOTAL REVENUE		1,511	9,079	17%	8,750	-	329	1,573
OPERATING EXPENDITURE								
Parks and Reserves	2	2,021	7,271	28%	7,301	29	(59)	2,211
Mighty River Domain		390	1,557	25%	1,585	-	(28)	530
District Museums	2	363	1,435	25%	1,955	138	(658)	480
District Libraries		714	2,378	30%	2,406	-	(28)	694
District Pool Te Awamutu		719	1,940	37%	1,940	-	-	651
District Pool Cambridge		114	2,302	5%	2,302	-	-	83
Heritage		70	200	35%	187	15	(2)	125
Cemeteries		100	532	19%	532	-	-	122
Public Toilets		174	580	30%	637	-	(57)	151
Properties		745	2,985	25%	3,043	-	(58)	1,337
Pensioner Housing & Own your Own Housing		632	1,302	49%	1,296	-	6	434
Forestry		24	2,007	1%	2,007	-	-	19
Rural Fire/Civil Defence		136	337	40%	337	-	-	97
Waste Management		837	2,844	29%	2,867	-	(23)	1,201
National Cycle Centre of Excellence		3	10	30%	10	-	-	8
TOTAL EXPENDITURE		7,042	27,680	25%	28,405	182	(57)	8,143
OPERATING SURPLUS/(DEFICIT)		(5,531)	(18,601)	30%	(19,655)	(182)	57	(6,570)
CAPITAL EXPENDITURE								
Capital Expenditure (excluding Vested)	3	5,434	21,591	25%	22,327	902	(1,174)	5,179
Debt Repayment		1,314	1,314	100%	-	-	1,314	-
TOTAL CAPITAL EXPENDITURE		6,748	22,905	29%	22,327	902	(1,174)	5,179

Explanation of significant cost of service variances

1. Increased revenue of \$338,000 has resulted from external funding for Te Awamutu Maori Women's Welfare League house ramp of \$31,000 and external funding for Hora Hora Memorial Hall Refurbishment \$293,000.
2. Carryforwards from 2019/20 include \$138,000 for the Heritage Grant which was committed but not awarded.

Decreases in budget include the savings in budget for the Waikato sports foundation of \$19,000 and the Maungatautari Ecological Island trust of \$26,000 and a decrease in budget for the Cambridge Museum (CB Heritage Charitable Trust) of \$635,000 due to work deferred to year 3 of LTP 2131.

Explanation of significant capital variances

3. The capital variances relate to:
 - Increases in capital budgets from projects carried forward from 2019/20 of \$902,000. This includes \$227,000 for Cemeteries Health & Safety Improvement, \$136,000 for Reserves (C1, C2 & C3) due to timing of development, \$80,000 for Playground Equipment & Safety Surfaces Renewals due to delays in development, \$79,000 for Reserves Developments due to the Covid-19 shutdown, \$75,000 for Band Rotundas due to the Covid-19 shutdown, \$59,000 for New Pensioner Housing Construction due development delays, \$35,000 for Te Pahu Road Development Property due to lack of staffing, \$33,000 for purchase of library books due to delay in stock arriving from Covid-19 restrictions, \$32,000 for Mighty River Domain plant replacement due to the delay of purchase, \$26,000 for Exhibition Planning, Design, Development and Install and \$22,000 for Te Awamutu/Ngaroto/Pirongia cycling connection due to delays with land owner negotiations.
 - A reduction in budget of \$1.2 million which has been carried back to 2019/20 due to timing of development including \$905,000 for Cambridge Town Pool, \$182,000 for New Toilet Blocks and \$25,000 for Waipuke Reserve Development
 - Further decrease in budget for Housing for the Elderly construction of \$636,000 now being deferred to 2021/22, and further decrease in budget for Parks and Reserves plant & equipment replacement of \$43,000, a decrease in budget of \$52,000 for premier reserves and amenity reserves development transferred to Pirongia toilets upgrade. An increase in budget of \$90,000 for the design & build discovery centre, an increase in budget of \$59,000 for replacement equipment for Cambridge Fonterra as per lease conditions and an increase in budget for the Maori Women's Welfare League house of \$31,000 offset from increase in external funding.

Group of Activity – Roads and Footpaths

The roads and footpaths group of activities are the primary service provider for the construction and maintenance of the local transport network within the district. Our work in the road corridor includes road and footpath construction and maintenance, road safety, cycling and walking, car parks, street lights and passenger transport. This group of activities is a core service for Council and is recognised as a significant activity by our Significance and Engagement Policy.

The following outlines the year to date status of the level of service performance measures for the roads and footpaths group of activities. In summary there are a total of 10 performance measures for the group; 9 measures are reported at the end of the financial year.

