

**HUTT CITY COUNCIL**

**FINANCE AND AUDIT COMMITTEE**

Meeting to be held in the Council Chambers, Hutt City Council,  
Level 2, 30 Laings Road, Lower Hutt on  
Wednesday 4 May 2016 commencing at 5.30pm.

**ORDER PAPER**

**PUBLIC BUSINESS**

**1. APOLOGIES**

Mayor WR Wallace

**2. PUBLIC COMMENT**

Generally up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

**3. CONFLICT OF INTEREST DECLARATIONS**

**4. COMMUNITY FUNDING REVIEW (16/505)**

Report No. FandA2016/2/83 by the Community Projects and Relationship  
Manager

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**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be endorsed."

**5. COMMUNITY DEVELOPMENT FUND RECOMMENDED  
ALLOCATIONS 2015/2016 (16/491)**

Report No. FandA2016/2/84 by the Community Advisor Funding and  
Community Contracts

6

**CHAIR'S RECOMMENDATION:**

"That the recommendation contained in the report be endorsed."

**6. HERITAGE FUND RECOMMENDATIONS 2015/2016 (16/504)**

Report No. FandA2016/2/85 by the Community Advisor Funding and  
Community Contracts

11

**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be endorsed."

7. **HUTT CITY LIBRARIES CLUBHOUSE TEEN SUMMIT TRAVEL - 2016**  
(16/427)

Report No. FandA2016/2/86 by the Content and Service Development Manager 14

**CHAIR'S RECOMMENDATION:**

"That the recommendations contained in the report be endorsed."

8. **REQUEST FOR TRAVEL TO 2016 ENVIRONMENTAL SYSTEMS**  
**RESEARCH INSTITUTE USER CONFERENCE, SAN DIEGO** (16/428)

Report No. FandA2016/2/87 by the Land Information Services Manager 16

**CHAIR'S RECOMMENDATION:**

"That the recommendation contained in the report be endorsed."

9. **FINANCE UPDATE** (16/264)

Report No. FandA2016/2/88 by the Budgeting and Reporting Manager 19

**CHAIR'S RECOMMENDATION:**

"That the report be noted for discussion."

10. **INFORMATION ITEM**

**2016 Finance and Audit Committee Work Programme** (16/265)

Report No. FandA2016/2/89 by the Committee Advisor 48

**CHAIR'S RECOMMENDATION:**

"That the report be noted."

11. **QUESTIONS**

With reference to section 43 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

**21 April 2016**

File: (16/505)

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**Report no: FandA2016/2/83**

## **Community Funding Review**

### **Purpose of Report**

1. The purpose of this report is to seek the Committee's endorsement of officers undertaking a strategic review of Council's current approach to community funding.

### **Recommendations**

That the Committee:

- (i) approves a strategic review of Council's current approach to community funding;
- (ii) notes that any review will be undertaken in the general strategic context of ensuring 'value for money' for the \$1 million invested annually in community funding;
- (iii) notes that such a review will include robust community consultation; and
- (iv) notes that officers will provide a report to Council in late 2016 that will outline consultation results, as well as any recommended changes, if any, to Council's funding strategy.

### **Background**

2. For over 12 years, Council has operated the current contestable/non-contestable funding model. The introduction of the existing Community Funding Policy (2013-2015), did not result in any changes to this.
3. Council allocates approximately \$1M to community groups annually. The reasons why Council funds community groups are broad, as per its Community Funding policy:

- a. Provides Not for Profits with a source of funds, allowing them to operate in the absence of sales or cash flows; and
  - b. The organisations' activities benefit the community, ideally in ways which align with Council's own goals and outcomes.
4. The below table sets out the 2015/16 funding allocations, which are not dissimilar from previous years:

|                                       |                    |
|---------------------------------------|--------------------|
| <b><u>Contestable Funding</u></b>     |                    |
| Community Development Fund            | \$176,000          |
| Small Grants                          | \$20,000           |
| Heritage Fund                         | \$15,000           |
| <b><u>Non-Contestable Funding</u></b> |                    |
| Citizens Advice Bureau (CAB)          | \$97,000           |
| Tamaiti Whangai                       | \$20,000           |
| Wellington Marae                      | \$5,000            |
| Youth Inspire                         | \$70,000           |
| Youth Wise Trust                      | \$100,000          |
| Community Houses                      | \$255,000          |
| Marae                                 | \$200,000          |
| Youth Partnership Fund                | \$58,000           |
| <b>Total community funding</b>        | <b>\$1,016,000</b> |

### **Discussion**

5. Officers believe it would be timely and prudent to conduct a strategic review of Council's current approach and practices to community funding. This would include investigating other possible funding models that may or may not be able to achieve greater value for money, as well as improve the overall transparency of funding practices.
6. Council's \$1M investment must add value to our community, on top of the core services we all already offer. Outcomes from this funding are ideally strongly aligned to Council and City priorities.
7. Officers are not saying that groups with existing funding arrangements with Council are not giving ratepayers value for money. Officers are saying it is time to conduct a review to ensure that our investment is achieving the priorities of our Council and our city - so all our residents live our vision of 'Hutt City, a great place, to live, work and play'.

8. It is good practice, to reflect on grant making practice to ensure the model used is effective, and that we are seeing measurable outcomes set and being achieved, through our investment. This is made difficult by the existing Community Funding Policy which effectively enables a very broad sweep across a wide range of outcomes to be funded.

### **Options**

9. The Committee endorses a strategic review of Council's community funding.
10. The Committee does not endorse a strategic review of Council's community funding, and directs officers to continue with the status quo.

### **Consultation**

11. Wide consultation will occur via the Hutt City Council website, Citizens Panel, hard copies at all of our Libraries and distributed to the wider public. Iwi and Youth Council will be consulted specifically.

### **Legal Considerations**

12. There are no legal considerations.

### **Financial Considerations**

13. There are no financial considerations.

### **Other Considerations**

14. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of the Local Government Act.

### **Appendices**

There are no appendices for this report.

**Author:** Melanie Laban  
Community Projects and Relationship Manager

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**Approved By:** Matt Reid  
General Manager Community Services

**19 April 2016**

File: (16/491)

**Report no: FandA2016/2/84**

## Community Development Fund Recommended Allocations 2015/2016

### Purpose of Report

1. The purpose of this report is for the Committee to agree to the recommended allocations for the Community Development Fund 2015/2016.

### Recommendation

That the Committee agrees to the recommended allocations for the Community Development Fund 2015/2016, attached as Appendix 1 to the report.

### Background

2. Council approved \$176,000 budgeted in the Annual Plan for the Community Development Fund Scheme 2015/2016.
3. A total of \$33,000 has been set aside for Regional Grants as follows; NZ Festival of the Arts \$9,000, Life Flight Trust \$11,000, Wellington Free Ambulance \$9,000 and Vector Orchestra \$4,000. A total of \$40,000.00 was approved for Sportsville operational funding.
4. There is \$103,000 available for allocation and this has been fully allocated.
5. The outcomes sought are:
  - enhanced quality of life and greater community participation/connections;
  - young people and their families develop to their full potential through such measures as parental education programmes and youth development initiatives; and
  - effective partnerships are in place with others to ensure the most efficient use of the resources and prevent duplication of services.

**Discussion**

6. Forty applications were received requesting a total of \$316,263.00. Applications were assessed through the Officer Assessment Review Panel.
7. Twenty-two applications were deemed to be of a lower priority and they will be offered advice on applying to other funding schemes internally and external to Council's funding. Eighteen applications have been recommended for funding which meet the criteria of the fund and align more closely with Council priorities.

