

Finance Committee Agenda

Date: Wednesday, 2 October, 2024

Time: 9:00 am

Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

Elected Members: Cr Paul Yovich (Chairperson)
Cr Phil Halse (Deputy Chairperson)
His Worship the Mayor Vince
Cocurullo
Cr Ken Couper
Cr Deborah Harding
Cr Patrick Holmes
Cr Simon Reid

For any queries regarding this meeting please contact
the Whangarei District Council on (09) 430-4200.

	Pages
1. Declarations of Interest / Take Whaipānga	
2. Apologies / Kore Tae Mai	
3. Confirmation of Minutes of Previous Finance Committee Meeting / Whakatau Meneti	
3.1 Minutes Finance Committee meeting held 4 September 2024	7
4. Information Reports / Ngā Pūrongo Kōrero	
4.1 Capital Projects Report for the 12 Months Ending 30 June 2024	11
4.2 Financial Report for the 2 months ending August 2024	19
4.3 Capital Projects Report for the 2 Months Ending 31 August 2024	45
4.4 Operations Report - Corporate Group - October 2024	55
5. Public Excluded Business / Rāhui Tangata	
5.1 Confidential Minutes Finance Committee meeting held 4 September 2024	4
6. Closure of Meeting / Te katinga o te Hui	

Finance Committee – Terms of Reference

Membership

Chairperson	Councillor Paul Yovich
Deputy Chairperson	Councillor Phil Halse
Members	His Worship the Mayor Vince Cociurullo Councillors Ken Couper, Deborah Harding, Patrick Holmes and Simon Reid
Meetings	Monthly
Quorum	4

Purpose

To ensure than Council finances and other corporate support functions are well managed. Management of disposal and purchase of individual properties within Council's commercial property portfolio.

Key responsibilities

- Manage the budget process including the co-ordination and preparation of budgets and financial statements for the Annual Plan and Long-Term Plan.
- Preparation of the financial component of Council's Annual Report.
- Operational reporting for the Corporate Group within Council.
- Operational accountability of performance including:
 - Health and Safety
 - Regular reporting on service delivery
 - Compliance
 - Sustainability
 - Finance
- Procurement – general procurement relating to the areas of business of this committee, within delegations.
- Shared Services – investigate opportunities for shared services for recommendation to council.

- Council's commercial property portfolio, including:
 - The purchase and disposal of commercial properties specifically identified in the Long Term Plan
 - The purchase and disposal of commercial properties as authorised by Council, where these are not specifically identified in the Long Term Plan.
 - Recommendations to Council for the purchase and disposal of any other commercial properties.
- Council Controlled Organisations (CCOs) – monitoring the financial and non-financial performance of CCOs whose functions would otherwise fall under the scope of this committee. Includes trading CCOs (CCTOs) and those CCOs exempted under the LGA. Responsibilities include:
 - advising on the content of annual Statement of Expectations to CCOs
 - monitoring against the Statement of Intent
 - for exempted CCOs, monitoring and reporting as agreed between Council and the organisation
 - quarterly reporting on performance

CCO accountable to this committee:

- Local Government Funding Agency (LGFA)
**Statement of Intent agreement to council*

Delegations

- (i) All powers necessary to perform the committee's responsibilities, including:
 - (a) Approval of expenditure of less than \$5 million plus GST.
 - (b) Purchase and disposal of commercial properties as identified above and within the budget limits identified in the Long Term Plan.
 - (c) Establishment of working parties or steering groups.

The Committee does not have:

- I. The power to establish sub-committees.
- II. The powers Council is expressly prohibited from delegating as outlined in Clause 32(1)(a)-(h) of Schedule 7 of the Local Government Act 2002; being:
 - the power to make a rate
 - the power to make a bylaw
 - the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan

- the power to adopt a long-term plan, annual plan or annual report
- the power to appoint a chief executive the power to adopt policies required to be adopted and consulted on under the Local Government 2002 in association with the long-term plan or developed for the purpose of the local governance statement
- the power to adopt a remuneration and employment policy.

Finance Committee Meeting Minutes

Date: Wednesday, 4 September, 2024
Time: 9:00 a.m.
Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

In Attendance	Cr Phil Halse (Acting Chairperson) Cr Paul Yovich (Chairperson) (Teams) His Worship the Mayor Vince Cocurullo Cr Ken Couper Cr Deborah Harding Cr Patrick Holmes Cr Simon Reid
Also in Attendance	Cr Marie Olsen
Scribe	D Garner (Democracy Adviser)

1. Declarations of Interest / Take Whaiapānga

No declarations of interest were made.

2. Apologies / Kore Tae Mai

There were no apologies.

3. Confirmation of Minutes of Previous Finance Committee Meeting / Whakatau Meneti

3.1 Minutes Finance Committee Meeting 3 July 2024

Moved By Cr Simon Reid
Seconded By His Worship the Mayor

That the minutes of the Finance Committee meeting held Wednesday 3 July 2024, having been circulated be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting.

Carried

4. Information Reports / Ngā Pūrongo Kōrero

4.1 Financial Report for the 1 month ending 31 July 2024

Moved By Cr Patrick Holmes
Seconded By Cr Ken Couper

That the Finance Committee notes the operating results for the one month ending 31 July 2024.

Carried

4.2 Whangarei District Council 2024 Credit Rating Update

Moved By Cr Patrick Holmes
Seconded By Cr Deborah Harding

That the Finance Committee receives the 2024 S&P Global Ratings credit rating report and notes that Whangarei District Council's credit rating is reaffirmed at AA with a Stable outlook.

Carried

4.3 Local Government Funding Agency - Statement of Intent 2024-27

Moved By Cr Simon Reid
Seconded By His Worship the Mayor

That the Finance Committee agrees to the Local Government Funding Agency 2024-27 Statement of Intent.

Carried

4.4 LGFA role in Local Water Done Well and provided financial assistance for high growth Councils

Moved By His Worship the Mayor
Seconded By Cr Patrick Holmes

That the Finance Committee receives and notes the information provided by the Local Government Funding Agency on their role in providing financial assistance for high growth councils.

Carried

4.5 Operations Report - Corporate Group - September 2024

Moved By Cr Deborah Harding
Seconded By Cr Phil Halse

That the Finance Committee notes the Corporate Group operations report for September 2024 which contains statistics up to 31 July 2024.

Carried

5. Public Excluded Business / Rāhui Tangata

Moved By Cr Phil Halse
Seconded By Cr Simon Reid

That the public be excluded from the following parts of proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution 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 passing this resolution
1.1 Commercial Property – August 2024 Quarterly Update	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 198	Section 48(1)(a)

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 the relevant part of the proceedings of the meeting in public, are as follows:

Item	Grounds	Section
1.1	To enable Council to carry on without prejudice or disadvantage commercial activities. To enable Council to carry on without prejudice or disadvantage negotiations (including commercial and industrial negotiations).	S7(2)(h) S7(2)(i)

Carried

6. Closure of Meeting / Te katinga o te Hui

The meeting concluded at 10.05am.

Confirmed this 2nd day of October 2024

Cr Phil Halse (Acting Chairperson)

4.1 Capital Projects Report for the 12 months ending 30 June 2024

Meeting: Finance Committee

Date of meeting: 2 October 2024

Reporting officer: Alan Adcock (General Manager – Corporate / CFO)

1 Purpose / Te Kaupapa

To provide the Capital Projects Report for the period ending 30 June 2024.

2 Recommendation/s / Whakataunga

That the Finance Committee notes the Capital Projects Report for the period ending 30 June 2024.

3 Background / Horopaki

This report provides an update on the Capital Projects expenditure to date compared with budget after the completion of the last financial year.

4 Discussion / Whakawhiti kōrero

This month the closing position of the capital programme for the 2023-24 financial is being reported to Council. Total expenditure for 2023-24 was \$107.2m, \$53.6m less than budget.

Closing position for the 2023/24 year included carry forwards of \$69.4m, which is \$10.8m more than was forecast in March 2024. Projects with significant carry forwards are:

OMB Fire Rebuild	\$4.1m
Kamo Reservoir	\$4.0m
Raumanga Shared Path Connection	\$3.9m
Seal Extension – Unsubsidised	\$2.7m
Kamo Shared Path Connections	\$2.6m
Three Mile Bush Reservoir	\$2.5m
Bridge and Structural Renewals	\$2.2m
Rose Street Bus Terminal Stage 2	\$2.1m
Sealed Road Pavement Rehabilitation	\$2.0m
Dog Pound Renewal	\$1.8m
Ngunguru Seawall	\$1.5m
CBD Bike and Public Transport Facilities	\$1.4m
Cloud Strategy / ICT as a Service	\$1.4m
Commercial Property Purchases	\$1.3m
Whangarei WWTP Odour Control	\$1.2m
Investment Property Refit	\$1.2m

As a result of the movement in carry forwards the revised budget for year one of the Long Term Plan has been revised to \$149.9m.

5 Significance and engagement / Te Hira me te Arawhiti

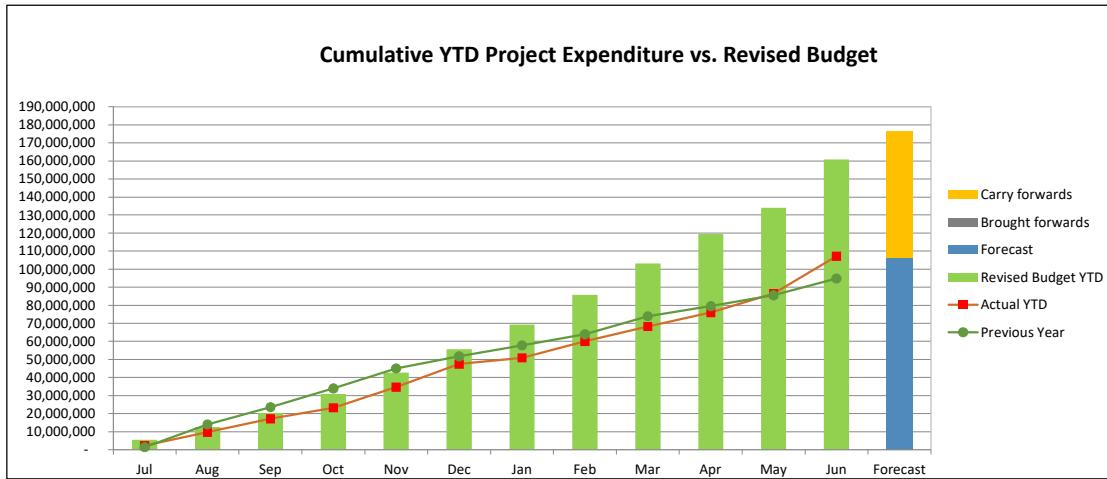
The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

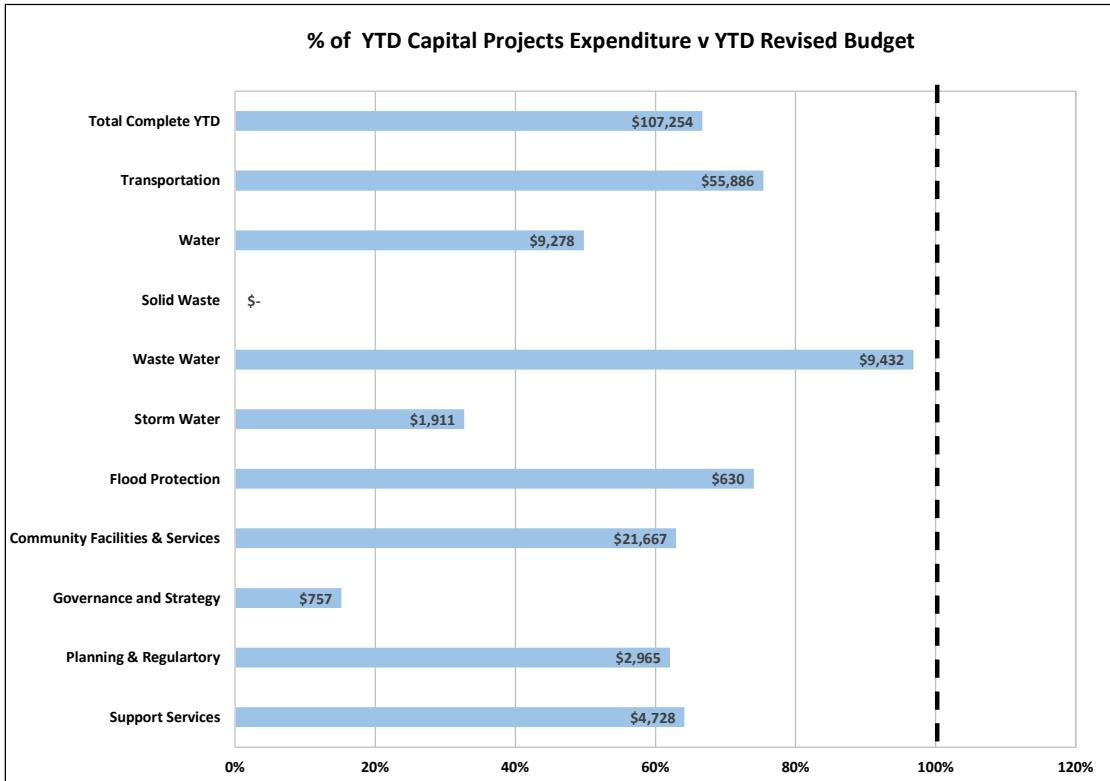
Attachment 1 – Capital Graphs as at 30 June 2024

Attachment 2 – Capital Report as at 30 June 2024

**CAPITAL PROJECT EXPENDITURE
AS AT 30 JUNE 2024**



The above graph illustrates Councils actual spend year-to-date compared to the prior year actuals, and the budget set as part of the Annual Plan/Long Term Plan. The green bars indicate the estimated timing of the budgeted spend as we progress through the year. This budget phasing occurs at the start of the financial year based on the information known at that time. The timing of the actual spend may differ to this phasing. The blue column indicates the level of capital spend expected by the end of the financial year. The yellow bar indicates project spend that is not expected to be completed this financial year, of which the budget will be carried forward to future years for completion. This forecast is updated periodically throughout the year.



The above graph shows what percentage of the phased budgeted capital programme has been achieved year to date. This can be useful in determining a snapshot view of the year to date progress as well as to highlight timing differences between the actual spend and timing of the phased budget.