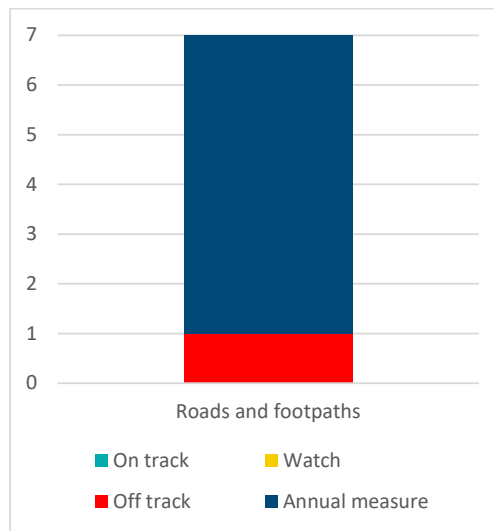


Figure 5: Roads and footpath key performance indicator

The exception with commentary is outlined below.

Table 4: Roads and Footpaths key performance indicator exceptions

Measure	Comment	YTD Target	YTD Actual	Status
The % of customer service requests relating to roads & footpaths within the time frame specified in the long term plan.	Transportation staff continue to improve on past performance for response times. There is work to do to ensure Streetlight fault calls are being updated within time and that CRMs are raised under the correct category.	90 per cent	85.58 per cent	

Operating and Capital Costs

	2020/21 Year to Date	2020/21 Full Year	2020/21 Full Year	Budget Variance	Budget Variance	Budget Variance	2019/20 YTD		
	Actual	Forecast	Forecast	Carryforward from 19/20	Previously Reported	This Period	Last Year		
	Notes	\$000	\$000	%	\$000	\$000	\$000		
REVENUE									
Activity Revenue	1	3,571	12,779	28%	11,834	-	945	2,097	
TOTAL REVENUE		3,571	12,779	28%	11,834	-	945	2,097	
OPERATING EXPENDITURE									
Depreciation and Amortisation		3,648	10,976	33%	10,976	-	-	3,642	
Activity Expenses		2,561	9,141	28%	9,224	-	(83)	2,710	
Internal Charges and Overheads		621	1,839	34%	1,839	-	-	607	
Finance Costs		82	329	25%	329	-	-	190	
TOTAL EXPENDITURE		6,912	22,285	31%	22,368	-	(83)	7,149	
OPERATING SURPLUS/(DEFICIT)		(3,341)	(9,506)	35%	(10,534)	-	1,028	(5,052)	
CAPITAL EXPENDITURE									
Capital Expenditure (excluding Vested)	2	4,340	37,348	12%	43,492	4,896	(263)	(10,777)	1,881
Vested Assets		136	7,714	2%	7,714	-	-	-	2,613
Debt Repayment		1,454	1,454	100%	-	-	1,454	936	
TOTAL CAPITAL EXPENDITURE		5,930	46,516	13%	51,206	4,896	(263)	(9,323)	5,430

Explanation of significant cost of service variances

- Increase in revenue of \$945,000 from NZTA external funding for district wide cycling projects.

Explanation of significant capital variances

- The capital variances relate to:
 - Increase for capital budgets carried forward from 2019/2020 of \$4.9 million including Hanlin Road Intersection project \$3.6 million, \$845,000 for Cambridge Growth Cell Roading Land Purchases (C1, C2 & C3) due to timing of development, \$98,000 for C2 & C3 Structure Plan Roading due to timing of development and \$88,000 for Thin Asphaltic Concrete maintenance due to delays from Covid-19 shutdown. A reduction in budget carried back to 2019/20 due to timing of development including \$141,000 for Williamson Street Streetscape and \$50,000 C1 Structure Plan Roading.
 - Decrease in capital budgets of \$11 million including \$11.2 million for the Cambridge growth cell projects deferred to 2021/22, increase in budget of \$ 974,000 for district wide cycleways offset by increase in NZTA external funding.

Group of Activity - Stormwater

Typically stormwater is described as being rainfall that runs off roofs, roads and other surfaces and then into gutters and stormwater collection systems such as pipes, culverts, open drains/swales and detention structures. The stormwater network infrastructure is a core service of Council and stormwater management is recognised by our Significance and Engagement Policy as a significant activity of Council.

The following outlines the year to date status of the level of service performance measures for the stormwater group of activities. In summary there are a total of 8 performance measures, all of which are considered on track.