**Consultation**

8. The scheme was advertised on Council's website, through the grants e-newsletter and Council libraries.
9. Officers met with a number of different community groups offering any assistance with Council's online grants management system.

**Legal Considerations**

10. Funds must be used only for the purpose for which they were sought and/or approved.
11. Funds must be used within 10 months of the recipient being notified of their successful application.
12. The recipients are required to inform Council immediately if any difficulties arise which may compromise the service or project.
13. A complaint must be laid with the Police if any funds received under this scheme are stolen or misappropriated. Council must be notified of all such complaints to the Police.
14. The recipient must allow an audit on the use of Council's funds should Council wish to undertake such an audit.
15. The recipient must recognise the support of Council in appropriate publicity material, annual reports and similar publications.
16. The recipients must provide an accountability report outlining the benefits to the community and copies of receipts of expenditure no later than ten months after the funds have been uplifted.
17. The recipients will be required to attend a community meeting where they will present to the community on their outcomes.

**Financial Considerations**

18. Allocations can only be made for amounts between \$1,000 and \$10,000 for the Community Development Fund.

### Other Considerations

19. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. The objective of the fund is for non-profit groups providing social services to the community which is meeting the needs of the community. It does this in a way that is cost-effective because it has already the funds available through the annual plan process.

### Appendices

| No. | Title  | Page |
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| 1   | Community Development Fund 2015/2016 Recommended Allocations | 9    |

**Author:** Debbie Hunter  
Community Advisor Funding and Community Contracts

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**Approved By:** Melanie Laban  
Community Projects and Relationship Manager



**COMMUNITY DEVELOPMENT FUND 2015/2016 RECOMMENDED ALLOCATIONS:**

| <b>No.</b> | <b>Organisation</b>                                    | <b>Purpose</b>  | <b>Request</b> | <b>Recommendation</b> |
|------------|--|---|----------------|-----------------------|
| 1          | Great Start Taita                                      | Naenae Koha Kitchen – salaries  | 10,000.00      | 10,000.00             |
| 2          | Age Concern Wellington Inc                             | Accredited Volunteer Visitor Service – salaries   | 6,000.00       | 4,000.00              |
| 3          | English Language Partners Hutt                         | Naenae language classes – salaries  | 5,000.00       | 5,000.00              |
| 4          | Ignite Sport Trust                                     | Events and Funding Co-ordinator – salaries  | 10,000.00      | 8,000.00              |
| 5          | Royal New Zealand Plunket Society Wellington Wairarapa | Hutt Valley Community Support Co-ordinator - salaries                                       | 6,400.00       | 5,000.00              |
| 6          | Volunteer Hutt   | Engaging diverse volunteers to contribute to Hutt City – salaries                           | 8,829.00       | 2,000.00              |
| 7          | Porirua Living Without Violence Te Noho Kore Inc       | Education classes – operational costs for Lower Hutt office                                 | 10,000.00      | 10,000.00             |
| 8          | Dress for Success Wellington                           | Lower Hutt Dress for Success hub  | 10,000.00      | 10,000.00             |
| 9          | Lower Hutt Community Foodbank                          | Foodbank operating expenses   | 9,480.00       | 5,000.00              |
| 10         | Senior Net Hutt City                                   | Computer training over 50's   | 2,913.00       | 2,000.00              |
| 11         | Supergrans   | Rent and Professional Supervision assistance  | 8,606.00       | 2,000.00              |
| 12         | Hutt Valley Youth Health Trust                         | Youth Health Clinic   | 10,000.00      | 8,000.00              |
| 13         | Greenstone Doors                                       | Co-ordinator's salary   | 10,000.00      | 8,000.00              |
| 14         | Shakti Ethnic Women's Support Group (Wgtn) Inc         | Strengthening organisation capacity in supporting ethnic women Victims of Domestic Violence | 9,500.00       | 2,000.00              |
| 15         | Titiro Whakamua  | Teen Parent School – transport costs  | 10,000.00      | 2,000.00              |
| 16         | The Parenting Place                                    | Toolbox Parenting Courses in Hutt City – salaries   | 4,271.00       | 2,000.00              |
| 17         | Thumbs Up  | Providing service for people with disabilities – operational costs                          | 10,000.00      | 8,000.00              |
| 18         | Whanau Ora   | Whanau Ora Dance Fit and Bootcamp - salaries  | 10,000.00      | 10,000.00             |
|            |  |   | <b>Total</b>   | <b>\$103,000.00</b>   |

**Applications that are recommended to be Declined because they were Lower Priority**

|    |  |    |                                     |
|----|--|----|-------------------------------------|
| 19 | Youth Development Trust                | 20 | The Arthritis Foundation of NZ      |
| 21 | Lower Hutt Women's Centre              | 22 | Transition Town Lower Hutt          |
| 23 | Hearth Trust                           | 24 | Birthright Hutt Valley              |
| 25 | Agape Budgeting Service                | 26 | Muscular Dystrophy Association      |
| 27 | Wellington SPCA Inc                    | 28 | Laura Fergusson Trust               |
| 29 | Parent to Parent Wellington            | 30 | Wellington Somali Council Inc       |
| 31 | New Zealand Centre for Gifted Children | 32 | The Brothers and Sisters Collective |
| 33 | The Wellington City Mission            | 34 | The Wellington City Mission         |
| 35 | Wellington Region ME/CFS Support       | 36 | Epilepsy Association                |
| 37 | Parkinsonism Society Wellington        | 38 | Kaibosh                             |
| 39 | Autism New Zealand                     | 40 | Blind Foundation New Zealand        |

**20 April 2016**

File: (16/504)

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**Report no: FandA2016/2/85**

## **Heritage Fund Recommendations 2015/2016**

### **Purpose of Report**

1. The purpose of the report is for the Committee to agree to the eligible applications with recommended funding allocations in the Heritage Fund 2015/2016.

### **Recommendations**

That the Committee:

- (i) notes the eligible application received under the Heritage Fund Scheme 2015/2016;
- (ii) agrees to funding the Stokes Valley Community House \$6,000 towards film costs associated with the project on the proviso that the development takes place; and
- (iii) agrees to delegating the decision of distributing the remainder of the funds to the Officer Assessment Review Panel.

### **Background**

2. Council approved \$15,000 budgeted in the Annual Plan for the Heritage Fund Scheme 2015/2016.
3. The overall aims, priorities and criteria of the Heritage Fund are to provide support to heritage projects that benefit Hutt City.
4. Within the Heritage Fund a total of \$5,500 has been set aside by the previous Committee for annual allocations of \$2,000 to the Wainuiomata Museum, \$500 for Council's annual subscription to the Heritage Council, \$2,000 for the printing of Heritage brochures and \$1,000 to support Heritage month.

5. There is \$9,500 available for allocation.
6. In 2012 Council agreed that the Finance and Audit Committee be delegated with the allocation of Heritage grants.