CAPITAL REPORT
AS AT 30 June 24
(Project figures include both Operating and Capital Expenditure)

	Full Year Expenditure \$000	Full Year Revised Budget \$000	Net Carried Forwards \$000	Total Underspent/ (Overspent) \$000	Capital Income YTD \$000	Capital Income Actual \$000	Capital Income Full Year Budget \$000
Transportation							
Amenity Lighting	91	247	156	0	0	0	0
Bridge and Structural Renewals	1,097	3,256	2,165	(6)	0	0	(1,726)
Bus Shelters	79	129	0	50	0	0	(68)
Bus Terminal Development/Relocation	31	0	0	(31)	0	0	0
Coastal Protection Structures - Roading	7	92	0	84	0	0	0
Cycleways - Additional government fundin	5	0	0	(5)	0	0	0
Cycleways - Subsidised	5,981	4,557	0	(1,424)	0	0	(2,415)
Cycleways - Unsubsidised Programmed Work	276	323	0	47	0	0	0
Cyclone Gabrielle	3	3,000	2,997	0	0	0	(2,190)
Drainage Renewals	2,355	2,831	476	0	0	0	(1,500)
Footpaths Renewals	919	848	0	(71)	0	0	(449)
Land for Roads	(137)	0	0	137	0	0	0
LCLR Major Bridge Repairs	244	1,063	0	820	0	0	(564)
LCLR Minor Improvement Projects	4,949	1,335	0	(3,614)	0	0	(708)
LCLR Lighting Improvements	0	248	0	248	0	0	(131)
LCLR New Footpaths	1,216	1,096	0	(120)	0	0	(581)
LCLR PT Infrastructure	0	231	0	231	0	0	(122)
LCLR Resilience Projects	1,342	3,180	0	1,838	0	0	(1,686)
LCLR Safety Improvements	3,258	4,257	0	999	0	0	(2,256)
LCLR Subsidised Seal Extensions	0	345	0	345	0	0	(183)
LED Streetlight Upgrades	(41)	0	0	41	0	0	0
Low Carbon Transport WHG- CBD bike and public tran:	1,120	4,600	3,480	(0)	(723)	0	(4,600)
Low Carbon Transport WHG- Kamo Shared path conne	2,218	4,795	2,579	(2)	(1,911)	0	(4,795)
Low Carbon Transport WHG- Raumanga Shared Path c	658	4,600	3,942	(0)	(1,085)	0	(4,600)
MBIE Projects	790	0	0	(790)	(856)	0	(1,500)
Parking Renewals	214	696	0	482	0	0	0
Seal Extensions - House Frontage Sealing	1,225	0	0	(1,225)	0	0	0
Seal Extensions - Unsubsidised	42	3,995	2,720	1,232	0	0	0
Sealed Road Pavement Rehabilitation	2,144	4,118	1,974	1	0	0	(2,183)
Sealed Road Resurfacing	8,598	6,090	0	(2,508)	0	0	(3,228)
Springs Flat Roundabout	3,847	2,482	0	(1,365)	(250)	0	(1,500)
Structures Component Replacement	1,997	2,134	0	137	0	0	(1,131)
Subdivision Works Contribution	23	59	0	36	0	0	0
Traffic Sign & Signal Renewals	718	1,460	0	742	0	0	(774)
Unsealed Road Metalling	4,384	3,800	0	(584)	0	0	(2,014)
Urban Intersection Upgrades	6,113	4,900	0	(1,214)	0	0	(25)
Whangarei City Centre Plan Implementation	120	3,364	3,244	0	0	0	0
Transportion Total	55,886	74,131	23,733	(5,489)	(4,825)	(40,929)	
Waka Kotahi Subsidy					(24,148)		
Transportation Total	55,886	74,131	23,733	(5,489)	(28,973)	(40,929)	
Water							
Capital Projects (3 Waters)	6	0	0	(6)	0	0	0
Cyclone Gabrielle	15	0	0	(15)	0	0	0
Fairway Drive Pump Station Upgrade	0	236	236	0	0	0	0
Kamo Reservoir Additional Capacity	153	4,129	3,976	(0)	0	0	0
Leak Management (3 Waters)	0	0	0	0	0	0	0
Maungakaramea Reservoir Additional Capacity	15	205	190	0	0	0	0
Minor Projects - Emergency Works	183	426	0	243	0	0	0
Reservoir Rehabilitation - Programmed Work	14	0	0	(14)	0	0	0
Reticulation - Programmed Work	5,569	3,674	582	(2,478)	(237)	0	0
Three Mile Bush Reservoir Additional Capacity	210	2,671	2,461	(0)	0	0	0
Treatment Plant Upgrades	2,464	6,030	4,335	(769)	(2,279)	0	(1,917)
Waipu Water Reticulation	0	108	0	108	0	0	0
Water Meter Renewals	0	628	0	628	0	0	0
Water Treatment Plant & Equipment Replacement	649	538	0	(111)	0	0	0
Whau Valley New Water Treatment Plant	0	0	0	0	0	0	0
Water Total	9,278	18,645	11,780	(2,413)	(2,516)	(1,917)	
Solid Waste							
Transfer Station Renewals	0	54	0	54	0	0	0
Transfer Station Upgrades	0	0	0	0	0	0	0
Solid Waste Total	0	54	0	54	0	0	

	Full Year Expenditure \$000	Full Year Revised Budget \$000	Net Carried Forwards \$000	Total Underspent/ (Overspent) \$000	Capital Income YTD \$000	Capital Income Full Year Budget \$000
Wastewater						
Capital Projects (3 Waters)	2	0	0	(2)	0	0
Laboratory Equipment Renewals & Upgrades	27	17	0	(9)	0	0
Sewer Network Renewal	4,720	1,504	0	(3,216)	0	0
Sewer Network Upgrades	918	2,758	659	1,181	0	0
Wastewater Assessment	120	52	0	(68)	0	0
Wastewater Pump Station Remote Monitoring	422	1,007	585	0	0	0
Wastewater Pump Station Renewals	279	269	0	(10)	0	0
Wastewater Reticulation Upgrade	0	22	0	22	0	0
Wastewater Treatment Plant Renewals	750	874	0	125	0	0
Wastewater Treatment Plant Upgrades	2,194	3,240	1,700	(654)	0	0
Wastewater Total	9,432	9,743	2,944	(2,477)	0	0
Stormwater						
Blue/Green Network	66	1,139	773	300	0	0
Improve Community Wellbeing & Placemaking (Storm)	75	366	263	28	(109)	(366)
Stormwater Catchment Management Plans & Assessments	186	340	161	(7)	0	0
Stormwater Renewals	815	1,897	1,082	0	0	0
Stormwater Upgrades	131	908	786	(9)	0	0
Transition to Sustainable Economy	638	1,193	361	194	(613)	(1,193)
Stormwater Total	1,911	5,842	3,426	680	(722)	(1,559)
Flood Protection						
Gravity Drainage Gates	207	316	0	109	0	0
Level Sensor Renewals	0	35	35	0	0	0
Pump Upgrades/Renewals	109	215	106	0	0	0
Stop/Control Bank Renewals	314	285	0	(29)	0	0
Flood Protection Total	630	851	141	94	0	0
Community Facilities & Services						
<i>Civil Defence</i>						
Civil Defence Emergency Management Equipment Renewals	0	30	30	0	0	0
Civil Defence Emergency Management New Equipment	0	6	6	0	0	0
Emergency Operations Centre - New Equipment	0	159	159	0	0	0
Tsunami Signage	0	29	29	0	0	0
Tsunami Sirens Renewals	963	1,929	966	(0)	0	0
Civil Defence Total	963	2,154	1,191	(0)	0	0
<i>Community Development</i>						
CCTV Upgrades & Improvements	272	297	24	2	(121)	(120)
Community Buildings Renewals & Improvements	100	132	32	(0)	0	0
Community Led Development	42	734	692	0	0	0
Pensioner Housing Renewals & Improvements	509	762	277	(25)	0	0
Community Development Total	923	1,925	1,024	(23)	(121)	(120)
<i>Infrastructure Planning & Capital Works</i>						
Blue/Green Network	99	2,093	1,996	(1)	0	0
Coastal Structures Renewal	295	1,712	1,490	(74)	0	0
Community Buildings Renewals & Improvements	3,924	7,997	4,066	7	(700)	0
Cyclone Gabrielle	234	353	584	(465)	0	0
Emerald Necklace - Sense of Place	163	0	0	(163)	0	0
Enable Housing Development & Growth	0	200	0	200	0	(200)
Improve Community Wellbeing & Placemaking (Comser)	5,236	2,196	189	(3,229)	(5,223)	(2,196)
NEC Building Renewals	17	1,310	1,293	(0)	0	0
Neighbourhood & Public Gardens Level of Service	(2)	0	0	2	0	0
Neighbourhood & Public Gardens Renewals	959	1,241	0	282	0	0
Playgrounds & Skateparks Level of Service	43	481	442	(4)	0	0
Playgrounds & Skateparks Renewals	53	382	328	0	0	0
Pohe Island Development	63	0	0	(63)	0	0
Sport & Recreation Growth	342	232	0	(109)	0	0
Sport & Recreation Level of Service	159	267	107	0	0	0
Sport & Recreation Renewals	1,280	1,528	276	(27)	0	0
Town Basin - Conversion of Carpark to Park	2	0	0	(2)	0	0
Visitor Destination Upgrades	72	237	165	(0)	0	(230)
Waterfront Programme	1,316	175	0	(1,140)	0	(470)
Infrastructure Planning & Capital Works Total	14,254	20,403	10,936	(4,787)	(5,923)	(3,096)
<i>Libraries</i>						

	Full Year Expenditure \$000	Full Year Revised Budget \$000	Net Carried Forwards \$000	Total Underspent/ (Overspent) \$000	Capital Income YTD \$000	Capital Income Full Year Budget \$000
Book Purchases	624	1,207	440	143	(0)	0
Library Improvements	21	503	503	(21)	0	0
Library IT Equipment	67	145	78	(0)	0	0
Library Renewals	5	5	0	1	0	0
Libraries Total	716	1,859	1,021	123	(0)	0
Parks & Recreation						
Cemeteries Level of Service	102	120	0	18	0	0
Cemeteries Renewals	41	39	0	(2)	0	0
Cemetery Land Purchases	3	468	0	465	0	0
Coastal Structures Level of Service	36	130	93	0	0	0
Coastal Structures Renewal	238	32	0	(206)	0	0
Cyclone Gabrielle	1,316	1,048	0	(268)	0	0
Neighbourhood & Public Gardens Level of Service	606	1,427	821	(0)	0	0
Neighbourhood & Public Gardens Renewals	529	548	0	19	0	0
Neighbourhood Parks and Reserves	43	359	316	(0)	0	0
Parks Interpretation Information	67	89	22	(0)	0	0
Playgrounds & Skateparks Level of Service	0	80	80	0	0	0
Playgrounds & Skateparks Renewals	185	214	0	29	0	0
Pohe Island Development	0	89	89	0	0	0
Public Art	1	54	53	0	0	0
Public Toilets	287	273	0	(15)	0	0
Seawalls Renewal	0	0	0	0	0	0
Sport & Recreation Growth	368	1,077	708	0	0	0
Sport & Recreation Level of Service	1	430	429	0	0	0
Sport & Recreation Renewals	366	1,039	581	92	0	0
Walkway & Track Renewals	269	53	0	(216)	0	0
Parks & Recreation Total	4,459	7,569	3,193	(83)	0	0
Venue and Events Whangarei						
Flags & Decorations	55	101	46	0	0	0
FN Venue - Entrance/ Lighting Enhancements	6	37	30	(0)	0	0
FN Venue - Furniture Upgrades	22	47	44	(19)	0	0
FN Venue - Health & Safety Upgrades	0	0	0	0	0	0
Forum North Venue Renewals	62	57	0	(5)	0	0
Forum North Venue Upgrades	108	110	0	2	0	0
NEC Building Renewals	85	161	62	14	0	0
NEC Building Upgrades	0	0	0	0	0	0
NEC Field Renewals	14	0	0	(14)	0	0
Venue and Events Whangarei Total	352	512	182	(22)	0	0
Community Facilities & Services Total	21,667	34,423	17,547	(4,792)	(6,043)	(3,216)
Governance and Strategy						
Airport Renewals & Improvements	0	637	637	0	0	0
Central City Carpark Upgrades & Improvements	71	84	13	(0)	0	0
Commercial Property Renewals & Improvements	106	1,450	1,225	119	0	0
Cyclone Gabrielle	0	0	0	0	0	0
Enable Housing Development & Growth	41	250	209	(0)	0	0
Improve Community Wellbeing & Placemaking (Strat)	150	150	0	0	(150)	(150)
New Airport Evaluation	332	1,226	894	(0)	0	0
Parihaka Transmission Mast Upgrade	58	872	814	(0)	0	0
WAMT Air Conditioning Upgrade	0	319	319	0	0	0
Governance and Strategy Total	757	4,989	4,112	119	(150)	(150)
Planning & Regulatory						
Dog Pound Renewals	2,965	4,777	1,812	(0)	0	0
Planning & Regulatory Total	2,965	4,777	1,812	(0)	0	0
Support Services						
<i>Business Support</i>						
Civic Centre	1,920	0	0	(1,920)	(4)	0
Council Vehicle Replacements	432	475	0	43	(75)	(30)
Forum North Venue Renewals - Bus Support	(1)	255	0	255	0	0
Furniture Renewals	0	22	0	22	0	0
Information Centre Upgrade	4	22	18	(0)	0	0
Business Support Total	2,356	774	18	(1,555)	(79)	(30)

	Full Year Expenditure \$000	Full Year Revised Budget \$000	Net Carried Forwards \$000	Total Underspent/ (Overspent) \$000	Capital Income YTD \$000	Capital Income Full Year Budget \$000
<i>ICT</i>						
Application and System Upgrades	244	699	437	18	0	0
Cloud Strategy / ICT	291	2,417	1,830	297	0	0
Cyber Security	0	610	574	36	0	0
IT Equipment New	454	404	0	(50)	0	0
Portal and Online Services	1,172	2,205	984	48	0	0
ICT Total	2,161	6,335	3,825	365	0	0
<i>Infrastructure Planning & Capital Works</i>						
BOF Programme Delivery	208	226	0	18	(208)	(226)
Infrastructure Planning & Capital Works Total	208	226	0	18	(208)	(226)
<i>People & Capability</i>						
Office Furniture	3	35	15	17	0	0
People & Capability Total	3	35	15	17	0	0
Support Services Total	4,728	7,370	3,858	(1,155)	(287)	(256)
Total	107,254	160,825	69,354	(15,379)	(38,692)	(48,027)

4.2 Financial Report for the 2 months ending 31 August 2024

Meeting: Finance Committee

Date of meeting: 2 October 2024

Reporting officer: Alan Adcock (General Manager – Corporate CFO)

1 Purpose / Te Kaupapa

To provide the operating results for the two months ending 31 August 2024.