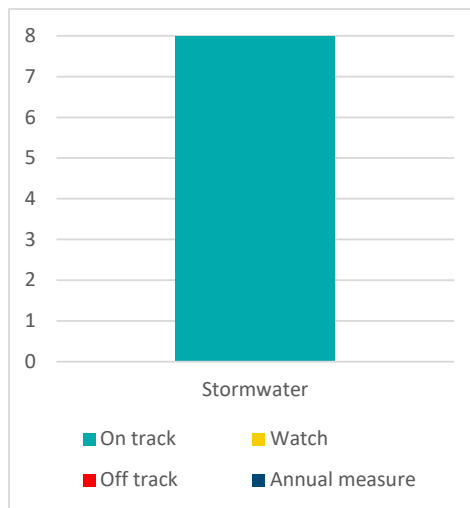


Figure 6: Stormwater key performance indicators

Operating and Capital Costs

	2020/21 Year to Date	2020/21 Full Year	2020/21 Full Year	Budget Variance	Budget Variance	Budget Variance	2019/20 YTD
	Actual	Forecast	Forecast	Carryforward	Previously	This Period	Last Year
Notes	\$000	\$000	%	Budget \$000	Reported \$000	\$000	\$000
REVENUE							
Activity Revenue	8	7	114%	7	-	-	8
TOTAL REVENUE	8	7	114%	7	-	-	8
OPERATING EXPENDITURE							
Depreciation and Amortisation	556	1,683	33%	1,683	-	-	556
Activity Expenses	1 580	2,166	27%	2,088	-	-	78 580
Internal Charges and Overheads	183	594	31%	594	-	-	183
Finance Costs	8	3	267%	3	-	-	8
TOTAL EXPENDITURE	1,327	4,446	30%	4,368	-	-	78 1,327
OPERATING SURPLUS/(DEFICIT)	(1,319)	(4,439)	30%	(4,361)	-	-	(78) (1,319)
CAPITAL EXPENDITURE							
Capital Expenditure (excluding Vested)	2 1,331	20,828	6%	32,766	4,116	(205)	8,905 (15,849)
Vested Assets	284	3,105	9%	3,105	-	-	693
Debt Repayment	5	5	100%	-	-	-	23 5
TOTAL CAPITAL EXPENDITURE	1,620	23,938	7%	35,871	4,116	(205)	9,621 (15,844)

Explanation of significant cost of service variances

- Increase in activity expenses of \$78,000 in consultancy costs due to vacant positions.

Explanation of significant capital variances

- The capital variances relate to:
 - Increases in capital budgets from projects carried forward from 2019/20 of \$4.1 million. This includes \$2.7 million for Stormwater Land Purchases, \$545,000 brought forward for Trunk Reticulation Connector Road, \$278,000 for Construct 50% Western Basin and \$230,000 for Land Victoria Road Swale due to delays from legal matters.
 - A reduction in budget carried back to 2019/20 due to development timing included \$62,000 for Construct NE Swale, \$59,000 for Storm Water Upgrade Carlton Street, \$35,000 for T1 Flood Mitigation and \$30,000 for Cambridge Growth Cell Development Provision (C1).
 - Decrease in capital budgets of \$15.8 million for Cambridge growth cell projects deferred to 2021/22 year as bulk of land purchases will be undertaken next financial year.

Group of Activity - Wastewater Treatment and Disposal

The wastewater treatment and disposal activity includes the reticulation network for the collection of sewage and trade waste and its treatment and disposal. The wastewater network infrastructure is a core service of Council and wastewater treatment and disposal is recognised by our Significance and Engagement Policy as a significant activity of Council.

The following outlines the year to date status of the level of service performance measures for the wastewater treatment and disposal group of activities. In summary there are a total of 7 performance measures for the group, all of which are considered on track.

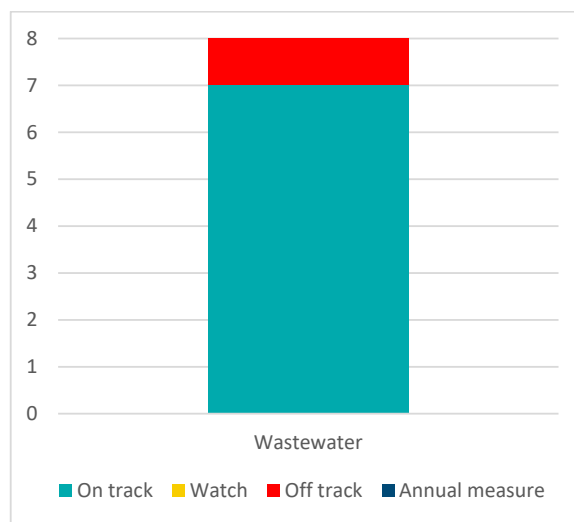


Figure 7: Wastewater treatment and disposal key performance indicator graph

The exception with commentary is outlined below.

Table 4: Wastewater key performance indicator exceptions

Measure	Comment	YTD Target	YTD Actual	Status
Compliance with consents for discharge from the sewerage system.	An abatement notice issued in 2019 associated with ongoing resource consent non-compliance at the Cambridge wastewater treatment plant has not yet been uplifted. This will be applied for form WDC once the short-term consent for the waste water treatment plant is received.	0	1	