### **Discussion**

7. One application was received requesting \$6,000.00. This application is deemed eligible based on Council criteria. The application was assessed through the Officer Assessment Review Panel before being brought forward to this Committee for decision.
8. The application was received from the Stokes Valley Community House requesting \$6,000.00 to cover the costs involved in the production of a film about the people of Stokes Valley, past and present leading up to the creation of the community hub. The cost of the project is estimated to be \$13,685.00. The balance of the costs will be covered through other grant applications outside of Hutt City Council. The project is to start July 2016 and be completed by June 2017.
9. The Stokes Valley Community House is working with a professional film company to capture their participation and engagement in the development of the new Community Hub through the art of film making. This project will film various activities i.e. dance nights, art-work for the new facility and interviews with locals sharing their stories to enhance community engagement. We want the people of Stokes Valley to be aware and enthusiastic about the promising future opportunities the new Hub creates.
10. In response to a question regarding the benefit to the community, the Stokes Valley Community House noted that *"the film will enable a sense of pride and ownership in their community. The new Hub will raise awareness of current and future programmes and activities the Hub will have to offer. Provide the community knowledge of their history and heritage through locals sharing and learning of stories from the past and present. Reduce crime in the area as the film will showcase constructive opportunities for the community. Increase engagement and participation levels at the new facility. Provide an opportunity to celebrate this exciting new project and bring the people together for the opening of the new Hub"*.

### **Consultation**

11. The availability of the schemes was advertised on Council's website, in the online grants newsletter, and through Council libraries.

### **Financial Considerations**

12. There is \$9,500 contestable funding available for allocation. If the Committee agrees to the Officer's recommendation, there will be \$3,500.00 remaining.
13. The Officer is requesting the Committee to delegate the Officer Assessment Panel the final decisions to allocate the remainder of the funds.
14. The fund needs to be fully allocated by 30 June 2016.

**Other Considerations**

15. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of the local government in that the objective of the fund is to preserve the heritage of Hutt City which is meeting the needs of the community. It does this in a way that is cost-effective because it has already the funds available through the annual plan process.

**Appendices**

There are no appendices for this report.

**Author:** Debbie Hunter  
Community Advisor Funding and Community Contracts

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**Approved By:** Melanie Laban  
Community Projects and Relationship Manager

**11 April 2016**

File: (16/427)

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**Report no: FandA2016/2/86**

## **Hutt City Libraries Clubhouse Teen Summit Travel - 2016**

### **Purpose of Report**

1. To seek approval from the Finance and Audit Committee for Naenae and Taita Clubhouse travel to Teen Summit in Boston in July 2016.

### **Recommendations**

That the Committee:

- (i) authorises the expenditure of \$8,200 from the Libraries budget for registration costs for six attendees to attend the Clubhouse Network's bi-annual international Teen Summit in Boston, United States of America, 26-31 July 2016 inclusive; and
- (ii) notes that these costs represent approximately 50% of the total cost of attending the Summit.

### **Background**

2. Hutt City Libraries holds a Clubhouse Network licence to operate Clubhouses at Naenae and Taita. Part of the licence requirements is that there is representation from each Clubhouse at the bi-annual international Teen Summit.

### **Discussion**

3. The Clubhouse Network bi-annual international Teen Summit will be held in Boston, USA from 26 - 31 July 2016 inclusive. Teen Summit is an opportunity for up to three active Clubhouse youth members plus one Clubhouse staff chaperone from each Clubhouse to workshop with Clubhouse teenagers from around the world, and to learn digital and creative skills from international industry tutors.

4. Officers at Naenae and Taita Clubhouses have identified two youth Clubhouse members from each Clubhouse whose work and attitudes are mature enough to take advantage of this opportunity. One Clubhouse staff chaperone is required to attend from each Clubhouse.
5. The cost to go to Teen Summit is USD \$1,000 registration per attendee. Teen Summit expenses incurred by the Clubhouse Network include return airfares, housing, food, local transportation, and attendance at organised events. The USD \$1,000 registration fee covers on average less than 50% of the total cost per participant.

### **Options**

6. Attendance is a requirement of the Clubhouse licence.

### **Financial Considerations**

7. The Libraries' 2016/17 Clubhouse budget has provision for these costs.

### **Other Considerations**

8. Parental permission has been obtained for Clubhouse youth members to attend Teen Summit.
9. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of the local government in that it provides a positive internationally recognised community programme and meets Council's imperative for the north east of the city, and is included in Council's Children's and Young People's Plan. It does this in a way that is cost-effective because it is subsidised by our Clubhouse Network partners.

### **Appendices**

There are no appendices for this report.

**Author:** Denise Clarkson  
Content and Service Development Manager

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**Reviewed By:** Sandra Mann  
Divisional Manager, Libraries

**Approved By:** Matt Reid  
General Manager Community Services

**11 April 2016**

File: (16/428)

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**Report no: FandA2016/2/87**

## **Request for Travel to 2016 Environmental Systems Research Institute User Conference, San Diego**

### **Purpose of Report**

1. To seek approval from the Finance and Audit Committee for the Land Information Services Manager to attend the Environmental Systems Research Institute (ESRI) User Conference in San Diego in June 2016.

### **Recommendation**

That the Committee authorises the overseas travel to San Diego in June 2016 for Council's Land Information Services Manager to attend the Environmental Systems Research Institute (ESRI) User Conference at a cost of approximately \$4,530.

### **Background**

2. Hutt City Council has been selected to receive a Special Achievement in Geographic Information Systems (GIS) (SAG) award at the 2016 ESRI User Conference in San Diego, California which will be held from 27 June to 1 July 2016. This award is given to user sites around the world to recognise outstanding work with GIS technology. Hutt City stood out from more than 100,000 others.

### **Discussion**

3. One of the priorities for Council as an organisation is to "provide the best local government services". This award is recognition of this on an international scale and amongst other GIS peers internationally.
4. ESRI as a large international company builds ArcGIS (which we use at Council) which is the most powerful mapping software in the world and is used by more than 75% of Fortune 500 companies.



5. The ESRI User Conference is a well-respected international conference which includes 300 moderated sessions and 450 hours of technical training over the five days of the conference. Attendees get to learn firsthand about the latest software and applications from ESRI and network with hundreds of vendors.
6. Besides going over to receive the award in person it would be an invaluable opportunity to experience an international conference and the trends and activity at an international level. Officers are well informed with regional and national GIS initiatives but have had no international exposure since 2003.
7. This will ensure Council continue to be at the top with regards to GIS activity both in terms of everyday products that customers use as well as new innovations for which we are being recognised.
8. Officers will provide a quick overview at the Finance and Audit Committee meeting of the innovative approach and product that has led to this recognition.

### Options

9. The Committee can either:
  - a. Approve the funding for the travel
  - b. Not approve the funding for the travel

### Consultation

10. Not applicable. A report back will be provided to this Committee following attendance at the conference in terms of learnings and how these will be applied to Council.

### Legal Considerations

11. Not applicable.

### Financial Considerations

12. Please see the table below detailing likely costs to cover the attendance of the ESRI User Conference:

| Item   | Amount<br>(NZD) |
|--|-----------------|
| Flights                                      | \$ 2,150        |
| Accommodation for 6 nights                   | \$ 1680         |
| Airport transfers to and from Boston airport | \$ 100          |
| Travel related meals                         | \$ 600          |
| <b>TOTAL</b>                                 | <b>\$ 4,530</b> |

**Other Considerations**

13. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of the local government in that it provides positive international recognition for the work that the Council GIS Team have provided and exposure to international trends and developments in the GIS environment.

**Appendices**

There are no appendices for this report.

**Author:** John Floyd  
Land Information Services Manager

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**Reviewed By:** Rob van Endt  
Chief Information Officer

**Approved By:** Kim Kelly  
General Manager, Strategic Services

**08 March 2016**

File: (16/264)

**Report no: FandA2016/2/88**

## Finance Update

### Purpose of Report

1. The purpose of this report is to present the Committee with Council's year to date financial performance to 31 March 2016 and forecast year-end financial position.

### Recommendation

That the Committee notes the financial performance results.