2 Recommendation / Whakataunga

That the Finance Committee notes the operating results for the two months ending 31 August 2024.

3 Background / Horopaki

The net position for Operations is a year-to-date adverse variance of \$0.8m. This is mainly due to lower opex subsidy revenue than budgeted.

Once non-operating items are included, the overall year-to-date position is a deficit of \$4.6 million, compared to a budgeted deficit of \$0.1 million, resulting in an unfavourable variance of \$4.5 million.

However, it should be noted that these results are based on estimates for depreciation and Waka Kotahi NZTA revenue and expenses:

- Roading valuations are not yet finalised for the 2023-24 financial year, as such depreciation on opening roading assets is estimated. The valuations will be finalised as part of the Annual Report process, with current year depreciation updated accordingly at that time.
- Roading expenditure and revenue is lower than anticipated. This shortfall is primarily due to the limited capital work completed by the Roading Department over the past couple of months. The delay in capital projects can be attributed to the pending approval of the NZTA's three-yearly subsidy budgets. Without the confirmation of these budgets, the department has been unable to proceed with planned works, leading to a reduction in overall spending and therefore subsidies received. Once NZTA funding has been confirmed, implications for the Transportation programme and budget will be worked through with Elected Members.
- No vested asset income has been recorded in the first two months of the year, showing an unfavourable variance of \$1.8m. This is a non-cash item dependent of when assets are vested to Council. The timing of this may differ from the phasing of the budget.

- Other Capital contributions are generally phased in accordance with the capital project to which they relate. The receipt of this revenue will depend on the underlying funding agreements. This can create variances between the phased budget and the year-to-date actuals.
- Other minor timing differences can also occur, particularly early on in the year, when the phased budget differs to the actual costs incurred. The September finance report will include a full year forecast which will provide a more accurate view of anticipated results for the year.

3.1 External Net Debt and Treasury

Total net external debt at the end of August 2024 was \$205.1 million compared to year-to-date budgeted net debt of \$197.2 million, resulting in net debt being \$7.8 million over budget. This variance is mainly due to:

- The unfavourable operating result year to date as a result of reduced income
- An unbudgeted property purchase.
- Timing differences between the forecasted debt (based on historical trends), and the timing of expenses incurred.

As at 31 August 2024 cash and term deposits held of \$59.9 million was comprised of:

- \$5.0 million of term deposits relating to short term borrowings not yet required
- \$20.0 million of term deposits relating to debt repayment prefunding
- \$1.1 million of cash on hand relating to the Whangarei Harbour Marina Management Trust loan not yet advanced
- \$1.6 million cash on hand relating to contract retentions held
- \$32.2 million of cash on hand.

4 Accounts Receivable and Arrears

Total arrears as at 31 August 2024 were \$8.5 million, \$1.1 million more than August 2023, and \$2.4 million more than last month.

Land rates arrears increased by \$2.5 million from last month and are \$1.2 million more than August 2023 (prior years arrears decreased by \$0.4 million while \$2.9 million of the first instalment remains unpaid). Water rates are the same as August 2023. Other debtors are \$0.1 million less than August 2023.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

- Attachment 1 – Monthly key indicators
- Attachment 2 – Monthly activity summary
- Attachment 3 – Monthly income statement
- Attachment 4 – Monthly income statements by activity

Attachment 5 – Treasury report

MONTHLY KEY INDICATORS
AUGUST 2024



	YTD to August 2024				
	Actual YTD \$ m	Revised Budget YTD \$ m	Variance YTD \$ m	YTD Indicator	YTD Trend Current / previous month
OPERATING					
Total Rates	19.5	19.7	(0.2)	🟡	
Subsidies and Grants	1.5	2.4	(0.9)	🔴	
User Fees	3.5	3.9	(0.4)	🔴	
Total Operating Income	28.4	29.1	(0.7)	🟡	⬇️
Personnel Costs	7.4	7.6	0.2	🟢	
Other Operating Expenditure	13.3	13.4	0.1	🟢	
Total Operating Expenditure	34.8	34.6	(0.2)	🟡	⬇️
Surplus/(Deficit) from Operations	(6.4)	(5.6)	(0.8)	🟡	⬇️
Total Capital Income	2.2	4.4	(2.2)	🔴	
Total Surplus/(Deficit)	(4.6)	(.1)	(4.5)	🟡	⬇️

KEY	
🟢	Favourable to budget
🟡	Unfavourable, but within 5% of budget
🔴	Unfavourable, over 5% of budget
⬆️	Favourable to previous month
⬇️	Unfavourable to previous month

EXTERNAL DEBT FUNDING

External Net Debt	205.0	197.2	(7.8)	🟡
Net Interest on debt	1.4	1.9	0.5	🟢

Note: The above information includes excerpts taken from the Monthly Income Statement. The shaded lines above represent key totals from the Monthly Income Statement but are not totals of the lines above.

MONTHLY ACTIVITY SUMMARY
AUGUST 2024
YTD to August 2024

	Actual Surplus/ (Deficit)	Revised Budget Surplus/ (Deficit)	Variance Surplus/ (Deficit)	YTD Indicator	YTD Trend Current / previous
Transportation	(6.5)	(3.9)	(2.6)	●	⬇️
Park and Recreation	(2.6)	(2.5)	(0.1)	●	⬇️
Water	(0.2)	0.1	(0.3)	●	⬇️
Wastewater	2.2	1.8	0.4	●	⬆️
Stormwater	(0.9)	(0.4)	(0.5)	●	⬇️
Coastal and Flood Management	0.0	(0.1)	0.1	●	⬆️
Hikurangi Repo Flood Protection	0.1	0.0	0.1	●	⬆️
Solid Waste	(0.3)	(0.4)	0.1	●	⬇️
Community Facilities and Services	(4.4)	(4.5)	0.1	●	⬇️
Planning and Regulatory Services	0.5	0.2	0.3	●	⬇️
Governance and Strategy	(0.4)	(0.4)	0.0	●	⬇️
Support Services	8.5	9.0	(0.5)	●	⬇️

KEY:
 Favourable to budget

 Unfavourable, but within 5% of budget

 Unfavourable, over 5% of budget

 Favourable to previous month

 Unfavourable to previous month

 No change to previous month

Note: The above information is at Council Operations level and excludes non-cash adjustments



MONTHLY INCOME STATEMENT
31 AUGUST 2024

	Actual YTD \$000	Revised Budget YTD \$000	Variance* 2024-25 \$000
Council Summary			
Operating income			
Rates	19,460	19,707	(248)
Subsidies and grants	1,506	2,373	(867)
Fees and charges	3,541	3,869	(328)
Interest revenue	500	316	184
Other revenue	3,362	2,796	567
Total operating income	28,370	29,062	(692)
Operating expenditure			
Other expenditure	13,349	13,413	64
Depreciation and amortisation	12,131	11,440	(691)
Finance costs	1,914	2,156	242
Personnel costs	7,370	7,612	241
Total operating expenditure	34,765	34,621	(144)
Surplus/(deficit) from operations	(6,395)	(5,559)	(836)
Plus capital income			
Development and other contributions	1,569	832	736
Other capital contributions	520	2,565	(2,046)
Waka Kotahi NZTA capital subsidies	95	1,049	(953)
Total capital income	2,184	4,446	(2,263)
Surplus/(deficit) including capital income	(4,211)	(1,113)	(3,098)
Plus non-cash income adjustments			
Vested assets income	-	1,781	(1,781)
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	1,781	(1,781)
Less non-cash expenditure adjustments			
OPEX on capital projects**	331	753	422
Loss on disposal of assets	71	-	(71)
Total non-cash expenditure adjustments	401	753	351
Total non-cash adjustment	(401)	1,028	(1,429)
Total surplus/(deficit)	(4,613)	(85)	(4,528)

* Favourable variances are recorded as positive amounts (unfavourable variances as negative amounts)

** This expenditure is included within the Capital Projects Report

Summary Financial Performance By Activity

Activity	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	2024-25 \$000
Transportation			
Revenue	2,020	2,580	(560)
Capital Income	1,039	2,900	(1,862)
Expenditure	9,567	9,379	(188)
Surplus/(deficit) including capital income	(6,508)	(3,899)	(2,609)
Park and Recreation			
Revenue	60	77	(18)
Capital Income	297	253	44
Expenditure	2,993	2,869	(124)
Surplus/(deficit) including capital income	(2,636)	(2,539)	(98)
Water			
Revenue	2,532	2,643	(111)
Capital Income	355	546	(191)
Expenditure	3,135	3,086	(50)
Surplus/(deficit) including capital income	(249)	103	(352)
Wastewater			
Revenue	4,533	4,331	202
Capital Income	350	185	165
Expenditure	2,732	2,693	(39)
Surplus/(deficit) including capital income	2,151	1,823	328
Stormwater			
Revenue	19	102	(83)
Capital Income	10	500	(490)
Expenditure	969	1,004	35
Surplus/(deficit) including capital income	(941)	(402)	(539)
Coastal and Flood Management			
Revenue	-	-	-
Capital Income	-	-	-
Expenditure	8	121	113
Surplus/(deficit) including capital income	(8)	(121)	113
Hikurangi Repo Flood Protection			
Revenue	213	212	1
Capital Income	-	-	-
Expenditure	133	175	42
Surplus/(deficit) including capital income	80	37	42
Solid Waste			
Revenue	468	512	(44)
Capital Income	-	-	-
Expenditure	815	886	72
Surplus/(deficit) including capital income	(347)	(375)	28
Community Facilities and Services			
Revenue	1,594	1,410	184
Capital Income	133	63	71
Expenditure	6,105	6,008	(98)
Surplus/(deficit) including capital income	(4,378)	(4,535)	157
Planning and Regulatory Services			
Revenue	2,855	3,094	(239)
Capital Income	-	-	-
Expenditure	2,369	2,917	548
Surplus/(deficit) including capital income	485	176	309

Governance and Strategy

Revenue	1,109	1,031	-	78
Capital Income	-	-	-	-
Expenditure	1,511	1,445	-	(66)
Surplus/(deficit) including capital income	(402)	(414)	12	

Support Services				
Revenue	16,065	16,193	-	(127)
Capital Income	-	-	-	-
Expenditure	7,524	7,161	-	(363)
Surplus/(deficit) including capital income	8,541	9,032	(491)	

MONTHLY INCOME STATEMENT

Transportation	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	YTD \$000
Operating income			
Rates	55	20	34
Subsidies and grants	1,439	2,134	(695)
Fees and charges	311	311	(0)
Interest revenue	-	-	-
Other revenue	216	114	101
Overheads recovered	-	-	-
Total operating income	2,020	2,580	(560)
Operating expenditure			
Other expenditure	3,401	3,760	359
Depreciation and amortisation	5,137	4,537	(601)
Finance costs	379	408	29
Personnel costs	650	674	24
Overheads charged	-	-	-
Total operating expenditure	9,567	9,379	(188)
Surplus/(deficit) from operations	(7,546)	(6,799)	(747)
Plus capital income			
Development and other contributions	578	351	226
Other capital contributions	365	1,500	(1,135)
Waka Kotahi NZTA capital subsidies	95	1,049	(953)
Total capital income	1,039	2,900	- (1,862)
Surplus/(deficit) including capital income	(6,508)	(3,899)	- (2,609)
Plus non-cash income adjustments			
Vested assets income	-	197	(197)
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	197	(197)
Less non-cash expenditure adjustments			
OPEX on capital projects**	162	114	(47)
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	162	114	(47)
Total non-cash adjustment	(162)	83	(245)
Total surplus/(deficit)	(6,670)	(3,816)	(2,854)

MONTHLY INCOME STATEMENT

Park and Recreation	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000
Operating income			
Rates	-	-	-
Subsidies and grants	-	-	-
Fees and charges	57	65	(8)
Interest revenue	-	-	-
Other revenue	3	13	(9)
Overheads recovered	-	-	-
Total operating income	60	77	(18)
Operating expenditure			
Other expenditure	1,549	1,357	(193)
Depreciation and amortisation	880	931	51
Finance costs	379	408	29
Personnel costs	185	173	(12)
Overheads charged	-	-	-
Total operating expenditure	2,993	2,869	(124)
Surplus/(deficit) from operations	(2,933)	(2,791)	(142)
Plus capital income			
Development and other contributions	272	117	155
Other capital contributions	24	136	(111)
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	297	253	44
Surplus/(deficit) including capital income	(2,636)	(2,539)	(98)
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	0	1	1
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	0	1	1
Total non-cash adjustment	(0)	(1)	1
Total surplus/(deficit)	(2,636)	(2,540)	(97)

MONTHLY INCOME STATEMENT

Water	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	2024-25 \$000
Operating income			
Rates	2,252	2,372	(119)
Subsidies and grants	-	-	-
Fees and charges	49	33	16
Interest revenue	224	238	(14)
Other revenue	6	-	6
Overheads recovered	-	-	-
Total operating income	2,532	2,643	(11)
Operating expenditure			
Other expenditure	1,039	1,013	(26)
Depreciation and amortisation	1,727	1,714	(13)
Finance costs	-	-	-
Personnel costs	370	358	(12)
Overheads charged	-	-	-
Total operating expenditure	3,135	3,086	(50)
Surplus/(deficit) from operations	(603)	(443)	(161)
Plus capital income			
Development and other contributions	355	166	189
Other capital contributions	-	380	(380)
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	355	546	- (191)
Surplus/(deficit) including capital income	(249)	103	- (352)
Plus non-cash income adjustments			
Vested assets income	-	296	(296)
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	296	(296)
Less non-cash expenditure adjustments			
OPEX on capital projects**	1	-	(1)
Loss on disposal of assets	38	-	(38)
Total non-cash expenditure adjustments	39	-	(39)
Total non-cash adjustment	(39)	296	(335)
Total surplus/(deficit)	(287)	399	(686)