Operating and Capital Costs

	2020/21 Year to Date	2020/21 Full Year	2020/21 Full Year	Budget Variance	Budget Variance	Budget Variance	2019/20 YTD		
	Actual	Forecast	Forecast	Carryforward from 19/20	Previously Reported	This Period	Last Year		
Notes	\$000	\$000	%	\$000	\$000	\$000	\$000		
REVENUE									
Activity Revenue	110	845	13%	845	-	-	106		
TOTAL REVENUE	110	845	13%	845	-	-	106		
OPERATING EXPENDITURE									
Depreciation and Amortisation	1,209	3,709	33%	3,709	-	-	1,226		
Activity Expenses	1,008	5,514	18%	5,583	-	(69)	2,672		
Internal Charges and Overheads	569	1,611	35%	1,611	-	-	562		
Finance Costs	55	221	25%	221	-	-	72		
TOTAL EXPENDITURE	2,841	11,055	26%	11,124	-	(69)	4,532		
OPERATING SURPLUS/(DEFICIT)	(2,731)	(10,210)	27%	(10,279)	-	69	(4,426)		
CAPITAL EXPENDITURE									
Capital Expenditure (excluding Vested)	1	15,113	33,814	45%	39,973	602	(2,162)	(4,599)	3,345
Vested Assets		410	2,697	15%	2,697	-	-	-	231
Debt Repayment		401	401	100%	-	-	-	401	171
TOTAL CAPITAL EXPENDITURE		15,924	36,912	43%	42,670	602	(2,162)	(4,198)	3,747

Explanation of significant capital variances

1. The capital variances relate to:

- Increases in capital budgets from projects carried forward from 2019/20 of \$602,000. This includes delays in development from Covid-19 including \$283,000 for Te Awamutu Wastewater Treatment Plant Consent & Upgrade, \$197,000 for District Wide Sewer Pipe Replacement and \$104,000 for Cambridge Growth Cell Wastewater Provision (C2 & C3).
- An increase in budget totalling \$2.2 million including \$770,000 for Cambridge Wastewater Treatment was brought forward from 2021/22 year as per council resolution and a further \$1.9 million was carried back to 2019/20 year due to the timing of development. A reduction in budget of \$939,000 for Waikeria Prison Expansion carried back to 2019/20 due to development timing.
- Decrease in capital budgets of \$4.6 million for the Cambridge growth cell projects deferred to 2021/22 year.

Group of Activity - Water Treatment and Supply

The water treatment and supply group of activities includes all the services involved in abstracting, treating, storing and distributing water to users through the reticulation network. The water network infrastructure is a core service of Council and water treatment and supply is recognised by our Significance and Engagement Policy as a significant activity of Council.

The following outlines the year to date status of the level of service performance measures for the water treatment and supply group of activities. In summary there are a total of 32 performance measures for the group of which 24 are considered on track and 8 measures are to be reported at the end of the financial year.

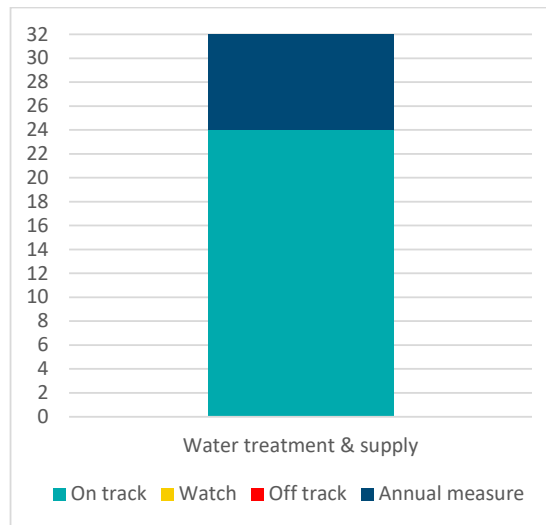


Figure 8: Water treatment and supply key performance indicator graph

Operating and Capital Costs

	2020/21 Year to Date	2020/21 Full Year	2020/21 Forecast	2020/21 Full Year Budget	Budget Variance Carryforward from 19/20	Budget Variance Previously Reported	Budget Variance This Period	2019/20 YTD Last Year	
Notes	Actual \$000	Forecast \$000	Forecast %	Budget \$000	\$000	\$000	\$000	\$000	
REVENUE									
Activity Revenue	4,670	11,517	41%	11,517	-	-	-	2,714	
TOTAL REVENUE	4,670	11,517	41%	11,517	-	-	-	2,714	
OPERATING EXPENDITURE									
Depreciation and Amortisation	1,321	4,375	30%	4,375	-	-	-	1,445	
Activity Expenses	1	1,708	7,892	22%	7,364	-	-	528	3,245
Internal Charges and Overheads	388	1,119	35%	1,156	-	-	(37)	353	
Finance Costs	57	229	25%	229	-	-	-	-	
TOTAL EXPENDITURE	3,474	13,615	26%	13,124	-	-	491	5,043	
OPERATING SURPLUS/(DEFICIT)	1,196	(2,098)	-57%	(1,607)	-	-	(491)	(2,329)	
CAPITAL EXPENDITURE									
Capital Expenditure (excluding Vested)	2	7,916	28,415	28%	29,058	2,507	(150)	(3,000)	16,569
Vested Assets	712	1,660	43%	1,660	-	-	-	833	
Debt Repayment	407	407	100%	-	-	-	407	174	
TOTAL CAPITAL EXPENDITURE	9,035	30,482	30%	30,718	2,507	(150)	(2,593)	17,576	

Explanation of significant cost of service variances

- Increase in activity expenses of \$528,000 mainly due to vacant positions being filled.