### Background

2. A detailed analysis of Council's financial position at the end of March 2016 is attached as Appendix 1 to the report.

### Financial Position

#### 3. Operating Position

The year to date operating position is a \$1,002k deficit (excluding loss/gain on disposal and revaluation) compared to a budget deficit of \$3,440k giving a favourable variance of \$2,438k.

There is a forecast year end deficit of \$3,094k compared to a budgeted deficit of \$10,929k giving a favourable variance of \$7,835k. This is made up of the following significant year end variances;

Income - \$4,683k unfavourable

**User Charges** - \$1,425k unfavourable. \$1,400k of this unfavourable variance relates to parking fines due to a reduced number of Parking Wardens and the impact of the free CBD parking trial. The balance of the variance relates mainly to lower than budgeted income of about \$400k for Libraries and Aquatics, offset by additional income from consents of \$300k.

**Operating Subsidies & Grants** - \$323k unfavourable due to less grants in Museums and Parks & Reserves and delays in subsidised road maintenance.

**Capital Subsidies** - \$2,416k unfavourable. This reflects slippage in the 3 main cycleway projects and delays in some road reconstruction work. This subsidy will be carried over to complete these projects next financial year.

**Other Revenue** - \$369k unfavourable. Mainly due to Museums \$150k as a result of changes in operation of Little Theatre Café (offset by reduced operating costs) and City Promotions \$160k due to reduced sales in the Visitor Centre (also offset by reduced costs).

Expenditure - \$12,518k favourable

**Interest expenses** - favourable variance of \$2,000k in total across all activities due to lower borrowing interest rates and lower than anticipated expenditure (and hence less borrowing).

**Museums** - employee costs favourable \$118k due to staff changes and operating costs \$30k due to savings in building costs and change in operation of Little Theatre Café.

**Aquatics & Recreation** - operating costs favourable by \$300k due to underspends in Walter Nash & Healthy Families.

**Parks & Reserve** - operating costs favourable by \$350k due to savings to offset some of the capital overspend.

**Community Facilities** - operating costs favourable by \$7,800k due to delays in the commencement of phase 2 of the Fraser Park Sportville project. It is expected that only \$1,000k of the budgeted grant will be paid over to CFT this financial year. In addition it is anticipated that only a small part of the \$2,000k budgeted for Stokes Valley hub will be paid this year. The Mildenhall Park Development will also be underspent.

**Roading & Traffic** - operating costs favourable \$280k mainly due to delays with bridge and seawall maintenance and professional services work. There will be a request for a carryover of \$230k to complete this work next financial year.

**Waste Water** - operating costs favourable \$505k due to savings in operational contracts and insurance costs.

**Solid Waste** - operating costs unfavourable \$150k due to difficult operating conditions at the landfill.

**Environmental Policy** - operating costs favourable by \$300k due to an underspend in the District Plan work. There will be a request for a carryover of this amount to complete work next financial year.

**Local Urban Environment** - operating costs unfavourable by \$900k due to professional fees and other costs associated with strategic property purchases.

**Economic Development** – employee cost unfavourable \$190k offset by savings in Science & Technology costs and operating costs favourable \$2,045k mainly due to under spending on the Development Stimulus Package. There will be a request for a carryover of \$1,920k as this money has been committed on developments that have been approved for remissions.

**Support Services** – employee costs favorable \$115 mainly due to vacancies.

#### 4. **Capital Position**

\$42,129k has been spent on capital projects to date compared to a budget to date of \$65,019k giving a favourable year to date variance of \$22,890k.

There is a year end forecast spend of \$66,311k compared to an annual budget of \$93,667k. A number of projects have already been identified as not likely to be completed by year end resulting in a forecast year end favourable variance of \$27,356k. Projects not completed this financial year will be carried over to be completed next financial year.

A list of all carryovers will be provided to the Community Plan Committee when it meets in June to consider the final budget for 2016/2017.

Full details of the year end forecasts are attached as Appendix 1 to the report.

#### 5. **Asset Sales**

Asset sales at year end are currently forecast to be \$1,015k compared to budgeted sales of \$4,450k. Many of the planned sales are not likely to proceed due to the timing and work required to have these properties ready for sale. Significant assets originally planned for sale in 2015/16 but not likely to take place this financial year include Copeland Street (\$1.0m), Mitchell Park (\$1.0m) and Avalon Park (\$1.4m). It is currently anticipated that all planned asset sales will take place but actual sales are now forecast to occur in 2016/17.

#### 6. **Debt**

This is currently forecast to be \$35.2m under budget at the year-end mainly due to slippage in the capex and operating budgets.

#### **Consultation**

7. There is no requirement to consult.

#### **Legal Considerations**

8. There are no legal implications.

#### **Financial Considerations**

9. The financial considerations are included in the report.

**Other Considerations**

10. In making this recommendation, officers have given careful consideration to the purpose of local government in section 10 of the Local Government Act 2002. Officers believe that this recommendation falls within the purpose of the local government in that it provides Councillors with the necessary information to effectively undertake their governance role.

**Appendices**

| No. | Title                          | Page |
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| 1   | Financial Tables 31 March 2016 | 23   |

**Author:** Philip Benseman  
Budgeting and Reporting Manager

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**Reviewed By:** Brent Kibblewhite  
Chief Financial Officer

**Approved By:** Tony Stallinger  
Chief Executive

HUTT CITY COUNCIL 2015/2016 FINANCIAL REPORT TO 31 MARCH 2016

FINANCIAL OVERVIEW, KEY REVENUES, & KEY PROJECTS

Financial Overview

|                                   | YTD            | YE             | Total        |
|-----------------------------------|----------------|----------------|--------------|
|                                   | Variance \$000 | Variance \$000 | Budget \$000 |
| Operating Revenue                 | -\$5,060       | -\$4,683       | \$150,287    |
| Operating Expenditure             | \$7,498        | \$12,518       | \$161,216    |
| Operating Net (Before Gains/Loss) | \$2,438        | \$7,835        | \$7,835      |
| Capital Expenditure               | \$22,890       | \$27,356       | \$93,667     |
| Net Debt                          | \$33,088       | \$34,756       | \$128,726    |
| Asset Sales                       | -\$1,831       | -\$3,435       | \$4,450      |

Key Revenue Sources (Excl Rates) (Budgets > \$0.5M)

|                                     | YTD            | YE             | Total        |
|-------------------------------------|----------------|----------------|--------------|
|                                     | Variance \$000 | Variance \$000 | Budget \$000 |
| Pool Entry Fees & Learn To Swim     | -\$92          | -\$123         | \$2,343      |
| Parking Fees & Fines                | -\$825         | -\$1,400       | \$4,500      |
| Roading & Traffic Subsidies         | -\$2,497       | -\$2,533       | \$11,119     |
| Metered Water Supply                | \$4            | \$0            | \$2,325      |
| Wastewater Subsidies                | -\$88          | -\$150         | \$2,547      |
| Solid Waste Revenue                 | -\$60          | \$0            | \$11,860     |
| Resource & Building Consents        | \$136          | \$300          | \$2,452      |
| Development & Reserve Contributions | -\$427         | \$0            | \$570        |

Key To Indicators (Apart From Project Completion)

- Better than budget by 5% or more
- Within plus or minus 5% of budget
- Worse than budget by 5% or more