MONTHLY INCOME STATEMENT

Wastewater	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	2024-25 \$000
Operating income			
Rates	3,852	3,836	17
Subsidies and grants	-	-	-
Fees and charges	386	194	192
Interest revenue	294	301	(6)
Other revenue	-	0	(0)
Overheads recovered	-	-	-
Total operating income	4,533	4,331	202
Operating expenditure			
Other expenditure	542	589	48
Depreciation and amortisation	1,866	1,797	(69)
Finance costs	-	-	-
Personnel costs	324	307	(18)
Overheads charged	-	-	-
Total operating expenditure	2,732	2,693	(39)
Surplus/(deficit) from operations	1,801	1,638	163
Plus capital income			
Development and other contributions	350	185	165
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	350	185	-
Surplus/(deficit) including capital income	2,151	1,823	328
Plus non-cash income adjustments			
Vested assets income	-	386	(386)
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	386	(386)
Less non-cash expenditure adjustments			
OPEX on capital projects**	24	205	182
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	24	205	182
Total non-cash adjustment	(24)	181	(205)
Total surplus/(deficit)	2,128	2,004	124

MONTHLY INCOME STATEMENT

Stormwater	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	YTD \$000
Operating income			
Rates	-	-	-
Subsidies and grants	19	102	(83)
Fees and charges	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Overheads recovered	-	-	-
Total operating income	19	102	(83)
Operating expenditure			
Other expenditure	18	76	58
Depreciation and amortisation	855	821	(34)
Finance costs	-	-	-
Personnel costs	96	107	10
Overheads charged	-	-	-
Total operating expenditure	969	1,004	35
Surplus/(deficit) from operations	(950)	(902)	(48)
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	10	500	(490)
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	10	500	-
Surplus/(deficit) including capital income	(941)	(402)	-
(539)			
Plus non-cash income adjustments			
Vested assets income	-	901	(901)
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	901	(901)
Less non-cash expenditure adjustments			
OPEX on capital projects**	24	186	162
Loss on disposal of assets	33	-	(33)
Total non-cash expenditure adjustments	57	186	129
Total non-cash adjustment	(57)	715	(772)
Total surplus/(deficit)	(998)	313	(1,311)

MONTHLY INCOME STATEMENT

Coastal and Flood Management	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance 2024-25 \$000
		YTD \$000	
Operating income			
Rates	-	-	-
Subsidies and grants	-	-	-
Fees and charges	-	-	-
Interest revenue	-	-	-
Other revenue	-	-	-
Overheads recovered	-	-	-
Total operating income	-	-	-
Operating expenditure			
Other expenditure	8	89	81
Depreciation and amortisation	-	-	-
Finance costs	-	-	-
Personnel costs	-	32	32
Overheads charged	-	-	-
Total operating expenditure	8	121	113
Surplus/(deficit) from operations	(8)	(121)	113
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	-	-	-
Surplus/(deficit) including capital income	(8)	(121)	- 113
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	-	6	6
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	-	6	6
Total non-cash adjustment	-	(6)	6
Total surplus/(deficit)	(8)	(127)	118

MONTHLY INCOME STATEMENT

Hikurangi Repo Flood Protection	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	2024-25 \$000
Operating income			
Rates	211	211	(0)
Subsidies and grants	-	-	-
Fees and charges	-	-	-
Interest revenue	2	1	1
Other revenue	-	-	-
Overheads recovered	-	-	-
Total operating income	213	212	1
Operating expenditure			
Other expenditure	56	69	14
Depreciation and amortisation	78	106	28
Finance costs	-	-	-
Personnel costs	-	-	-
Overheads charged	-	-	-
Total operating expenditure	133	175	42
Surplus/(deficit) from operations	80	37	42
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	-	-	-
Surplus/(deficit) including capital income	80	37	42
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	-	51	51
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	-	51	51
Total non-cash adjustment	-	(51)	51
Total surplus/(deficit)	80	(14)	94

MONTHLY INCOME STATEMENT

Solid Waste	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000
Operating income			
Rates	(0)	-	(0)
Subsidies and grants	-	-	-
Fees and charges	0	270	(270)
Interest revenue	-	-	-
Other revenue	468	241	226
Overheads recovered	-	-	-
Total operating income	468	512	(44)
Operating expenditure			
Other expenditure	682	760	79
Depreciation and amortisation	88	52	(36)
Finance costs	21	23	2
Personnel costs	24	51	27
Overheads charged	-	-	-
Total operating expenditure	815	886	72
Surplus/(deficit) from operations	(347)	(375)	28
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	-	-	-
Surplus/(deficit) including capital income	(347)	(375)	28
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	-	-	-
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	-	-	-
Total non-cash adjustment	-	-	-
Total surplus/(deficit)	(347)	(375)	28

MONTHLY INCOME STATEMENT

Community Facilities and Services	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
		YTD \$000	2024-25 \$000
Operating income			
Rates	-	-	-
Subsidies and grants	12	83	(71)
Fees and charges	81	44	37
Interest revenue	82	58	24
Other revenue	1,419	1,225	195
Overheads recovered	-	-	-
Total operating income	1,594	1,410	184
Operating expenditure			
Other expenditure	4,252	4,179	(74)
Depreciation and amortisation	727	694	(32)
Finance costs	-	-	-
Personnel costs	1,126	1,135	8
Overheads charged	-	-	-
Total operating expenditure	6,105	6,008	(98)
Surplus/(deficit) from operations	(4,511)	(4,598)	87
Plus capital income			
Development and other contributions	13	13	1
Other capital contributions	120	50	70
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	133	63	71
Surplus/(deficit) including capital income	(4,378)	(4,535)	157
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	20	32	12
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	20	32	12
Total non-cash adjustment	(20)	(32)	12
Total surplus/(deficit)	(4,398)	(4,567)	170

MONTHLY INCOME STATEMENT

Planning and Regulatory Services	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000
Operating income			
Rates	-	-	-
Subsidies and grants	-	-	-
Fees and charges	2,562	2,781	(219)
Interest revenue	-	-	-
Other revenue	293	313	(20)
Overheads recovered	-	-	-
Total operating income	2,855	3,094	(239)
Operating expenditure			
Other expenditure	921	1,338	417
Depreciation and amortisation	13	11	(1)
Finance costs	-	-	-
Personnel costs	1,435	1,567	132
Overheads charged	-	-	-
Total operating expenditure	2,369	2,917	548
Surplus/(deficit) from operations	485	176	309
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	-	-	-
Surplus/(deficit) including capital income	485	176	309
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	-	-	-
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	-	-	-
Total non-cash adjustment	-	-	-
Total surplus/(deficit)	485	176	309

MONTHLY INCOME STATEMENT

Governance and Strategy	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000
Operating income			
Rates	-	-	-
Subsidies and grants	0	23	(23)
Fees and charges	-	-	-
Interest revenue	209	172	37
Other revenue	900	836	64
Overheads recovered	-	-	-
Total operating income	1,109	1,031	78
Operating expenditure			
Other expenditure	860	826	(33)
Depreciation and amortisation	14	13	(1)
Finance costs	43	-	(43)
Personnel costs	595	606	11
Overheads charged	-	-	-
Total operating expenditure	1,511	1,445	(66)
Surplus/(deficit) from operations	(402)	(414)	12
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	-	-	-
Surplus/(deficit) including capital income	(402)	(414)	12
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	52	126	74
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	52	126	74
Total non-cash adjustment	(52)	(126)	74
Total surplus/(deficit)	(454)	(540)	86

MONTHLY INCOME STATEMENT

Support Services	2024-2025 YTD		Full Year
	Actual	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000
Operating income			
Rates	15,430	15,622	(192)
Subsidies and grants	37	32	6
Fees and charges	95	170	(75)
Interest revenue	445	315	130
Other revenue	57	54	3
Overheads recovered	-	-	-
Total operating income	16,065	16,193	(127)
Operating expenditure			
Other expenditure	2,362	1,662	(700)
Depreciation and amortisation	748	764	16
Finance costs	1,850	2,133	283
Personnel costs	2,565	2,602	37
Overheads charged	-	-	-
Total operating expenditure	7,524	7,161	(363)
Surplus/(deficit) from operations	8,541	9,032	(491)
Plus capital income			
Development and other contributions	-	-	-
Other capital contributions	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-
Total capital income	-	-	-
Surplus/(deficit) including capital income	8,541	9,032	(491)
Plus non-cash income adjustments			
Vested assets income	-	-	-
Gain on disposal of assets	-	-	-
Total non-cash income adjustments	-	-	-
Less non-cash expenditure adjustments			
OPEX on capital projects**	48	30	(18)
Loss on disposal of assets	-	-	-
Total non-cash expenditure adjustments	48	30	(18)
Total non-cash adjustment	(48)	(30)	(18)
Total surplus/(deficit)	8,493	9,002	(509)

TREASURY REPORT
31 AUGUST 2024



S&P GLOBAL RATINGS CREDIT RATING:

AA

Outlook: Stable

DEBT SUMMARY:

As at 31 August 2024

External Debt

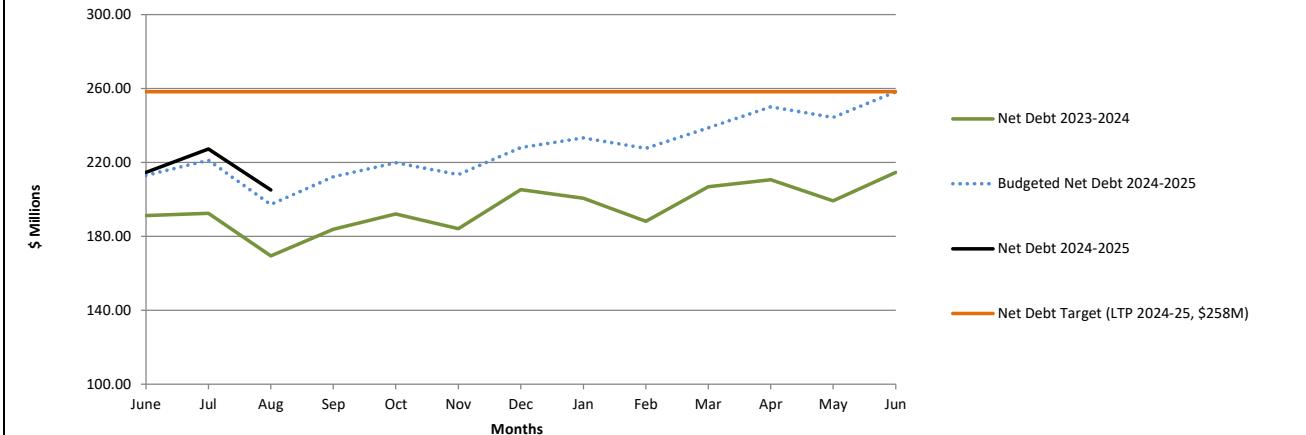
Opening public debt as at 1 August 2024	265,000,000
Plus loans raised during month	-
Less loan repayments made during month (Note: Facility movement has been netted)	-
Net movement in external debt	-
Total External Debt	265,000,000
Less: Cash balances (excluding funds held on behalf)	34,767,695
Term deposits (Funds held on deposit until required for project funding)	25,175,000
Total cash and term deposits	59,942,695
Total Net External Debt	205,057,305

Note: Council also holds \$5.83m of LGFA borrower notes. These are not included in net external debt as per Council's Treasury Risk Management Policy.

External debt is represented by:

Less than 1 Year	30,000,000
1-3 Years	67,000,000
3-5 Years	100,000,000
Greater than 5 Years	68,000,000
Total	265,000,000

NET EXTERNAL DEBT COMPARED TO BUDGET:



Internal Funding* Reserve balances are indicative only and will be updated as part of the Annual Report/year end process

Community Development Funds	11,551,255
Property Reinvestment Reserve - Committed	-
Property Reinvestment Reserve - Available for Investment	21,274,680
Hikurangi Swamp	443,898
Waste Minimisation Reserve	1,084,134
Water Reserve	30,893,855
Wastewater Reserve	43,122,470
Total	108,370,292

*Note: Reserves Funding is disclosed to ensure transparency of Council's use of cashflow management to fund capital works.

Where funds are raised through property sales or targeted rates for Water, but they are not required for immediate investment in that asset category, Council's Revenue and Financing policy allows them to be used for other purposes, rather than being held on deposit.

To ensure total transparency of this we create Reserve Accounts so that the appropriate funding can be made available and transferred back when it is required. The timing of projects requiring these funds is set out in our Long Term Plan (LTP) and/or Annual Plan (AP).

These Reserves are not a liability to an external party, and are not part of Council's debt obligations.

The Property Reinvestment Reserve is split to record funds that have been already been committed to land purchases, and the remaining uncommitted balance that is available for other future investment purchases.

The only situation where our Net Debt would increase as a result of these Reserves is if major expenditure on Water Assets or property purchases is brought forward from the dates set out in the LTP/AP.

4.3 Capital Projects Report for the 2 Months ending 31 August 2024

Meeting: Finance Committee

Date of meeting: 2 October 2024

Reporting officer: Alan Adcock (General Manager – Corporate / CFO)

1 Purpose / Te Kaupapa

To provide the Capital Projects Report for the period ending 31 August 2024.

2 Recommendation/s / Whakataunga

That the Finance Committee notes the Capital Projects Report for the period ending 31 August 2024.

3 Background / Horopaki

This report provides an update on the Capital Projects expenditure to date compared with phased budget.

4 Discussion / Whakawhiti kōrero

Capital Projects expenditure as at 31 August 2024 is \$5.3m less than phased budget, equivalent to 65% of the year to date phased budget. While this is less favourable than the same period last year it is consistent with the first year of an LTP when NZTA funding is yet to be confirmed.

A full year forecast position will be provided in next month's report.

4.1 Reporting

The focus of the Capital Projects Report to the Finance Committee is to provide visibility of:

- Capital programme spend throughout the year compared to budget
- Full year forecast for the capital programme
- Budget performance against the priorities set as part of the LTP.

This agenda includes new capital reports designed to provide Elected Members with an overview of the financial results for the capital programme. These reports include:

- **Capital Report by Portfolio:** this report aligns our capital budget to Council Strategies, ordered according to the size of budget. This provides a snapshot of Council spend across against the priorities set in the LTP.

- **Capital Report by Expenditure Type:** this report enables Elected Members to monitor expenditure in a similar format reported to Council's legislative reporting under the Local Government Act. This report groups spends by LTP Activity, and the expenditure type associated with that project: Renewals, Growth and Level of Service. This information is provided in both numeric and graphical formats.

Management welcomes any feedback from Elected Members on the new capital reports provided within this agenda.