Explanation of significant capital variances

- The capital variances relate to:
 - Increases in capital budgets from projects carried forward from 2019/20 of \$2.5 million. This due to delays in development due to Covid-19 shutdown including \$870,000 for Parallel Rd to Taylors Hill Pipeline due, \$602,000 for District Wide Water Main Renewals, \$572,000 for District Wide Water Main Renewals and \$145,000 for Bond Rd/T3-T10 Water Reticulation. An additional \$139,000 was carried forward for Cambridge Water Reticulation due to development timing.
 - Decrease in budgets of \$3.2 million include \$2.2 million for Parallel Rd to Taylors Hill pipeline due to project being completed ahead of schedule and \$650,000 for Cambridge Water Reticulation Growth deferred to 2021/22 to align with other growth cell projects.

Group of Activity - Support Services

Support services provide a range of specialist skills and services to support the delivery of our services, including customer support, financial management, human resources, information services, legal and corporate support, business improvement and risk management, and property management.

The following outlines the year to date status of the level of service performance measures for the support group of activities. In summary there are a total of 3 performance measures for the group, all of which are considered on track.

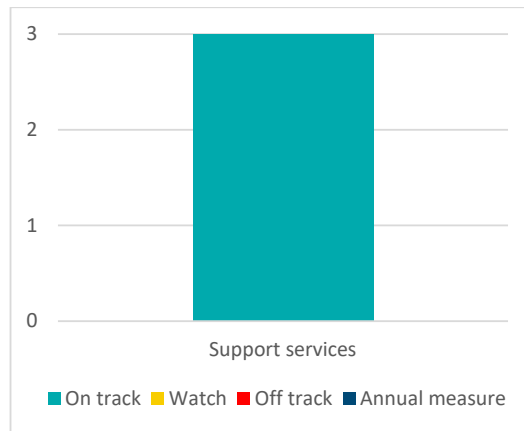


Figure 9: Support services key performance indicator graph

Operating and Capital Costs

	Notes	2020/21	2020/21		2020/21	Budget	Budget	Budget	2019/20
		Year to Date	Full Year		Full Year	Variance	Variance	Variance	YTD
		Actual	Forecast	Forecast	Budget	Carryforward from 19/20	Previously Reported	This Period	Last Year
		\$000	\$000	%	\$000	\$000	\$000	\$000	\$000
REVENUE									
Fees and Charges		9	87	10%	87	-	-	-	50
TOTAL REVENUE		9	87	10%	87	-	-	-	50
OPERATING EXPENDITURE									
Employee Related Expenses	1	3,246	10,257	32%	10,538	-	-	(281)	3,344
Depreciation and Amortisation		477	1,322	36%	1,322	-	-	-	484
Activity Expenses		1,200	3,620	33%	3,597	113	-	(90)	1,780
Finance Costs		26	105	25%	105	-	-	-	77
TOTAL EXPENDITURE		4,949	15,304	32%	15,562	113	-	(371)	5,685
OPERATING SURPLUS/(DEFICIT)									
		(78)	(272)	29%	(175)	113	-	(210)	5,614
CAPITAL EXPENDITURE									
Capital Expenditure (excluding Vested)	2	253	4,458	6%	3,776	710	(41)	13	100
Debt Repayment		338	338	100%	-	-	-	338	364
TOTAL CAPITAL EXPENDITURE		591	4,796	12%	3,776	710	(41)	351	464

Explanation of significant cost of service variances

1. Decrease in budget in employee related expenses of \$281,000 .

Explanation of significant capital variances

2. The major capital variances relate to:
 - Increases in capital budgets from projects carried forward from 2019/20 of \$710,000 including \$487,000 for Plant Program due to development timing, \$116,000 for digital roadmap due to timing and \$82,000 for Staff Accommodation Renewals due to delays in development from Covid-19 shutdown.

FINANCE AND CORPORATE COMMITTEE REPORT



INFORMATION ONLY

To: The Chairperson and Members of the Finance and Corporate Committee

From: Manager Property Services

Subject: **QUARTERLY PROPERTY SERVICES REPORT**

Meeting Date: 24 November 2020

1 EXECUTIVE SUMMARY

The purpose of this report is to provide information on the activities of the Property Services Team for the 1 July to 30 September 2020 quarter. This is an 'information only' report as no decisions are required.

2 RECOMMENDATION

That the information contained in the 'Quarterly Property Services Report' (document number 10485385), of John Miles, Manager Property Services, be received.