Key Projects

|  | YTD            | Annual Forecast | Annual       | Completion |
|--|----------------|-----------------|--------------|------------|
|  | Variance \$000 | Variance \$000  | Budget \$000 | Year End   |
| <b>OPERATING (Budgets &gt; \$0.5M)</b>                   |                |                 |              |            |
| Stokes Valley Community Hub                              | \$180          | \$1,800         | \$2,000      |            |
| CFT - Fraser Park Sportville                             | -\$123         | \$5,000         | \$6,000      |            |
| CFT - Mildenhall Park Development                        | \$1,110        | \$1,000         | \$3,000      |            |
| District Plan Work                                       | \$296          | \$300           | \$590        |            |
| Economic Development - Development Stimulus Package      | \$1,446        | \$1,850         | \$2,600      |            |
| Admin Building Temporary Accommodation                   | \$28           | \$0             | \$709        |            |
| <b>CAPITAL (Budgets &gt; \$1.0M)</b>                     |                |                 |              |            |
| Huia Pool Programme Pool                                 | \$4,983        | \$5,550         | \$7,155      |            |
| Avalon Park Development                                  | \$1,303        | -\$600          | \$3,100      |            |
| Making Places Riddiford Gardens                          | -\$442         | -\$2,330        | \$2,000      |            |
| Pavements Area Wide, Surfacing, Wainuiomata Hill         | \$846          | \$1,950         | \$6,380      |            |
| Cycleway Network Development (Accelerated Programme) (€) | \$725          | \$1,100         | \$1,100      |            |
| Urban Growth Strategy Roading Improvements               | \$1,125        | \$250           | \$1,500      |            |
| Trunk DBO Type B Network Dev                             | \$3,378        | \$5,120         | \$5,400      |            |
| Silverstream LF Stg 2 Design & Const                     | -\$134         | -\$1,100        | \$1,920      |            |
| Making Places Projects                                   | \$81           | \$1,000         | \$1,486      |            |
| Admin Building Strengthening                             | -\$2,719       | -\$764          | \$9,822      |            |
| Making Places - Civic Events Centre Upgrade              | \$9,079        | \$11,900        | \$16,559     |            |
| Strategic Property Purchases See Note Below              | -\$2,885       | -\$3,350        | \$3,030      |            |

Note: Nil cash impact. UPL will repay the loan of \$3.35m advanced by the Council last financial year.

## COMMENTS ON SIGNIFICANT VARIANCES

## Variance Explanations

|                       |     |   |
|-----------------------|-----|---|
| Operating Revenue     | YTD | Unfavourable variance is mainly in Capital Subsidies due to several roading projects running behind schedule. There is also a decrease in Parking revenue with the "first hour free" trial and warden shortage earlier in the year.   |
|                       | YE  | Forecast unfavourable variance largely relates to Capital Subsidies shortfall due to delays in the 3 Cycleways projects & Queen Street reconstruction not being completed this year. Also Parking revenue is forecasting \$1,400k unfavourable primarily due the shortfall with the "first hour free trial" and also due to wardens shortage. Offset by additional consents revenue \$300k.   |
| Operating Expenditure | YTD | Favourable variance to date is largely due delays in some CFT projects, savings in interest costs, and underspend in the Economic Stimulus. There is also underspend in Aquatics & Recreation with the Kiwisport & Healthy family projects, and significant underspend in the District Plan work.   |
|                       | YE  | Forecast favourable variance is largely due to delays in CFT Fraser Park project \$5,000k and Stokes Valley \$1,800k, Mildenhall Park \$1,000, underspend in Economic Stimulus \$1,850k, and savings in interest costs \$2,000k.  |
| Net Operating         | YTD | Favourable variance to date due to underspends in CFT projects, Economic Stimulus payments and savings in interest expense, offset by unfavourable revenue variance.  |
|                       | YE  | Forecast favourable variance is mainly due to underspend in CFT grants and Economic Stimulus and savings in interest expense.   |
| Capital Expenditure   | YTD | Favourable variance is mainly due to delays in some projects. The most significant being the Civic Event Centre upgrade, Huia Pool Programme, Trunk DBO Type B Network Development, and also various Parks projects. This is slightly offset by unfavourable variances in the Strategic Property purchases, and the Admin Building Strengthening.   |
|                       | YE  | Forecast favourable variance of \$27.4m is mainly due to a number of projects identified to be carried over to next year, the most significant being \$12m for the Civic Events Centre Upgrade being delayed until next financial year, \$5.1m for Trunk DBO Type B Network Development, \$3.3 for various roading projects and estimated \$5.5m for the Huia Pool Programme. This is slightly offset by Riddiford gardens with funding needing to be brought forward from next year. |
| Net Debt              | YTD | Debt is under budget to date mainly due to delays in capital spend.   |
|                       | YE  | Debt at this stage is forecast to be under budget at year end due to favourable variances in operating and capital offset by reduced asset sales.   |
| Asset Sales           | YTD | No significant sales to date.   |
|                       | YE  | Forecast is to be under budget by \$3.45m at year end.  |

## Treasury &amp; Debtors

|                 |          |  |  |
|-----------------|----------|--|--|
| Swaps           | YTD      | Decrease in value with loss of \$5,499 |  |
| Treasury Limits | YTD      | All limits complied with.              |  |
| Debtors         | Mar 2016 | Jun 2015                               |  |
|                 | \$000    | \$000                                  |  |
| Rates           | \$307    | \$3,852                                | Significant reduction from June and slightly lower than same period last year. |
| Other           | \$1,014  | \$4,246                                | Significantly lower than June but slightly higher than same period last year.  |



## Statement Of Comprehensive Income

|   | Actual<br>YTD<br>\$000 | Budget<br>YTD<br>\$000 | Variance<br>YTD<br>\$000 | Forecast<br>Annual<br>\$000 | Budget<br>Annual<br>\$000 | Variance<br>Annual<br>\$000 | Adj To<br>2016/17<br>\$000 |
|---|------------------------|------------------------|--------------------------|-----------------------------|---------------------------|-----------------------------|----------------------------|
| <b>REVENUE</b>                                      |                        |                        |                          |                             |                           |                             |                            |
| Rates Income  | 71,593                 | 71,606                 | (13)                     | 95,475                      | 95,475                    | -                           | -                          |
| User Charges  | 23,692                 | 24,961                 | (1,269)                  | 31,688                      | 33,113                    | (1,425)                     | -                          |
| Operating Subsidies & Grants                        | 2,603                  | 3,021                  | (418)                    | 3,736                       | 4,059                     | (323)                       | 197                        |
| Capital Subsidies                                   | 2,555                  | 4,816                  | (2,261)                  | 5,086                       | 7,502                     | (2,416)                     | 2,416                      |
| UHCC Operating Subsidy                              | 1,823                  | 1,911                  | (88)                     | 2,397                       | 2,547                     | (150)                       | -                          |
| Development Contributions                           | 1                      | 427                    | (426)                    | 570                         | 570                       | -                           | -                          |
| Interest Earned                                     | 807                    | 637                    | 170                      | 850                         | 850                       | -                           | -                          |
| Dividends   | -                      | -                      | -                        | -                           | -                         | -                           | -                          |
| Vested Assets                                       | 129                    | 632                    | (503)                    | 842                         | 842                       | -                           | -                          |
| Other Revenue                                       | 3,845                  | 4,097                  | (252)                    | 4,960                       | 5,329                     | (369)                       | -                          |
| <b>Total Revenue</b>                                | <b>107,048</b>         | <b>112,108</b>         | <b>(5,060)</b>           | <b>145,604</b>              | <b>150,287</b>            | <b>(4,683)</b>              | <b>2,613</b>               |
| <b>EXPENDITURE</b>                                  |                        |                        |                          |                             |                           |                             |                            |
| Employee Costs                                      | 23,125                 | 22,980                 | (145)                    | 30,544                      | 30,545                    | 1                           | -                          |
| Support Costs                                       | 15                     | 1                      | (14)                     | (1)                         | (1)                       | -                           | -                          |
| Operating Costs                                     | 55,986                 | 61,414                 | 5,428                    | 78,616                      | 89,133                    | 10,517                      | (10,455)                   |
| Finance Cost  | 3,994                  | 5,857                  | 1,863                    | 5,810                       | 7,810                     | 2,000                       | -                          |
| Depreciation  | 24,930                 | 25,296                 | 366                      | 33,729                      | 33,729                    | -                           | -                          |
| <b>Total Expenditure</b>                            | <b>108,050</b>         | <b>115,548</b>         | <b>7,498</b>             | <b>148,698</b>              | <b>161,216</b>            | <b>12,518</b>               | <b>(10,455)</b>            |
| <b>Net Surplus/(Deficit)</b>                        | <b>(1,002)</b>         | <b>(3,440)</b>         | <b>2,438</b>             | <b>(3,094)</b>              | <b>(10,929)</b>           | <b>7,835</b>                | <b>(7,842)</b>             |
| Gain/(Loss) On Revaluation Of Financial Instruments | (5,499)                | -                      | (5,499)                  | -                           | -                         | -                           | -                          |
| Gain/(Loss) On Prop Revals, Sales, Disposals        | (4)                    | -                      | (4)                      | -                           | -                         | -                           | -                          |
| <b>Net Surplus/(Deficit) After Gain/Loss</b>        | <b>(6,505)</b>         | <b>(3,440)</b>         | <b>(3,065)</b>           | <b>(3,094)</b>              | <b>(10,929)</b>           | <b>7,835</b>                | <b>(7,842)</b>             |