4.2 Multi-year forecasting

Multi-year forecasting has been developed as part of Project Lifecycle Management. This will enable project managers to forecast further than just the current financial year, enabling more of a project lifetime view. There are a number of complexities to be worked through to ensure rigorous financial controls remain intact, as well as changes to our processes, data models and reporting. This will continue to evolve over the coming months as staff adjust to this new way of working.

A new initiative as part of Multi-Year Forecasting will be a mechanism for Council decisions made throughout the year to be reflected in a revised budget. For example, additional approved capex budget, or the bringing forward of a budget from a future year across the ten years of the plan. This will help ensure any decisions made outside the annual budget process are reflected accurately. Staff anticipate this will provide the ability for additional scrutiny and transparency in both the setting of capital project budgets, as well as variance reporting throughout the year.

Another process change being implemented involves the ability for management to distribute a capital programme budget to a lower level, to enable better tracking and reporting. This functionality has historically only been available at the start of a financial year, providing less flexibility for project managers to track their spend against budget at a lower level throughout the year. Having the ability to revise budgets will provide more transparency and flexibility to deliver programmes of work.

This will require stringent controls and approval processes to be in place, as well as the introduction of additional role delegations. Further information will be provided as this functionality is confirmed.

The business is currently undertaking training on the new multi-year forecast process. The first capital programme forecast will be undertaken at the beginning of October and reported in the October Financial Report.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

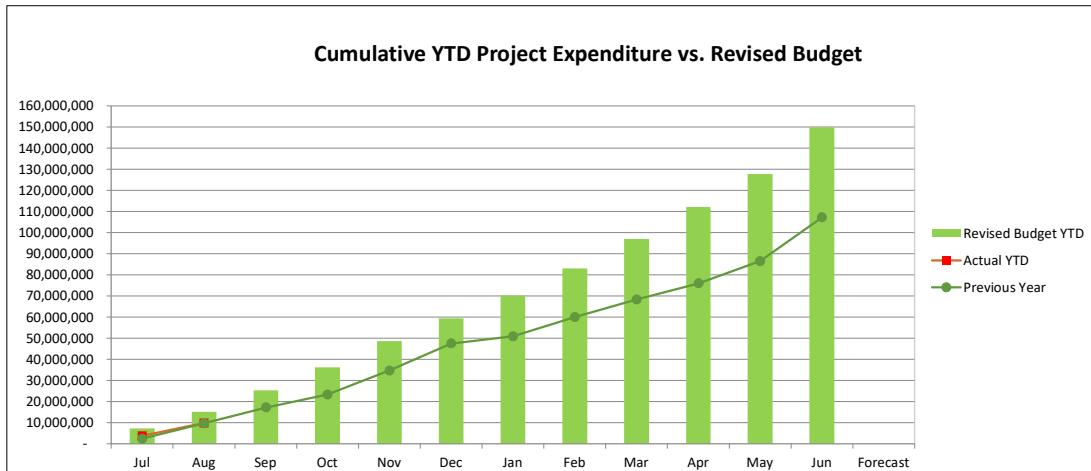
Attachment 1 – Capital Graphs as at 31 August 2024

Attachment 2 – Capital Report by Portfolio as at 31 August 2024

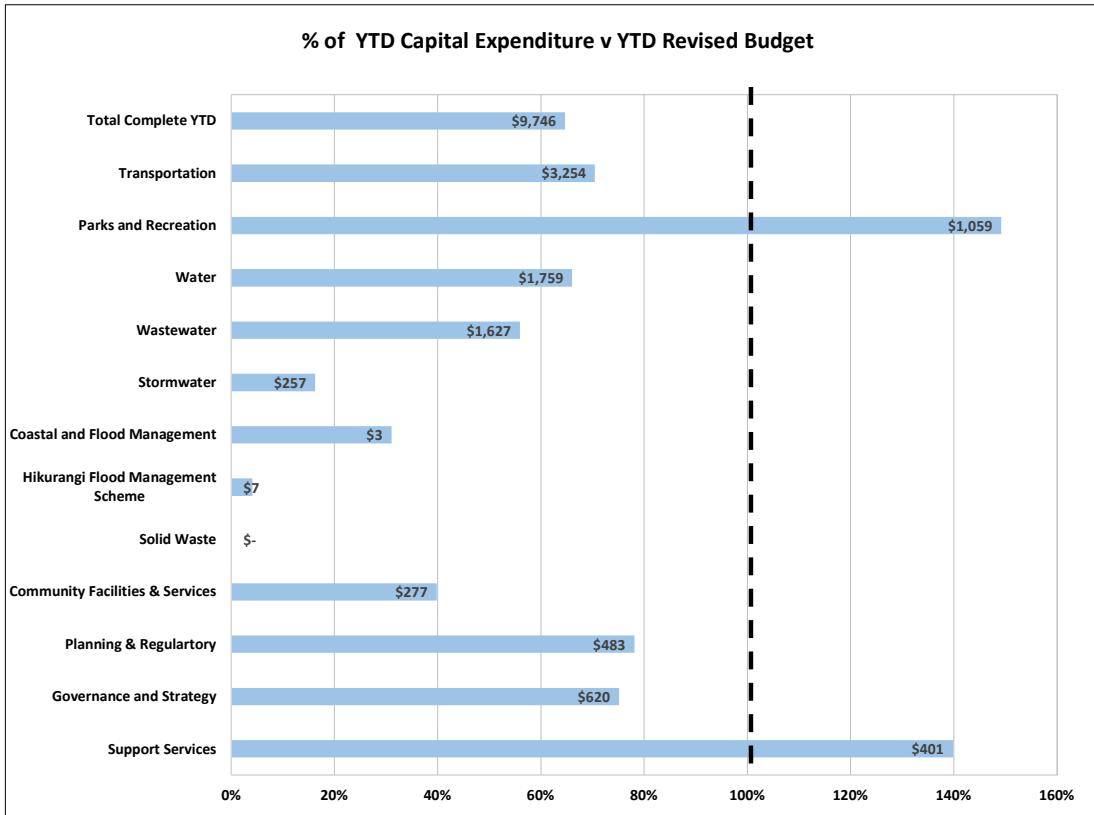
Attachment 3 – Capital Report by Funding Category as at 31 August 2024

Attachment 4 – Capital Graphs by Funding Category as at 31 August 2024

**CAPITAL EXPENDITURE
AS AT 31 AUGUST 2024**



The above graph illustrates Councils actual spend year-to-date compared to the prior year actuals, and the budget set as part of the Annual Plan/Long Term Plan. The green bars indicate the estimated timing of the budgeted spend as we progress through the year. This budget phasing occurs at the start of the financial year based on the information known at that time. The timing of the actual spend may differ to this phasing. The blue column indicates the level of capital spend expected by the end of the financial year. The yellow bar indicates project spend that is not expected to be completed this financial year, of which the budget will be carried forward to future years for completion. This forecast is updated periodically throughout the year.



The above graph shows what percentage of the phased budgeted capital programme has been achieved year to date. This can be useful in determining a snapshot view of the year to date progress as well as to highlight timing differences between the actual spend and timing of the phased budget.

⁴⁹
Capital Report by Portfolio as at 31 August 2024

Portfolio	YTD Actuals \$000's	YTD Budget \$000's	YTD Variance \$000's	Annual Budget \$000's	Portfolio Description
Asset Lifecycle Management	2,825	3,990	1,165	33,213	Replacement of existing assets.
Local Road Renewals	1,295	1,562	266	27,795	NZTA subsidised renewals on existing roads.
Northern Growth Area	187	85	(102)	11,002	Works to enable growth to the north of Whangarei City.
Transport Choices	1,077	1,500	423	10,001	Government funded initiatives to encourage alternative travel to private vehicles.
Network Expansion	967	1,524	557	9,452	Works to that expand existing networks including Wastewater, Water, Stormwater and CCTV .
Local Road Improvements	325	557	232	7,970	NZTA subsidised improvements to existing roads.
Transportation Non- subsidised programme	77	711	634	6,772	Improvements to the Roading network and associated facilities fully funded by WDC.
Air Quality	479	1,061	582	6,364	Initiatives contributing to the improvement of air quality.
Commercial Property Investment	600	774	174	5,559	Investment and development of the commercial property portfolio.
Water Quality	564	862	298	5,533	Growth and improvements designed to improve water quality.
Catchment Management	17	914	896	5,481	Improvements to the management of water flows predominantly stormwater and flooding.
Digital Strategy	233	186	(47)	4,752	Development and maintenance of digital tools to enable efficient council operation.
Walking and Cycling Improvements	281	164	(117)	1,954	NZTA funded improvements to walking and cycling facilities.
Active Recreation and Sport	240	258	18	1,920	Implementation of the Active Recreation and Sports Strategy including facilities to encourage sports and recreation predominantly sports parks.
Open Space Strategy	340	142	(198)	1,795	Provision and improvement of open spaces for recreation.
Blue/Green Network Strategy	107	292	185	1,990	Implementation of the Blue Green Network Strategy including development of ecological and recreational corridors and managing flooding risks and future climate change.
Better Off Funding	90	199	108	1,733	Government funded initiatives to build community resilience.

Portfolio	YTD Actuals \$000's	YTD Budget \$000's	YTD Variance \$000's	Annual Budget \$000's	Portfolio Description
Civil Defence & Emergency Management	-	-	-	1,584	Equipment for civil defence.
Public Conveniences	-	-	-	1,029	Public conveniences renewals and development.
Community Placemaking	20	79	60	816	Funding to enable Communities to identify and prioritise assets for their communities.
Housing Strategy	-	-	-	800	Implementation of the Housing Strategy including provision of new Pensioner Housing.
Cyclone Gabrielle	2	-	(2)	601	Recovery projects resulting from Cyclone Gabrielle.
City Centre Strategy	12	95	83	570	Implementation of the CBD Masterplan including development of the Central Business District
Sustainability	-	69	69	412	Initiatives that contribute to a sustainable district.
Pohe Island Masterplan	(1)	-	1	195	Implementation of the Pohe Island Masterplan
Transportation Investment Management	-	29	29	175	NZTA subsidised investment in strategies to manage transportation.
Knowledge Hub	-	17	17	103	Development of the Knowledge Hub Precinct Plan including the Forum North building and surrounding area.
Marine Strategy	-	-	-	96	Development of strategy around provision of marine recreation facilities.
Cemetery Strategy	-	-	-	84	Implementation of the Cemetery Strategy
Arts Culture and Heritage Strategy	9	-	(9)	54	Initiatives to implement the Arts Culture and Heritage Strategy to integrate arts culture and heritage to Council facilities.
Public Transport Services	-	-	-	51	NZTA funded improvements to non private vehicle transportation.
Indoor and Outdoor Courts Strategy	-	6	6	33	Implementation of the Indoor and Outdoor Courts Strategy including development of hard courts for recreation.
Waste Minimisation Strategy	-	-	-	28	Initiatives to minimise waste.
<hr/>			<hr/>	<hr/>	
	9,746	15,075	5,328	149,917	

CAPITAL REPORT BY EXPENDITURE TYPE
AS AT 31 AUGUST 2024

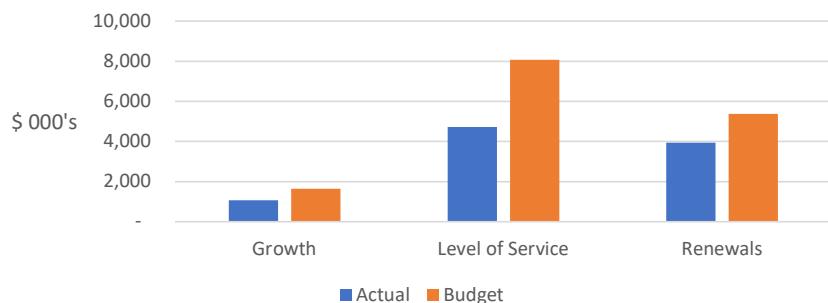
	YTD Actuals	YTD Budget	YTD Variance	Full Year Budget
	000's	000's	000's	000's
	WHANGAREI DISTRICT COUNCIL WIDE			
Level of Service	4,728	8,064	3,336	71,247
Renewals	3,943	5,369	1,425	54,768
Growth	1,075	1,642	566	23,902
Grand Total	9,746	15,075	5,328	149,916

Breakdown by Funding Category

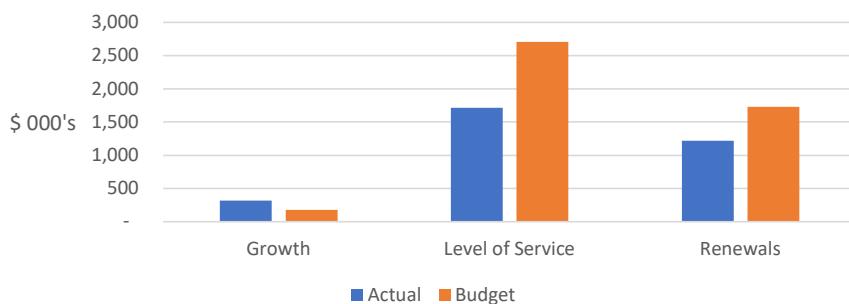
	YTD Actuals	YTD Budget	YTD Variance	Full Year Budget
	000's	000's	000's	000's
	Level Of Service			
Transport	1,714	2,709	994	28,291
Parks and Recreation	584	570	(14)	6,059
Water	823	933	110	6,512
Wastewater	538	1,305	767	8,052
Stormwater	41	1,070	1,029	6,741
Coastal & Flood Management	0	1	1	249
Hikurangi Flood Management Scheme	0	16	16	93
Solid Waste	0	0	0	0
Community Facilities and Services	216	640	424	7,623
Planning and Regulatory	0	0	0	0
Governance and Strategy	607	675	68	4,735
Support Services	205	147	(57)	2,891
	4,728	8,064	3,336	71,247
Renewals				
Transport	1,220	1,729	509	23,106
Parks and Recreation	334	0	(334)	2,615
Water	386	909	524	8,487
Wastewater	1,082	1,327	245	8,634
Stormwater	213	344	130	2,061
Coastal & Flood Management	2	7	5	1,621
Hikurangi Flood Management Scheme	7	149	142	893
Solid Waste	0	0	0	28
Community Facilities and Services	61	57	(4)	2,438
Planning and Regulatory	483	617	135	1,865
Governance and Strategy	6	135	128	937
Support Services	149	95	(54)	2,082
	3,943	5,369	1,425	54,768
Growth				
Transport	320	181	(139)	14,370
Parks and Recreation	141	140	(1)	1,094
Water	550	820	270	5,045
Wastewater	7	277	270	1,696
Stormwater	3	163	161	980
Coastal & Flood Management	0	0	0	0
Hikurangi Flood Management Scheme	0	0	0	0
Solid Waste	0	0	0	0
Community Facilities and Services	0	0	(0)	5
Planning and Regulatory	0	0	0	0
Governance and Strategy	6	15	9	205
Support Services	47	44	(3)	508
	1,075	1,642	566	23,902