3 FINANCIAL UPDATE

INCOME & EXPENDITURE SUMMARY FOR THE PERIOD ENDING 30 September 2020

LTP Activity	Budget FY	Forecast FY	Actual YTD	Complete
Income				
Forestry	2,498,400	2,498,400	-	0%
Properties - Commercial	356,310	356,310	81,520	23%
Karapiro Domain	861,991	861,991	74,479	9%
Housing	1,418,647	1,443,547	380,990	26%
Community Properties	1,202,449	1,202,449	24,332	2%
Non Core Commercial Prop	197,400	197,400	76,726	39%
Karapiro Reserve Development	191,410	191,410	25,435	13%
Halls	22,495	22,495	4,308	19%
Council Occupied Buildings	10,200	10,200	1,197	12%
	6,759,302	6,784,202	668,987	
Operating Expenditure				
Forestry	2,007,498	2,007,498	20,003	1%
Properties - Commercial	917,785	917,785	216,679	24%
Karapiro Domain	1,532,443	1,480,393	280,688	19%
Housing	1,556,663	1,581,563	520,116	33%
Community Properties	1,048,277	1,048,277	245,279	23%
Non Core Commercial Prop	139,600	139,600	27,847	20%
Property Commercial General	131,000	131,000	(82,153)	-63%
Landfills	239,105	239,105	20,190	8%
Cambridge Gym	14,628	14,628	2,438	17%
Karapiro Reserve Development	52,905	52,905	484	1%
Cambridge Velodrome	10,266	10,266	1,710	17%
Halls	531,608	531,608	96,978	18%
Council Occupied Buildings	10,200	10,200	(75,647)	-742%
	8,191,978	8,164,828	1,274,611	
Capital Expenditure				
Properties - Commercial	542,200	577,143	-	0%
Karapiro Domain	254,100	254,100	12,635	5%
Housing	3,605,000	3,663,861	24,274	1%
Community Properties	80,000	155,000	-	0%
Karapiro Reserve Development	41,640	59,352	-	0%
Halls	40,000	40,000	-	0%
Council Occupied Buildings	1,443,250	1,549,700	9,591	1%
	6,006,190	6,299,156	46,501	

Overall revenue is down on budget at 10% of forecast, however this has been partially offset by lower than forecast expenditure at 16% of forecast. Material variances against forecast have been explained below.

INCOME

- Forestry
Forecast revenue relates to income from harvesting of 36 hectares of the Pirongia forest which is currently planned for January to March 2021.

- **Karapiro Domain**
Revenue is down at 9% of forecast, this is partly a timing issue as the majority of revenue is generated during the summer months, and partly the result of COVID-19 cancellations. Despite the COVID-19 cancellations, at this stage, we believe that we will meet the full year forecast.
- **Community Properties.**
Relates to income from property sales on Te Rahu Road, which will be realised later in the year.

Other variances are mainly timing related and at this stage we expect to meet full year forecast.

OPERATING EXPENDITURE

- **Forestry**
Actual expenditure only 1% of forecast as it mainly relates to costs associated with harvesting of 36 hectares of the Pirongia forest which is currently planned for January to March 2021.
- **Housing**
Actual expenditure is 33% of forecast as a result of higher depreciation costs than budgeted. The revaluation undertaken at 30 June 2020 resulted in a significant increase in the value of our pensioner and residential housing portfolio and has had a flow on effect of increased depreciation. The budget will be adjusted as part of the October reforecast process.
- **Property Commercial General and Council Occupied Buildings**
Actual expenditure is negative \$82,153 and \$75,647 respectively as a result of overhead recoveries to date exceeding the actual year to date expenditure.

Other variances are mainly timing related and at this stage we expect to meet the full year forecast.

CAPITAL EXPENDITURE

Capital expenditure is significantly down on forecast with only 1% spent year to date. Material variances against forecast have been explained below.

- **Properties Commercial**
Relates to the development costs of the Te Rahu Road property, which will be incurred later in the year.

- **Housing**
Relates to the development of the Vaile Court 10 unit expansion. Working drawings have been commissioned and we expect construction to commence March/April 2021. Approximately \$1.5m will be carried forward to the 2021/22 year. The budget will be adjusted as part of the October reforecast process.
- **Council Occupied Buildings**
Relates to the proposed refurbishment and open planning of the ground floor of 23 Wilson street. A staff accommodation strategic plan will be presented to Exec in the second quarter seeking approval to proceed.

Other variances are mainly timing related and at this stage we expect to meet the full year forecast.

4 ACTIVITY DEVELOPMENTS AND UPDATES

CAMBRIDGE

Cambridge Town Hall

The replacement of the fibrous plaster ceiling in the Edwardian room, which collapsed as a result of rain water damage, was completed in July.

Cambridge Water Tower

Staff met with Heritage New Zealand in August to discuss the options for removing the corroded metal work and potentially the water tank. Heritage New Zealand agreed that in principle the corroded metal work and potentially the tank could be removed but requested confirmation that its removal would not impact the structural integrity of the water tower. A structural engineer is being engaged to advise accordingly.

72 Vogel Street

The dilapidated house at 72 Vogel Street was demolished and the grounds cleared in September. The cleared area will be incorporated into the reserve grounds.

Taylor St/Vogel St/King St Development

Final settlement was completed September 2020 with all funds being received.

C1 & C2/3 Growth Cells

Staff are in negotiations with various land owners for requirements of infrastructure as per the structure plan for these growth cells. Some of these negotiations slowed dramatically over the quarter due to Developer/Council discussions around compensation to be paid, specifically betterment, and Council's position on such. Negotiations will be ongoing to secure land for stormwater swales and pipes as well as a stormwater pond and for the required roads to service the growth cell.