### Capital expenditure

|                      | Actual<br>YTD<br>\$000 | Budget<br>YTD<br>\$000 | Variance<br>YTD<br>\$000 | Forecast<br>Annual<br>\$000 | Budget<br>Annual<br>\$000 | Variance<br>Annual<br>\$000 | Adj To<br>2016/17<br>\$000 |
|----------------------|------------------------|------------------------|--------------------------|-----------------------------|---------------------------|-----------------------------|----------------------------|
| Capital Renewals     | 10,289                 | 15,300                 | 5,011                    | 19,132                      | 24,506                    | 5,374                       | (5,290)                    |
| Capital Improvements | 31,840                 | 49,719                 | 17,879                   | 47,179                      | 69,161                    | 21,982                      | (22,461)                   |
| <b>Total Capital</b> | <b>42,129</b>          | <b>65,019</b>          | <b>22,890</b>            | <b>66,311</b>               | <b>93,667</b>             | <b>27,356</b>               | <b>(27,751)</b>            |

### Net Debt & Asset Sales

|                        | Actual<br>YTD<br>\$000 | Budget<br>YTD<br>\$000 | Variance<br>YTD<br>\$000 | Forecast<br>Annual<br>\$000 | Budget<br>Annual<br>\$000 | Variance<br>Annual<br>\$000 |
|------------------------|------------------------|------------------------|--------------------------|-----------------------------|---------------------------|-----------------------------|
| Gross Debt             | 116,700                | 146,788                | 30,088                   | 123,170                     | 154,926                   | 31,756                      |
| Less Intercompany Loan | (14,700)               | (11,700)               | 3,000                    | (14,700)                    | (11,700)                  | 3,000                       |
| Less Cash & Deposits   | (4,200)                | (4,200)                | -                        | (14,500)                    | (14,500)                  | -                           |
| <b>Net Debt</b>        | <b>97,800</b>          | <b>130,888</b>         | <b>33,088</b>            | <b>93,970</b>               | <b>128,726</b>            | <b>34,756</b>               |

|                          |           |              |                |              |              |                |
|--------------------------|-----------|--------------|----------------|--------------|--------------|----------------|
| Asset Sales              | 23        | 1,854        | (1,831)        | 1,015        | 4,450        | (3,435)        |
| <b>Total Asset Sales</b> | <b>23</b> | <b>1,854</b> | <b>(1,831)</b> | <b>1,015</b> | <b>4,450</b> | <b>(3,435)</b> |

### Debtors

|               | Mar 15<br>\$000 | Jun 15<br>\$000 |
|---------------|-----------------|-----------------|
| Rate Arrears  | 307             | 3,852           |
| Other Debtors | 1,014           | 4,246           |

| Activity: Libraries |            |  |                  |                  |                    |                       |                     |                       |                             |  |
|---------------------|------------|--|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE    | On Time YE | Category/Projects                        | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✗                   |            | User Charges                             | 329              | 445              | (116) U            | 443                   | 593                 | (150) U               |                             | YTD and YE unfavourable variance due reduced revenue from overdue charges, DVD and CD rental, WiFi and other hire/rental fees. |
| ✓                   |            | Other Revenue                            | 20               | 21               | (1) U              | 28                    | 28                  |                       |                             |  |
| ✗                   |            | Employee Costs                           | 3,585            | 3,563            | (22) U             | 4,773                 | 4,751               | (22) U                |                             | YTD and YE unfavourable variance due to a one-off unbudgeted payout.   |
| ✓                   |            | Support Costs                            | 1,318            | 1,323            | 5                  | 1,765                 | 1,765               |                       |                             |  |
| ✓                   |            | Operating Costs                          | 1,273            | 1,249            | (24) U             | 1,680                 | 1,680               |                       |                             |  |
| ✓                   |            | Interest                                 | 88               | 129              | 41                 | 129                   | 173                 | 44                    |                             |  |
| ✓                   |            | Depreciation                             | 1,207            | 1,143            | (64) U             | 1,524                 | 1,524               |                       |                             |  |
| ✗                   |            | Net Surplus/(Deficit)                    | (7,122)          | (6,941)          | (181) U            | (9,400)               | (9,272)             | (128) U               |                             |  |
| ✓                   |            | Capital Maintenance                      | 773              | 820              | 47                 | 1,134                 | 1,140               | 6                     |                             |  |
| ✗                   |            | Capital New                              | 435              | 370              | (65) U             | 497                   | 493                 | (4) U                 |                             |  |
| ✓                   |            | Total Capital                            | 1,208            | 1,190            | (18) U             | 1,631                 | 1,633               | 2                     |                             |  |
| OPERATING PROJECTS  |            |  |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                   | ✓          | Youth Infusion                           | 4                | 15               | 11                 | 20                    | 20                  |                       |                             |  |
| CAPITAL PROJECTS    |            |  |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                   | ✓          | Libraries Replace Furniture & Equipment  | 6                | 34               | 28                 | 45                    | 45                  |                       |                             | Expected to be on budget at year end.  |
| ✓                   | ✓          | Libraries Ext & Int Maintenance          | 34               | 110              | 76                 | 155                   | 155                 |                       |                             | Final decision from Libraries re allocation of money to be confirmed   |
| ✗                   | ✓          | Replace library shelving                 | 34               | 11               | (23) U             | 34                    | 20                  | (14) U                |                             | Project completed over budget offset by savings in other projects.   |
| ✓                   | ✓          | Libraries Security Maintenance           |                  | 15               | 15                 |                       | 20                  | 20                    |                             | Full budget amount will not be used due to the above project being overspent   |
| ✓                   | ✓          | Libraries Stock Replacement              | 699              | 651              | (49) U             | 900                   | 900                 |                       |                             | Expected to be on budget at year end.  |
| ✓                   | ✓          | Library Buildings Improvements           | 38               | 38               |                    | 50                    | 50                  |                       |                             |  |
| ✓                   | ✓          | Libraries Radio Frequency Identification | 26               | 38               | 12                 | 50                    | 50                  |                       |                             |  |
| ✓                   | ✓          | Self Scanning Machines Purchase          | 67               | 70               | 3                  | 93                    | 93                  |                       |                             |  |
| ✗                   | ✓          | Taita Centre Furniture                   | 304              | 225              | (79) U             | 304                   | 300                 | (4) U                 |                             | Project completed just over budget.  |