Breakdown by Activity				
	YTD Actuals	YTD Budget	YTD Variance	Full Year Budget
	000's	000's	000's	000's
Transportation				
Level of Service	1,714	2,709	994	28,291
Renewals	1,220	1,729	509	23,106
Growth	320	181	(139)	14,370
	Transportation Total	3,254	4,618	65,767
Parks and Recreation				
Level of Service	584	570	(14)	6,059
Renewals	334	-	(334)	2,615
Growth	141	140	(1)	1,094
	Parks and Recreation Total	1,059	710	(349)
Water Services				
Level of Service	823	933	110	6,512
Renewals	386	909	524	8,487
Growth	550	820	270	5,045
	Water Services Total	1,759	2,663	904
Wastewater				
Level of Service	538	1,305	767	8,052
Renewals	1,082	1,327	245	8,634
Growth	7	277	270	1,696
	Wastewater Total	1,627	2,909	1,282
Stormwater				
Level of Service	41	1,070	1,029	6,741
Renewals	213	344	130	2,061
Growth	3	163	161	980
	Stormwater Total	257	1,577	1,320
Coastal and Flood Management				
Level of Service	0	1	1	249
Renewals	2	7	5	1,621
Growth	-	-	-	-
	Coastal and Flood Management Total	3	8	6
Hikurangi Flood Management Scheme				
Level of Service	-	16	16	93
Renewals	7	149	142	893
Growth	-	-	-	-
	Hikurangi Flood Management Scheme Total	7	164	158
Solid Waste				
Level of Service	-	-	-	-
Renewals	-	-	-	28
Growth	-	-	-	-
	Solid Waste Total	-	-	28
Community Services & Facilities				
Level of Service	216	640	424	7,623
Renewals	61	57	(4)	2,438
Growth	-	-	-	5
	Community Services & Facilities Total	277	696	420
Planning & Regulatory				
Level of Service	-	-	-	-
Renewals	483	617	135	1,865
Growth	-	-	-	-
	Planning & Regulatory Total	483	617	135
Strategy				
Level of Service	607	675	68	4,735
Renewals	6	135	128	937
Growth	6	15	9	205
	Strategy Total	620	825	205
Support Services				
Level of Service	205	147	(57)	2,891
Renewals	149	95	(54)	2,082
Growth	47	44	(3)	508
	Support Services Total	401	287	(114)
Grand total	9,746	15,075	5,329	149,916

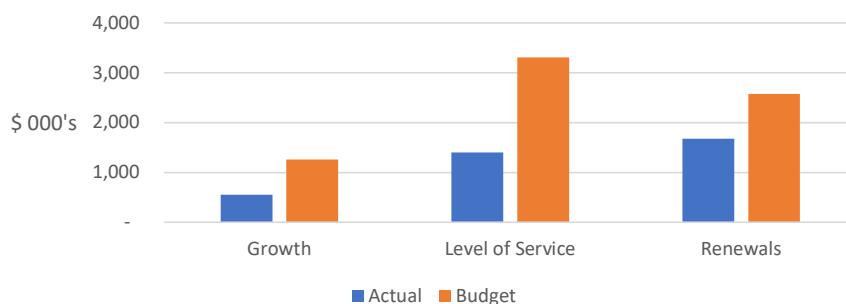
WDC YTD Actual to Budget by Capital Expenditure Type to 31 August



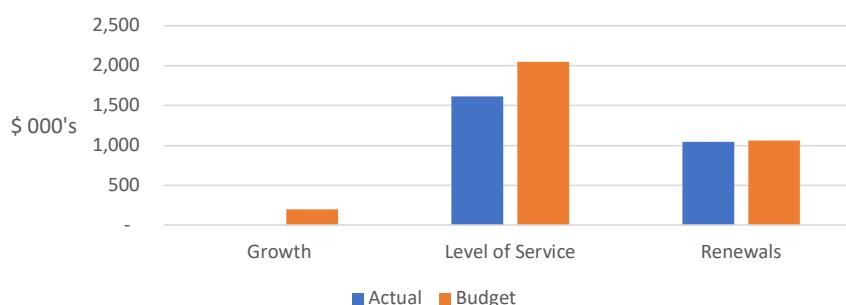
Transportation YTD Actual to Budget by Capital Expenditure Type to 31 August



Waters YTD Actual to Budget by Capital Expenditure Type to 31 August



Non-Infrastructure YTD Actual to Budget by Capital Expenditure Type to 31 August



4.4 Operations Report – Corporate Group – October 2024

Meeting: Finance Committee

Date of meeting: 2 October 2024

Reporting officer: Alan Adcock (General Manager – Corporate/CFO)

1 Purpose / Te Kaupapa

To provide a brief overview of work across functions and services that the Corporate Group is responsible for.

2 Recommendation / Whakataunga

That the Finance Committee notes the Corporate Group operations report for October 2024 which contains statistics up to 31 August 2024.

3 Background / Horopaki

The Finance Committee terms of reference list key responsibilities which include provision of an operations report from the Corporate Group.

This report provides a brief overview of some of the operational highlights across functions and services of the Corporate Group, including comment on some future planned activities. This report contains statistics up to 31 August 2024 and other narrative is provided as a general update.

4 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

5 Attachments / Ngā Tāpiritanga

Attachment 1 – Corporate Group Operations Report – October 2024
(statistics to 31 August 2024)

Operations Report Corporate Group

October 2024
(statistics to 31 August 2024)

Contents

1..... Management Update	3
2..... Information Communications Technology (ICT)	5
3..... Finance.....	8
4..... Revenue	10
5..... Business Support.....	13
6..... Communications	17
Appendix 1 - Social media (top performing posts)	21

1. Management Update

This report contains statistics up to 31 August 2024 and other narrative is provided as a general update.

1.1 Procurement Reporting – Contracts Approved Under Delegated Authority

Contracts have been reviewed and there are none to report for this period.

1.2 Current Priorities and Challenges

The challenges and priorities for the Corporate Group are outlined in the report under each department. In summary, the main issues are:

- collection of the first rates instalment for 2024/25
- working on the 2023/24 Audit and Annual Report
- initial work on the 2025/26 Annual Plan
- implementation phase of several ICT projects
- preparation for a review of rating policy
- contributing to work on the Water Services Delivery Plan
- working with ratepayers to minimise rates arrears, and
- managing ongoing operational cost pressures.

1.3 Civic Precinct Landscaping

Now that paving at the front of the site has been completed some of the final components have been installed and the area is being used by the public. In the last week Locky Dock bike racks have been installed (in conjunction with the Transportation team). These are already proving popular as secure places to both park and re-charge e-bikes.



The new stage outside the Old Library is also seeing great usage, both as a prime spot for lunch on a sunny day and by the Youth Orchestra in the evenings. As demand grows, we are likely to make this a bookable venue.



Most of the paving along Lovers Lane / Te Ara Hikoi a Kauika is now complete, with the final stages being the integration with the new bridge and associated works in Cafler park, along with planting and seating. As the image below shows, this area will become a link between the Kamo and Raumanga Shared Paths.



The project remains within budget and on track for completion towards the end of the year. This is planned to coincide with completion of the Lovers' Lane bridge, which is a separate project.

2. Information Communications Technology (ICT)

2.1 Current Priorities and Challenges

Our current priorities are the finalisation of the Infrastructure as a Service contract, and the completion of our Technology One implementation roadmap.

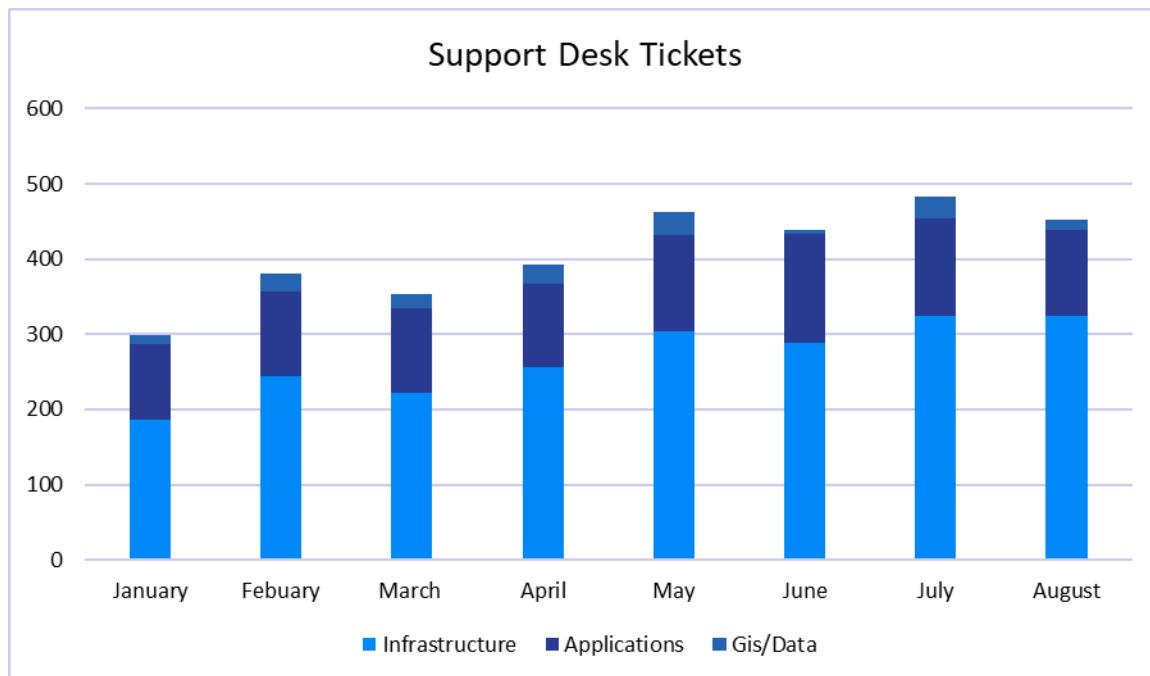
2.2 Operational Activities

The ICT team successfully deployed the AlphaOne Build system and went live with Is The Game On, our spatial Sport Field closure system www.isthegameon.co.nz

ICT End User Support

Business as usual support

The number of tickets this month decreased by 6%. This is representative of the higher workload in July due to end of financial year gradually decreasing into August.



5 new staff joined Council during August and ICT have provided induction and co-ordinated training as needed. ICT also completed further induction for those former NTA staff members returning back to Council.

ICT Systems Engineering

Managed Events/P1 Incidents for the month

A cyber attack on Microsoft's Azure Services resulted in minor intermittent issues for Council staff accessing these services.

Our broadband internet provider completed scheduled afterhours maintenance on internet services at some of our remote locations. Although this had no impact to the organisation, ICT staff have addressed the lack of notice with the provider.

Availability Management

All systems at our Datacentre remained operational.

Business as usual

For the month of August, our focus was on preparing for our Windows 11 migration and completing upgrades of security systems.

Information Management

Business as Usual

- Clean up on missing metadata for contracts is continuing both for active contracts and within Kete archives.
- Issues with the lookup configuration for old licence files have now been largely resolved and files will start migrating through to backscan in September.
- Refresher training in Harmon.ie had successful delivery. Further session to be scheduled in September in response to requests for more learning on this topic.
- The Transportation function/activity libraries in Kete have been reviewed and an aligned workspace designed. This will be implemented in September with taxonomy updated.
- Procurement plan for storage facilities completed for TIMG. Iron Mountain to be completed in September.
- Information Asset Register draft development plan completed. Initial build to start in September.

ICT Projects

The ICT Department successfully completed the upgrade of AlphaOne Build, and executed the go-live of Is The Game On.

LEGEND:  NOT STARTED  ON TRACK  GOING OFF TRACK  OFF TRACK

Project Name	Phase	On Schedule	On Budget
HRIS – Training & Development	Execution		
• Continue User Acceptance Testing for P&C and H&S teams • Training and communications to be planned for all staff			
Health & Safety – Phase 2	Initiation		
• Health & Safety Phase 1 has been handed over to BAU • Permit to Work & Contractor Monitoring Statement of Work (SOW) in review			
PLM (Project LifeCycle Management)	Execution		
• Support levels confirmed with User Support for ICT PLM • PLM Construction – Analyst Testing continuing			
IaaS Contract	Execution		
• Council approved Contract proposal from NorthCloud • Negotiation on details of contract has begun, with completion scheduled by 30 Sept			
Digital Transformation	Execution		
• Teams Wizard, Go-Live for ICT, Finance & Strategic Teams – Focus has been to manually provision sites urgently for Finance, Strategy and ICT as auto provisioning issues have been identified during User Acceptance Testing (UAT)			

Grants & Funding App	Execution		
<ul style="list-style-type: none"> • Configuration completed • Front end look and feel skin completed • Content configuration continuing • UAT planned 			
TechOne – NA (Names and Addresses)	Planning		
	<ul style="list-style-type: none"> • Business case to be completed to support changes required to cleanse data 		
Objective Build Upgrade (Alpha One)	Close		
	<ul style="list-style-type: none"> • Build is now live 		

3. Finance

3.1 Current Priorities and Challenges

Key priorities this month include:

- Creating forecasting models for the 2024-25 financial year to enable the business to complete a full year forecast
- Roll out of staff training across the business for forecasting including multi-year forecasting for capital budgets
- Preparation of the 2024 Annual Report
- CCO audits
- Initial planning for the preparation of the 2025-26 Annual Plan budgets
- Working through the implications of introducing multi-year forecasting
- Local Waters Done Well.

Key challenges this month include:

- Juggling multiple priorities and deadlines with additional tasks outside of normal business as usual
- Working through the impacts and process changes concerned with multi-year forecasting.

3.2 Operational Activities

2024-25 Financial Year

A financial report for the two months ending 31 August 2024 has been provided to the Finance Committee. This report compares year to date actuals against the phased budget. This report will be indicative only as significant line items contain some uncertainty. These include:

- Year to date depreciation expense being subject to change as we finalise the June 2024 revaluations
- Uncertainty around NZTA subsidies until confirmation of funding has been received.