This includes two separate roads crossing the Cambridge Town Belt which is a Crown owned, Council managed reserve. Council has now received valuations for all land affected by major infrastructure. Some landowners are currently getting their own valuation advice.

Roundabout into APL land Hautapu

Negotiations have been completed with KiwiRail in relation to the licence agreement over KiwiRail land on Victoria Road to enable the roundabout to be constructed across the KiwiRail reserve to enable access to the APL site.

Peake, Pickering & Bruntwood Roads Intersection Improvement

Negotiations have been ongoing over this quarter with one landowner who is directly affected by the proposed intersection improvement works. The agreement is likely to be finalised at the start of the next quarter.

KARAPIRO / MAUNGATAUTARI

Hicks Road, Maungatautari

Staff are currently working with landowners for the Hicks Road access to the northern enclosure of the Maungatautari Ecological Island. Work is now underway to register the required easements through the Maori Land Court.

Lake View Drive Stormwater Project

This negotiation has been on hold pending the outcome of an insurance claim. Our insurers are currently reviewing a claim from the landowner.

Previous update being:

Staff are in negotiations with a private landowner whose land has been affected by stormwater runoff. The project is to replace a temporary stormwater pipe through the land which will require an easement and agreement for entry/construction.

TE AWAMUTU / KIHIKIHI

Te Awamutu to Pirongia Cycleway

For Section One, Te Awamutu to Lake Ngaroto, staff are continuing to negotiate with affected landowners to acquire land by way of easement for the cycleway. One landowner (off Ngaroto road) has signed an agreement over the last quarter. The agreement with KiwiRail (a Licence to Occupy for the cycleway over KiwiRail land) is nearing completion and is expected to be fully executed early in the next quarter. An agreement with Ministry of Education regarding the Te Awamutu College section of the cycleway has been drafted over the last quarter and again, is expected to be finalised early next quarter.

DISTRICT WIDE

1080

The Department of Conservation (DOC) and Waikato Regional Council (WRC) joint possum control operation, using pesticide sodium fluoroacetate (1080), on both public conservation and private lands surrounding Pirongia Forest Park and Te Kauri Park Scenic Reserve was carried out over the weekend of 19 to 20 September 2020.

Provincial Development Fund, Town Halls, Community Centres and Memorial Halls

Waipa District Council received funding from the Provincial Development Unit (PDU) for refurbishment works to the Horahora Community Hall (\$293,110) and the installation of a disabled access ramp to the Maori Woman's Welfare House in Kihikihi (\$31,380).

The contract with the PDU has been signed and works on both projects are due to commence late October.

Long Term Plan (LTP)

Ten year operating budgets in support of the Property Services Group's activities have been finalised.

Activity Management Plan

The Property Services Group Activity Management Plan incorporating the feedback from the Tonkin and Taylor Review was completed in July.