| Activity: Museums  |            |  |                  |                  |                    |                       |                     |                       |                             |   |
|--------------------|------------|--|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE   | On Time YE | Category/Projects                                      | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                  |            | User Charges   | 167              | 173              | (6) U              | 230                   | 230                 |                       |                             | Expected to be on budget at year end.   |
| ✗                  |            | Operating Subsidies & Grants                           | 3                | 90               | (87) U             | 20                    | 120                 | (100) U               |                             | Not expected to achieve budget by year end.   |
| ✗                  |            | Other Revenue  | 153              | 369              | (216) U            | 342                   | 492                 | (150) U               |                             | YE forecast variance due to change in operation of Little Theatre Café moving from a council run enterprise, to a lease agreement w ith an external user.                         |
| ✓                  |            | Employee Costs   | 1,079            | 1,144            | 65                 | 1,407                 | 1,525               | 118                   |                             | Temporary closure of Petone settlers Museum and staff changes is expected to result in favourable variance at year end.   |
| ✓                  |            | Support Costs  | 762              | 756              | (6) U              | 1,008                 | 1,008               |                       |                             |   |
| ✓                  |            | Operating Costs  | 874              | 982              | 108                | 1,280                 | 1,310               | 30                    |                             | Forecast YE variance is due to reduced costs as a result of building plant improvements and recommissioning of Green Initiatives, and change in operation of Little Theatre Cafe. |
| ✓                  |            | Interest   | 28               | 40               | 13                 | 40                    | 54                  | 14                    |                             |   |
| ✓                  |            | Depreciation   | 425              | 420              | (5) U              | 561                   | 561                 |                       |                             |   |
| ✗                  |            | Net Surplus/(Deficit)                                  | (2,845)          | (2,710)          | (134) U            | (3,704)               | (3,616)             | (88) U                |                             |   |
| ✓                  |            | Capital Maintenance                                    | 57               | 395              | 338                | 527                   | 527                 |                       |                             |   |
| ✗                  |            | Capital New  | 84               | 106              | 22                 | 156                   | 141                 | (15) U                |                             |   |
| ✗                  |            | Total Capital  | 141              | 501              | 360                | 683                   | 668                 | (15) U                |                             |   |
| OPERATING PROJECTS |            |  |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                  | ✓          | Events Funding   | 11               | 27               | 16                 | 36                    | 36                  |                       |                             | Expected to be on budget at year end.   |
| CAPITAL PROJECTS   |            |  |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                  | ✓          | Dowse Carpets & Soft Furnishings Gallery And Office    | 21               | 23               | 2                  | 30                    | 30                  |                       |                             | Final stage of carpet renew als to be completed June. Expected to balance year end.   |
| ✓                  | ✓          | Dowse Dehumidification Upstairs Galleries              |                  | 29               | 29                 | 38                    | 38                  |                       |                             | Installation of additional humidifiers of dow nstairs galleries planned for May 2016. Expected to balance year end.   |
| ✓                  | ✓          | Dowse Office Furniture & Equipment                     | 14               | 15               | 1                  | 20                    | 20                  |                       |                             | Procurement progressing as planned. Expected to balance year end.   |
| ✓                  | ✓          | Dowse Gallery Lighting                                 | 27               | 30               | 3                  | 40                    | 40                  |                       |                             | LED replacement program continues. Expected to balance year end.  |
| ✓                  | ✓          | Dowse Building & Plant Maintenance                     | 33               | 43               | 10                 | 58                    | 58                  |                       |                             | Works continue on plant improvements. Expected to balance year end.   |
| ✓                  | ✓          | Little Theatre Maintenance                             | 1                | 15               | 14                 | 20                    | 20                  |                       |                             | Most funds to be used for Health & Safety improvements. Expected to balance year end.   |
| ✓                  | ✓          | Petone Settlers Museum Exhibition Furniture & Fittings |                  | 53               | 53                 | 71                    | 71                  |                       |                             | Completion Date 26th May 2016   |
| ✓                  | ✓          | Petone Settlers Museum Building & Plant Maintenance    | 30               | 187              | 157                | 250                   | 250                 |                       |                             | Completion dates of 29th April 2016   |
| ✓                  | ✓          | Dowse Entrance Upgrade                                 |                  | 11               | 11                 | 15                    | 15                  |                       |                             | Work mostly completed. Expected to balance year end.  |
| ✓                  | ✓          | Dowse New Artworks                                     | 4                | 20               | 16                 | 26                    | 26                  |                       |                             | Procurement progressing as expected. Expected to balance year end.  |
| ✗                  | ✓          | Little Theatre Sound & Lighting Improvements           | 105              | 68               | (38) U             | 105                   | 90                  | (15) U                |                             | Complete  |
| ✓                  | ✓          | Petone Settlers Museum New Lighting, Furnishings       |                  | 7                | 7                  | 10                    | 10                  |                       |                             | Completion Date 26th May 2016   |