The report for the three months ending 30 September 2024 will include a full year forecast provided by the business.

2024-2034 Long Term Plan (LTP)

The 2024-25 revised budget has been phased for operational and project expenditure which will enable year to date reporting for the new financial year.

2025-26 Annual Plan

At the initial Council briefing on 27 August 2024, direction was provided to continue with the Financial Strategy parameters adopted for the 2024-2034 LTP.

The next step is to confirm the approach to setting up Budget packs to create an initial draft budget. The Steering Group and SLT will consider key forecasting assumptions applicable to determining our start point. Key considerations include:

- Inflation adjustments now that BERL have advised a draft LGCI which is 1.1% higher than was advised during the LTP process
- Approach to estimating carry forwards
- Impacts of any further information available with regards to NZTA funding and other external funding
- Impacts on depreciation expense as a result of 30 June 2024 revaluations
- Interest rate assumptions due to reducing rates and interest rate swaps.

Further information will be shared with the Finance Committee throughout this process.

2023-24 Annual Report and Audit

The preparation of the Annual Report continues this month. Revaluations of roading, infrastructure assets, and investment properties are also all in progress. Staff are working through some large roading revaluation movements to ensure the valuation assumptions and underlying asset data are appropriate and complete. The final outcome of this revaluation will have an impact on the depreciation expense going forward. This will be considered as part of the preparation of the 2025-26 Annual Plan budget.

The interim audit occurred in the second half of August, with the final audit scheduled to commence from the beginning of October 2024. No significant areas of concern have been raised to date.

Adoption of the Annual Report is planned for 28 November 2024 (in accordance with the legislative deadline extension due to LTP delays).

Multi Year Forecasting

The Finance team are currently working on the implications of introducing multi-year forecasting for projects. This will enable project managers to forecast further than just the current financial year, enabling more of a project lifetime view. There are a number of complexities to be worked through to ensure rigorous financial controls remain intact, as well as changes to our processes, data models and reporting.

Training is currently underway across the business to explain the new functionality of multi-year forecasting, as well as a refresher for standard operational budget forecasting. The first round of full year forecasting will be completed by the business late September.

Staff are also reviewing the monthly reporting produced as part of the Financial report agenda in light of changes made as a result of multi-year forecasting.

It is anticipated that a Council workshop will be scheduled to consider potential changes to delegations as we explore new processes and procedures to provide more flexibility for management to deliver the capital programme. This will require significant vigilance to balance the desire of the business to have more flexibility, with strong rigor to ensure financial controls remain intact. Regardless of enabling a multi-year view of capex forecasting, Council must still adhere to the statutory process of setting annual budgets and reporting against them.

4. Revenue

4.1 Current Priorities and Challenges

Priorities:

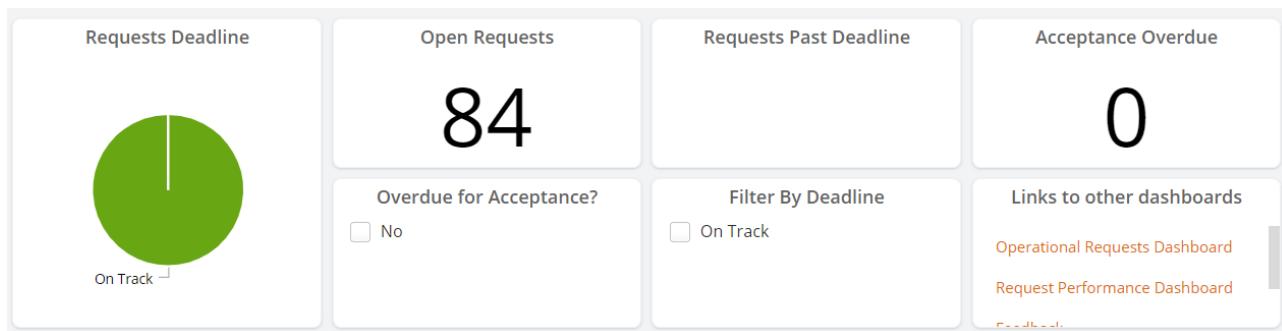
- 2023-24 Annual Report and audit
- Rates review

Challenges:

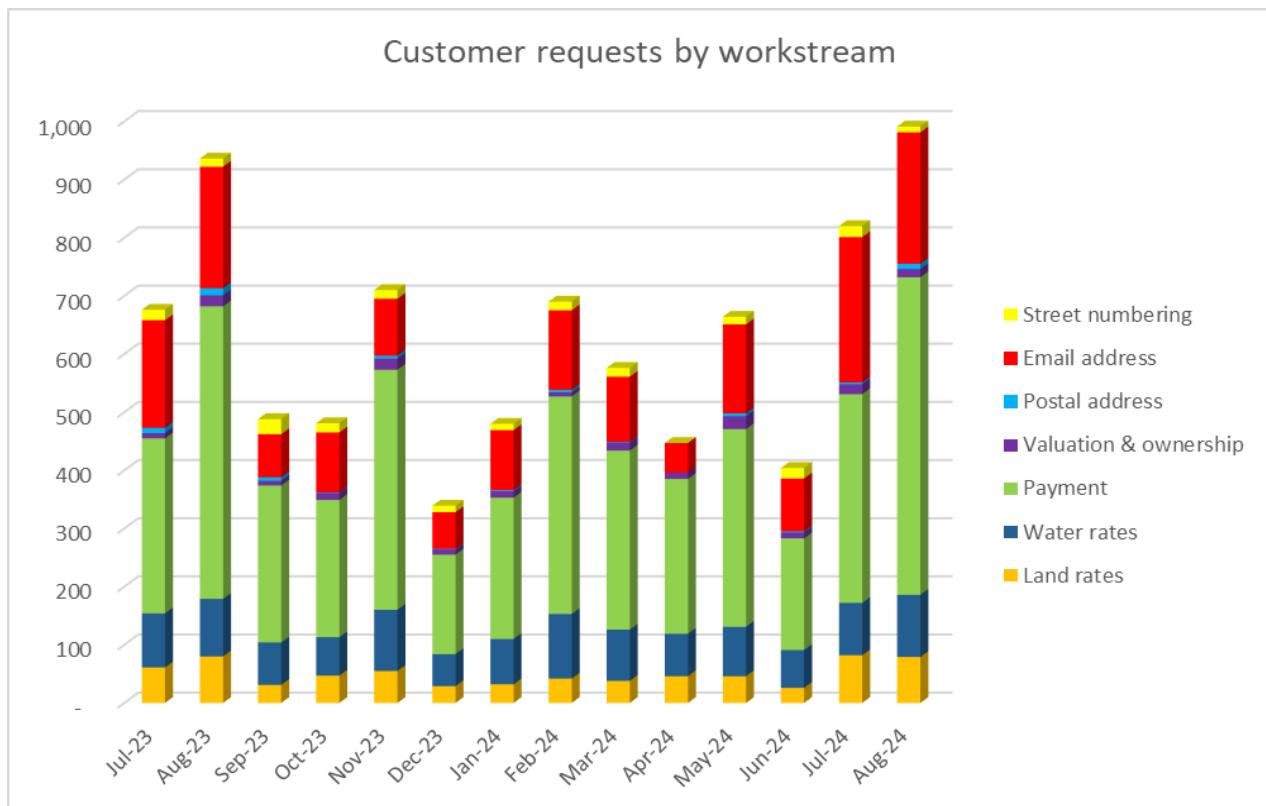
- Continued high level of transactions to process and record number of customer interactions

4.2 Request System Dashboard:

At 2 September 2024



There were 991 online customer service requests received in August 2024, the highest number of requests received in a month. The 84 unresolved requests are: 13 from September, 60 from August and 11 from July. Please see the below graph of the workload for the team:



4.3 Operational Activities

Projects

In August the focus was:

- 2024 general revaluation
- 2023-24 Annual Report and audit

Operations

There were 266 property sales in August, we are tracking 20% more sales than last year-to-date. The increased number of sales will help with the sales data for the 2024 general revaluation.

The backlog of water meter reading was addressed in August and revenue is tracking as last year. The new water meter readers have become more efficient so there are fewer issues to resolve.

The Rates Rebates office closed on 22 August. In the following week we visited 3 retirement villages, and two village operators have asked us delay visiting until later in the year. This year was easy, with our friendly experienced team, helping people and efficiently processing the 2350 rebates. At 31 August there were 2,353 (\$1,720,000), 3 less than last year's 2,356 (\$1,646,000) rates rebates. We tracked the way we received the applications:

- 63% visited one of our offices and needed assistance,
- the remaining 27% emailed, posted or delivered their application in person.
- 70% used the pre-filled forms

Collections

At 31 August 2024, total land rates due are \$6.4 million including prior years' arrears of \$3.5 million (\$1.6 million Māori freehold land); Prior years' arrears decreased by \$0.3 million from July, a reduction of 25% in the number of properties owing more than \$100. We have referred many of the properties without mortgage to our debt collector for further recovery actions.

Current year land rates due are \$2.9 million. Detail of the current year's arrears by payment group (under payment arrangement, mortgaged, no mortgage and whenua Māori) and property capital value (lower, middle and upper quartiles) is analysed below with the amount due and the number of properties (owing more than \$100). Of the properties with arrears, there are 41% that have a payment arrangement in place, 15% with mortgage and 44% with no mortgages.

Penalties totalling \$215,000 were added on 3,011 properties in August this year compared to \$171,000 (2,865 properties) last year. The correspondence sent advising of the penalties added resulted in \$50,000 (845 properties) of penalties being remitted (payment arrangement, payment details incorrect). Last year \$25,000 of penalties were remitted over the same period.

During the biggest payment week of the year (third week of August) there were 576 dishonoured direct debit payments, last year there were 480. Each ratepayer is followed up individually. We will monitor this to see if this is a one-off increase or a developing trend, which will lead to increased collection issues in the future.

Land rates current year arrears by sector and property capital value (\$ amount/number of properties)												
Recovery group	Arrangement		Mortgage		No Mortgage		Total general land		Whenua Māori	Total Properties	% with arrears	
	\$		\$		\$		\$		\$			
Business (industrial and commercial)												
< \$495,000	8,300	16	6,100	4	18,500	28	32,900	48	-	473	10%	
→ \$1,700,000	56,500	67	6,800	3	86,800	50	150,100	120	-	951	13%	
> \$1,700,000	72,400	49	112,700	4	91,300	14	276,400	67	-	513	13%	
<i>Total business</i>	137,200	132	125,600	11	196,600	92	459,400	235	-	1,937	12%	
Rural (farming)												
< \$850,500	10,600	23	3,200	4	21,900	29	35,700	56	6,100	7	463	14%
→ \$2,157,000	25,500	44	13,000	11	50,300	45	88,800	100	7,100	5	925	11%
> \$2,157,000	18,400	22	22,300	7	64,400	19	105,100	48	-	463	10%	
<i>Total rural</i>	54,500	89	38,500	22	136,600	93	229,600	204	13,200	12	1,851	12%
Residential												
< \$540,000	165,400	354	58,600	70	170,400	277	394,400	701	31,200	65	7,995	10%
→ \$875,000	344,900	689	92,900	139	276,200	384	714,000	1,212	16,300	26	14,877	8%
> \$875,000	207,900	345	37,900	38	214,900	170	460,700	553	25,200	18	7,584	8%
<i>Total residential</i>	718,200	1,388	189,400	247	661,500	831	1,569,100	2,466	72,700	109	30,456	8%
Lifestyle												
< \$690,000	60,700	136	18,100	27	66,900	104	145,700	267	37,900	70	2,408	14%
→ \$1,175,000	109,000	219	38,200	48	104,400	157	251,600	424	16,500	15	4,587	10%
> \$1,175,000	51,900	92	14,300	15	47,000	58	113,200	165	1,900	1	2,493	7%
<i>Total lifestyle</i>	221,600	447	70,600	90	218,300	319	510,500	856	56,300	86	9,488	10%
<i>Other</i>	-	-	-	-	2,800	5	2,800	5	-	-	487	1%
Total	1,131,500	2,056	424,100	370	1,215,800	1,340	2,771,400	3,766	142,200	207	44,219	9%

5. Business Support

5.1 Current Priorities and Challenges

Current priorities include:

- Initiating the procurement process for the security contract.
- Completing landscaping projects.

Current challenges include:

- Overseeing final defect remediation at Te Iwitahi in collaboration with project partners.
- Coordinating with contractors to ensure compliance with Health and Safety standards and managing work schedules to minimise staff disruption.
- Addressing the impacts of departmental restructuring on team dynamics and service delivery.

5.2 Operational Activities

Procurement

Internal

- Providing general advice and support to staff involved in procurement-related projects.
- Working with ICT to finalise and present the Infrastructure as a Service agenda item to Council.
- Updating contract signoff/recommendation process and associated templates.
- Participating in the Windows 11 Rollout test group.

Strategic

- Organising the Local Government Strategic Procurement Group Conference in Whangārei for October, which will be hosted by Council staff.

Major work streams in procurement in August have included:

Service/Good Being Procured	Detail	Procurement Commencement Date	Business Owner	Date Advertised on GETS	Expected End Date
After Hours Call Services	Provision of telephone answering services after core business hours	August 2023	Customer Services	April 2024	July 2024
Security and Related Services	Security services including cash in transit, guard services and alarm monitoring	To be determined	Business Support	To be determined	To be determined
Forum North Concourse roof repairs	Repairs to concourse roof to prevent further damage from water ingress	To be determined	Venues and Events	To be determined	To be determined

Sustainability

Climate-Related Disclosures

In the current year, approximately 170 financial market participants in New Zealand were mandated to produce climate-related disclosures for the first time. These disclosures are now accessible to the public via the Companies Office Climate-Related Disclosures Register. The disclosures adhere to the framework established by the Taskforce on Climate-Related Financial Disclosures (TCFD), which encompasses detailed information on an organisation's governance, strategy, risk management, and metrics and targets related to climate-related risks and opportunities.

While Local Authorities are not yet required to produce Climate-Related Disclosures, the Local Government Funding Agency (LGFA) was one of the entities required to report under the new climate reporting requirements this year. The LGFA's report highlights several risks pertinent to Local Government, which include:

- Operating Costs: The financial strain of responding to weather-related events, leading to volatility in operating budgets.
- Capital Expenditure: The need for significant investment in replacing infrastructure assets affected by climate-related issues.
- Resourcing: The diversion of resources from core services to manage responses to weather events, impacting the ability of councils to deliver essential services.
- Rating Impact: Potential declines in property values and decreased willingness or ability of the rating base to pay rates.
- Insurance Costs and Availability: Increased costs and potential challenges in obtaining insurance coverage.