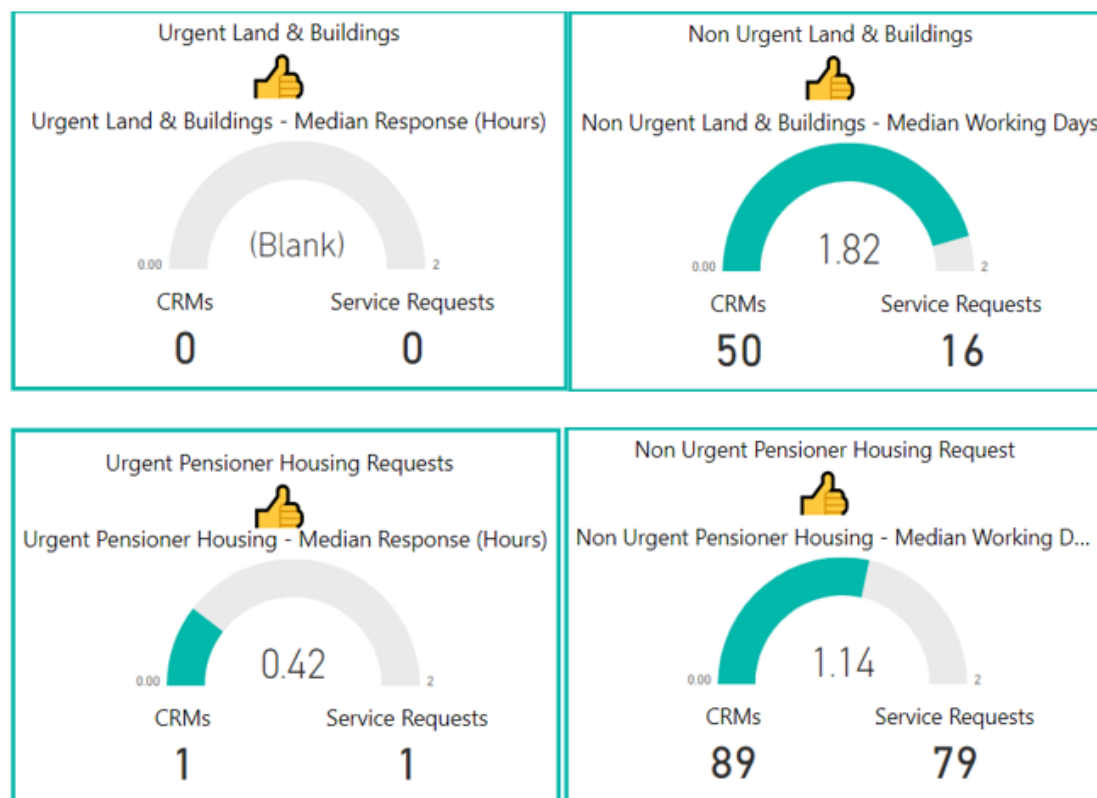
Housing for the Elderly

A number of initiatives are currently underway within the Housing for the Elderly portfolio including expansion of the portfolio as previously proposed:

- Resource Consent has been granted for the construction of ten new units at Vaile Court, Leamington. Design consultants have been appointed and working drawings are currently in production and are due for completion late November.
- A sale and purchase agreement has been entered into with the Cambridge Cosmopolitan club for the purchase of 3,139m² of land adjacent to our existing Vaile Court property. The purchase is subject to obtaining resource consent and land use consent. The land use consent application has been completed and submitted for approval. The additional land will allow for expansion of approximately 19 more units but requires the removal of two old units to enable traffic flows.
- High level development concept plans have been drawn up for the property purchased at 1262 Cambridge Road, Te Awamutu. Development of this property will require a District Plan change, as the land is currently zoned rural, and this is underway through the structure plan/zone change for T11.

5 LEVELS OF SERVICE AND PERFORMANCE MEASURES

Levels of Service (LOS) identify the output from Property Services that the customer can expect to receive. The current LOS for the Property Services team are measured for Land and Buildings and Pensioner Housing, as shown in the chart below. In all cases the targets are being met.



6 DOCUMENTS EXECUTED UNDER DELEGATION

The following documents have been executed under general delegation, and without the specific authority of a Council or Committee resolutions (during the period of this report):

Type of Document	Other Party	Details
Annexure schedule consent form	127 MakGill Road Maungataurtari	Written approval by way of this consent form to complete a subdivision
Licence to Occupy		Formalise Leamington Town Belt horse grazing arrangement
Withdrawal of Caveat	Taylor/Vogel/King	Withdraw caveat over land sold to Progressive Properties Limited on

		payment of balance of purchase price.
Provincial Development Unit Funding Agreement	Horahora Hall and the Maori Woman's Welfare League House	Funding Agreement for Waipa District Council Town Hall Renovation Project
A&I for Covenant	Melville/Moir	Approve registration of a covenant related to a stock underpass with LINZ
Consulting Services	Fischer Property Negotiations	Consulting Services to the Property Services Group
Services Contract	APG Architects	Detailed design for Vaile Court 10 Unit Pensioner Housing expansion
Minor Works Contract	FINZ Carpentry Limited	Agreement with contractor in line with PGF funding requirements.

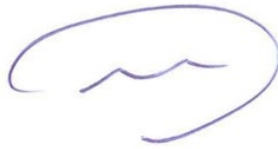
7 QUARTER 2, 2020/21 – KEY PRIORITIES

Some of the key priorities that Property Services staff are focusing on in the current quarter are:

- Fill the final vacant position within the team
- Commence the upgrade works to the Te Awamutu Band Rotunda.
- Obtain consents for and removal of the corroded Cambridge Water Tower metalwork.
- Complete Working Drawings for the new units at Vaile Court and issue for tender.
- Continue to operationalise the new contracts database and continue with the comprehensive review of the leased portfolio with regard to renewing expired leases and documenting those subject to rights of renewal.
- Finalise the acquisition of land for various projects, including the Cambridge to Te Awamutu water supply and cycleways.
- Commence planning for the demolition and removal of the end of life residential house on Franklin Street, Pirongia
- Undertake a renewal of two Housing for the Elderly units
- Commence sale process for Blundell Street property
- Progress sale of seven properties affected by unformed road closures
- Replace the water main and tails to units at Dr Tod Housing for the Elderly Village
- Sale of 189 Inglefield Street Pirongia



John Miles
MANAGER PROPERTY SERVICES



Approved by Ken Morris
DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT

FINANCE AND CORPORATE COMMITTEE REPORT



To: His Worship the Mayor and Councillors
From: Governance
Subject: **RESOLUTION TO EXCLUDE THE PUBLIC**
Meeting Date: 20 October 2020

1 RECOMMENDATION

THAT the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
9. <i>Confirmation of Public Excluded Minutes Dated 20 October 2020</i>	<i>Good reason to withhold exists under section 7 Local Government Official Information and Meetings Act 1987</i>	<i>Section 48(1)(a)</i>
10. <i>Easement for Stormwater Outlet Structure – Fonterra, Hautapu</i>		

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

Item No.	Section	Interest
9.	<i>Sections 7(2)(j)</i>	<i>To prevent the disclosure or use of official information for improper gain or advantage.</i>
10.	<i>Section 7(2)(i)</i>	<i>To enable the Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>