These factors underscore the importance of integrating climate risk considerations into financial and operational planning.

Facilities Maintenance

During August we continued with business as usual including maintenance at the Town Basin, liaising with contractors regarding scheduled services such as servicing of HVAC units at Te Iwitahi and implementing the new cleaning contract.

Work completed during the last month:

- New counter installation at Claphams Clocks
- Collaboration with the Projects Team on security and compliance services for the new Animal Shelter
- Developed a maintenance plan for Town Basin assets
- Quote packs for upgrades at the Central Library.

Leases and Licences

This month, the team has successfully tied up several loose ends, taking advantage of the slowdown in pace. We finalised corrections to the annual cost recovery calculations and processed outstanding invoices. Considerable progress was made on lease management, including drafting of the new Armourguard Animal Shelter lease and finalising several complex airport leases.

We are currently waiting for a number of valuations to be returned so that we can finalise lease matters. In the meantime, we completed requests from our auditors, ensuring everything complies.

The team worked on updating and organising files within the system and sent letters to tenants with upcoming rent reviews and renewals, ensuring everything is on track moving forward.

Current priorities include:

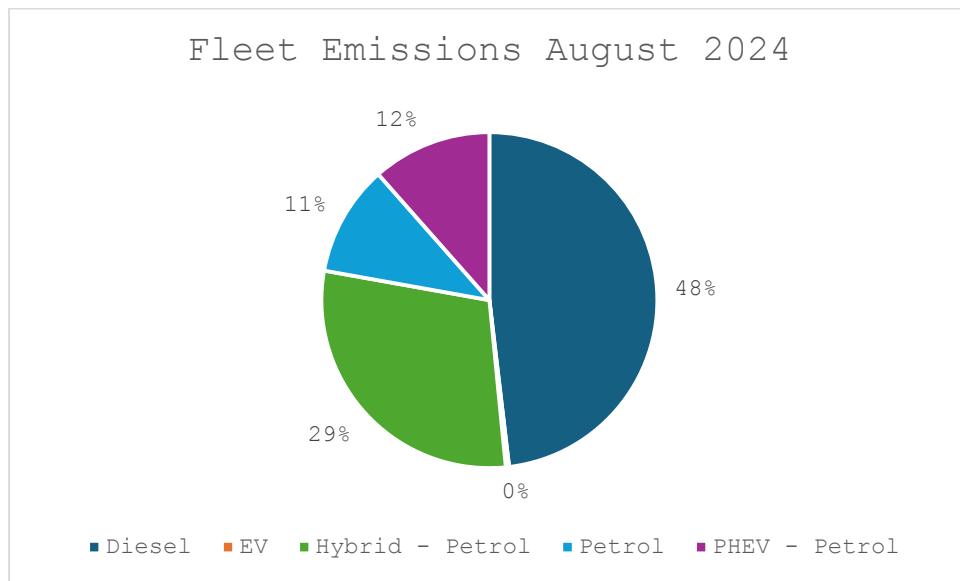
Commercial Leases and Licences

- Processing 17 new leases and licences
- Awaiting an update on the surrender of 2 leases coupled with a new lease
- Managing 11 rent reviews/renewals, with 2 in arbitration
- Overseeing 1 rent review/assignment
- Conducting 5 rent reviews
- Processing 1 variation and 2 renewals with variations.

Community and Infrastructure Leases

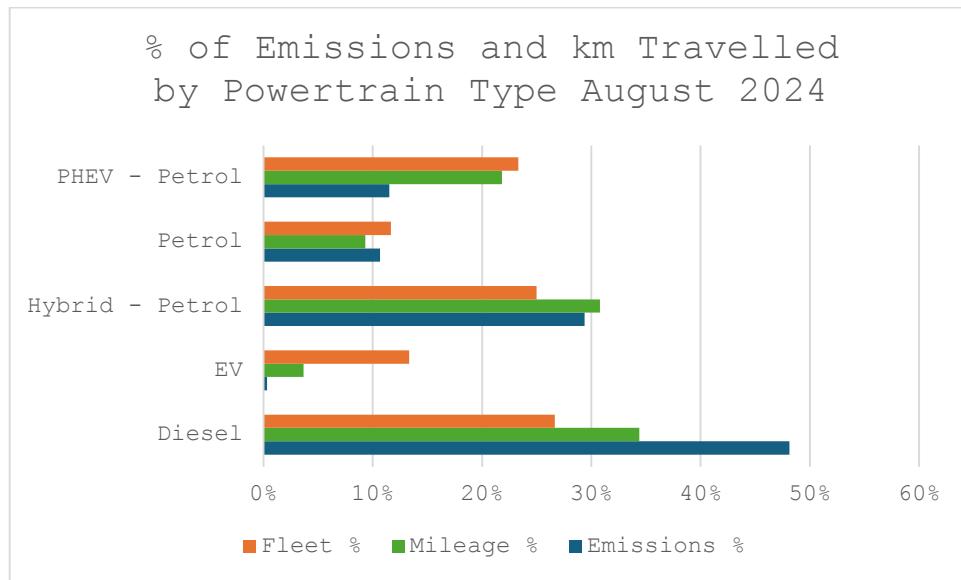
- Processing 16 new leases and licences
- Waiting for update on 2 variations
- Conducting 3 rent reviews
- Terminations 2.

Fleet



In August 2024, the total fleet emissions amounted to 13,046.38 kg of CO2 equivalents (CO2-e). Diesel vehicles contributed the highest proportion, accounting for 48% of the total emissions. Emissions in August 2024 were the same as during July 2024.

The chart below illustrates the percentage of emissions and kilometres travelled by energy type.



Our current fleet comprises 58 vehicles in total:

- 14 Plug in Hybrids (PHEV) - Petrol 25%
- 5 Petrol 95 9%
- 15 Hybrids – Petrol 25%
- 8 Electric 14%
- 16 Diesel 27%

6. Communications

6.1 Current priorities and challenges

Work and meetings with local media providers has continued as we review advertising options following the closure of the Whangarei Leader. The team have also had a relatively busy time planning and implementing campaigns for national programmes like Welcoming Week and Te Wiki o Te Reo, as well as supporting operational initiatives like Locky Docks and the opening of the Kamo Shared Path.

6.2 Operational activities

Media coverage

- Whangārei District Council votes against scrapping Māori ward
- Students perform haka in support of Whangārei District Council's Māori ward
- Whangārei in desperate need of new hospital after 'Code Black', mayor says
- Homeowners in fear after whole stage of Whangārei development sold to Kāinga Ora
- Whangārei JPs' final week at city's court as they move to public library
- Whangārei of the future revealed in council's proposed strategy that could transform town
- Northland dog owners call for more positive use of registration fees
- University of Auckland works with Whangārei District Council to explore potential new campus space.

Communications and engagement projects

A summary of campaigns of note include:

Campaign	Comment
Silver Festival	Booklet, website listings and promotional material design
Shared Path wayfinding maps	Creating wayfinding maps for all Shared Paths to use for promotion and on our website.
District tourism maps	Redesigning all District Maps for brochures and the annual Visitor Guide to improve visitor experience.
Is The Game On website launch	Design and promotion of new mobile-phone friendly sports cancellation website.
Locky Docks wayfinding maps	Central city wayfinding maps to be digitally displayed on screens at Locky Dock locations
Regional climate resilience	Comms support for Climate Adaptation Te Taitokerau joint regional working group, including website content and resilience stories and Council programmes of work
Coastal Protection Works Policy	Planning with NRC and FNDC for a series of 'Coastal Conversations' over summer, to build strong networks and community awareness of erosion control techniques, council processes and adaptation programmes
Elections 2025	Comms support and planning for Elections 2025 and the Māori Wards decision making process
Welcoming Week 2024	Comms support for Welcoming Week 2024 (6-14 September) promotion of events, podcast and internal story telling series

Campaign	Comment
Airport Location Study Project	Ongoing engagement support provided to the Working Group while the site investigations continue. Data from the Metstation is being analysed and online information is being kept up to date.
Ruakaka Wastewater Treatment Plant	Comms and Engagement planning is underway with initial meeting held to help identify and re-connect with stakeholders
Waterfront to City Centre Connection	Comms and Engagement is starting soon for the design phase of this project. Stakeholder identification and engagement with city centre businesses will begin in the coming weeks
Parua Bay wastewater investigations	A residential survey (electronic and paper options) will be carried out in the coming weeks to investigate issues within the Parua Bay wastewater network
T2 Priority Lane	Work will begin in the coming weeks on the Te Kamo T2 Priority Lane, commencing with the road markings. There have been some changes made to the design based on the feedback received from the public consultation and this has been outlined on the Project Page.

District pride campaign

We are increasing the focus on celebrating our place, showcasing more positive stories about our District, celebrating some of our local attractions and highlights, and encouraging the community to get behind well-known waste minimisation campaigns like Keep New Zealand Beautiful.

Activity over this period included:

- Locky Docks are here
- Welcoming Week newcomer profiles, stocktake report and event promotion
- AA credit rating confirmed
- Fringe Festival 2024 launch
- Silver Festival promotion
- New paving and stage outside Old Library
- Kamo Shared Path stage 5 now open
- Cycling growth and shared path use
- Raumanga Reserve playground works update
- Takahiwai multi-code court and sportsfield lighting now open
- Whau Valley Dam is full
- 100 days to go till the International Rally of Whangarei
- Northland is open – come on up campaign here
- Seal at Town Basin (Love it Here)
- Which beach is your top pick (Love it Here)
- Love it Here t-shirt production (Love it Here)
- Smugglers Cove loop walk (Love it Here)
- Oakura magic (Love it Here)
- 4 local walks (Love it Here)
- Camera Obscura (Love it Here).

Social media

Our post reach is trending down this month, but our engagement levels remain high for August. We had consistently high reach and engagement on topics related to the Future Development Strategy, but struggled at first to convert those numbers into formal submissions.

Top 3 highest reaching posts in August 2024 - refer to Appendix 1 for screenshots

Topic	Reach & engagement notes
Kerbside recycling guide	21k reach, 4.9k engagement. Guide included in the 2024 rates-letter insert. Most comments came in through its 50 “shares”.
Kamo Shared Path stage 5 opens	17.5k reach, 2.5k engagement. Soft-opening for Shared Path extension.
Road repairs losing chip, to be fixed again	17k reach, 3.8k engagement.

Website and digital channels

Digital transformations*

We are building website capacity to allow for more customer interactions online.

Recently completed processes that customers can now start and complete through our website:

- School Holiday programme providers form to add, update or remove a listing
- Funeral Directors' Cemeteries Pre-Approval form
- Apply for an Amusement device permit
- Sports park booking form
- Puanga on a Plate event including, restaurant registration form, map listing of restaurants registered and dishes, Peoples' Choice Award voting form.
- Papakāinga Fund.

Process transformations underway:

- LIM application
- i-Site customer feedback form
- Clapham Clocks customer feedback form
- Event public attendee feedback form.

* Updated every three months – next update November 2024.

Top 5 pages visited (main website only, Google Analytics report)

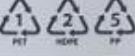
July	August
Rates database	Search
Dog registrations	Rates database
Contact us	Future Development Strategy
Payments gateway	Contact us
Online maps	District Plan changes
Notable: Newsletter sign-ups (new), Rates rebate information, A-Z Recycling and Disposal Guide, What's On (events), ePlan (upgraded page) – all in top 20 most visited pages.	Notable: ePlan (rising), online maps, What's On, A-Z Recycling Guide, payment gateway, dog registration (from 2nd to 18th place), Council agendas.

Appendix 1 - Social media (by top performing posts)

Whangarei District Council 
Published by Craig Neilson
1 August · 

Here's our new kerbside recycling guide, being delivered along with Rates this week. Put it up somewhere you can easily refer to it like on the fridge, inside a kitchen cabinet, or wherever you keep your bins 



Red bin
Plastic, tins & cans
Rinse these:
• metal tins
• drink cans
• plastics 1, 2, 5

All lids in the rubbish

Blue bin
Glass bottles and jars
Rinse these:
• unbroken glass bottles & jars
Do not include:
• light bulbs or mirrors

Cardboard box
Paper & cardboard
Place in a bag or small cardboard box next to your rubbish bag
Pizza boxes are OK without food scraps or oil

Put your recycling out by 7.30am on your collection day

[See insights and ads](#) [Boost post](#)

 109 114 comments 50 shares



Whangarei District Council

Published by Craig Neilson

...

?

· 26 August at 21:12 ·

We're taking down the fences: The final stage of the Kamo Shared Path officially opens this Friday, 30 August 2024.



[See insights and ads](#)

[Boost post](#)



Northland Road Safety and 320 others

96 comments 19 shares



Whangarei District Council

Published by Craig Neilson



- 7 August ·



...

Several of the 172 sites sealed last summer have since lost patches of chip, causing problems for drivers, council and our contractors.

We are keeping the sites as safe as possible while the weather and temperatures improve enough for permanent repairs.

This includes weekly checks when contractors are sweeping or removing loose chip as required.

Some sites have continued to lose chip quite rapidly after a sweep. This can make it look like they have not been swept. We arrange re-sweeps when that happens.

We have put temporary traffic management in place for the high speed rural environments where this happened, with signs warning drivers of the hazard and announcing speed limits.

Under the terms of our contracts, the cost of this management and safety work, and the final permanent repairs, are being carried by the relevant contractors – not Council or the ratepayer.

We are investigating the reason for these failures so we can avoid these situations in future.

[See insights and ads](#)[Boost post](#)

94

110 comments 9 shares

RESOLUTION TO EXCLUDE THE PUBLIC

Move/Second

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

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution 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 passing this resolution
1.1 Confidential Minutes Finance Committee meeting held 4 September 2024	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)

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 the relevant part of the proceedings of the meeting in public, are as follows:

Item	Grounds	Section
1.1	For the reasons as stated in the open minutes.	

Resolution to allow members of the public to remain

If the committee wishes members of the public to remain during discussion of confidential items the following additional recommendation will need to be passed:

Move/Second

"That _____ be permitted to remain at this meeting, after the public has been excluded, because of his/her/their knowledge of Item _____.

This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because _____.