| Activity: Aquatics and Recreation |            |   |                  |                  |                    |                       |                     |                       |                             |   |
|-----------------------------------|------------|---|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE                  | On Time YE | Category/Projects                                   | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✗                                 |            | User Charges  | 2,376            | 3,000            | (624) U            | 3,691                 | 3,941               | (250) U               |                             | Unfavourable YTD and YE variances are largely due to the Walter Nash Centre and Fitness Suite revenue being below budget due to the later than expected opening date. This shortfall will be partly offset by lower expenses also due to later opening. |
| ✓                                 |            | Operating Subsidies & Grants                        | 47               | 78               | (31) U             | 82                    | 82                  |                       |                             |   |
| ✓                                 |            | Other Revenue                                       | 1,703            | 1,555            | 148                | 1,963                 | 1,963               |                       |                             |   |
| ✓                                 |            | Employee Costs                                      | 3,636            | 3,533            | (103) U            | 4,616                 | 4,616               |                       |                             |   |
| ✓                                 |            | Support Costs                                       | 1,190            | 1,187            | (3) U              | 1,583                 | 1,583               |                       |                             |   |
| ✓                                 |            | Operating Costs                                     | 2,668            | 3,366            | 698                | 4,153                 | 4,453               | 300                   | (105)                       | Positive variance is largely due to under expenditure at Walter Nash due to later opening and under expenditure for Healthy Families. Unspent Healthy Families funding will be carried forward to next year.  |
| ✓                                 |            | Interest  | 228              | 334              | 106                | 331                   | 445                 | 114                   |                             |   |
| ✓                                 |            | Depreciation  | 833              | 889              | 56                 | 1,185                 | 1,185               |                       |                             |   |
| ✓                                 |            | Net Surplus/(Deficit)                               | (4,429)          | (4,676)          | 247                | (6,132)               | (6,297)             | 164                   | 105                         |   |
| ✓                                 |            | Gain/(Loss) On Revaluation Of Financial Instruments |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                                 |            | Gain/(Loss) On Prop Revals, Sales, Disposals        | (24)             |                  | (24) U             |                       |                     |                       |                             |   |
| ✓                                 |            | Net Surplus/(Deficit) After Gain/Loss               | (4,453)          | (4,676)          | 223                | (6,132)               | (6,297)             | 164                   | 105                         |   |
| ✗                                 |            | Capital Maintenance                                 | 583              | 512              | (71) U             | 689                   | 639                 | (50) U                |                             |   |
| ✓                                 |            | Capital New   | 1,151            | 5,974            | 4,823              | 2,405                 | 8,000               | 5,595                 | (5,745)                     |   |
| ✓                                 |            | Total Capital                                       | 1,734            | 6,486            | 4,752              | 3,094                 | 8,639               | 5,545                 | (5,745)                     |   |
| OPERATING PROJECTS                |            |   |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                                 | ✓          | Sportsville   | 60               | 145              | 85                 | 95                    | 185                 | 90                    | (90)                        | Unable to use funds for project during this year  |
| ✓                                 | ✓          | Sport Wellington Long Term Reg Strategy             |                  |                  |                    |                       | 15                  | 15                    | (15)                        | Unable to use funds for project during this year  |
| CAPITAL PROJECTS                  |            |   |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                                 | ✓          | Community Halls Ext & Int Maintenance               | 77               | 145              | 68                 | 150                   | 150                 |                       |                             | Expected to be completed and on budget at year end.   |
| ✓                                 | ✓          | Naenae Pool Replace/Repaint Steel Roof              | 10               | 38               | 28                 | 50                    | 50                  |                       |                             | Expected to be completed and on budget at year end.   |
| ✗                                 | ✓          | Other Projects                                      | 405              | 329              | (76) U             | 489                   | 439                 | (50) U                |                             | On Track to be completed by YE. Forecast variance relates to additional costs arising from flood damage.  |
| ✗                                 | ✓          | Walter Nash Stadium Maintenance                     | 90               |                  | (90) U             | 90                    |                     | (90) U                |                             |   |
| ✓                                 | ✓          | Community Halls Improvements                        | 192              | 270              | 78                 | 200                   | 395                 | 195                   | (195)                       | Carryover relates to Belmont Hall refurbishment that will not be completed this FY.   |
| ✓                                 | ✓          | Huia Pool Programme Pool                            | 383              | 5,366            | 4,983              | 1,605                 | 7,155               | 5,550                 | (5,550)                     | Contractor Appointed. Awaiting work schedule to finalise carryover amount. Current is an estimate and may increase in April's report.   |
| ✗                                 | ✓          | Taita Centre & Fitness Suite Equipment/Fitout       | 540              | 338              | (203) U            | 565                   | 450                 | (115) U               |                             | Project Completed - over budget, currently reviewing budget for reason of overspend   |
| ✗                                 | ✓          | Vehicle Purchase                                    | 35               |                  | (35) U             | 35                    |                     | (35) U                |                             |   |

| Activity: Parks and Reserves |            |   |                  |                  |                    |                       |                     |                       |                             |  |
|------------------------------|------------|---|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE             | On Time YE | Category/Projects                                   | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓                            |            | User Charges  | 1,280            | 1,271            | 9                  | 1,882                 | 1,882               |                       |                             |  |
| ✗                            |            | Operating Subsidies & Grants                        |                  | 60               | (60) U             |                       | 80                  | (80) U                | 80                          | Anticipated income from Veteran Affairs (Internal Affairs) for upgrade of old RSA section is unlikely to be obtained this financial year.  |
| ✓                            |            | Other Revenue                                       |                  | 2                | (2) U              | 7                     | 7                   |                       |                             |  |
| ✓                            |            | Employee Costs                                      | 540              | 562              | 22                 | 750                   | 750                 |                       |                             |  |
| ✓                            |            | Support Costs                                       | 445              | 445              |                    | 594                   | 594                 |                       |                             |  |
| ✓                            |            | Operating Costs                                     | 6,580            | 6,727            | 147                | 9,225                 | 9,575               | 350                   | (100)                       | Various operating savings sought to offset capital overspend on Avalon Park. Carry over is for the Waimarie Croquet Club.  |
| ✓                            |            | Interest  | 251              | 368              | 117                | 365                   | 491                 | 126                   |                             |  |
| ✓                            |            | Depreciation  | 1,308            | 1,221            | (87) U             | 1,628                 | 1,628               |                       |                             |  |
| ✓                            |            | Net Surplus/(Deficit)                               | (7,844)          | (7,990)          | 146                | (10,673)              | (11,069)            | 396                   | 180                         |  |
| ✓                            |            | Gain/(Loss) On Revaluation Of Financial Instruments |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                            |            | Gain/(Loss) On Prop Revals, Sales, Disposals        | 20               |                  | 20                 |                       |                     |                       |                             |  |
| ✓                            |            | Net Surplus/(Deficit) After Gain/Loss               | (7,824)          | (7,990)          | 166                | (10,673)              | (11,069)            | 396                   | 180                         |  |
| ✓                            |            | Capital Maintenance                                 | 338              | 559              | 221                | 469                   | 669                 | 200                   |                             | Favourable YTD variance attributed to timing issues with all works expected to be completed by 30 June. Favourable year end variance is for offsetting Avalon Park project.  |
| ✗                            |            | Capital New   | 4,553            | 6,395            | 1,842              | 9,750                 | 7,532               | (2,218) U             | 1,750                       | The unfavourable year end variance is largely attributed to Avalon Park and Riddiford Gardens Projects to be offset against 2016/17 budgets and savings in both the operating and capital budgets.   |
| ✗                            |            | Total Capital                                       | 4,891            | 6,954            | 2,063              | 10,219                | 8,201               | (2,018) U             | 1,750                       |  |
| OPERATING PROJECTS           |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                            | ✓          | Waimarie Croquet Club                               | 18               | 16               | (2) U              | 16                    | 116                 | 100                   | (100)                       | Decision on timing to relocate to Taita to be made by the Club later this year and depends on fund raising by the Club. Monies spent to date are on technical reports. Carry over of \$100k will be required.  |
| CAPITAL PROJECTS             |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                            | ✓          | Miscellaneous Rentals Maintenance                   | 15               | 20               | 5                  | 40                    | 40                  |                       |                             | Maintenance of reserve rental properties -Work programmed for Williams Park Pavilion & Petone clock  |
| ✓                            | ✓          | Seats & Bins  | 15               | 15               |                    | 29                    | 29                  |                       |                             | Generic budget for seat and bin replacement. Bulk purchases occur 2 or 3 times a year  |
| ✓                            | ✓          | Parks Hard Surfaces Maintenance                     | 150              | 125              | (25) U             | 150                   | 150                 |                       |                             | Sealing works completed at Whiorau Reserve and Walter Nash park.   |
| ✓                            | ✓          | Parks Signage & Interpretation                      | 10               | 19               | 9                  | 25                    | 25                  |                       |                             | Generic budget for sign replacements   |
| ✓                            | ✓          | Playgrounds   | 101              | 195              | 94                 | 101                   | 195                 | 94                    |                             | Expenses to date for Maungaraki Playground. Will use \$94k of this to augment Avalon Park Playground Development.  |
| ✓                            | ✓          | Sportsground Buildings Maintenance                  | 21               | 113              | 92                 | 44                    | 150                 | 106                   |                             | Variety of works at various sites. Underspend to offset part of Avalon Park project.   |
| ✓                            | ✓          | Track Maintenance                                   | 7                | 23               | 16                 | 30                    | 30                  |                       |                             | Major maintenance of various tracks mainly over late summer period.  |
| ✓                            | ✓          | Wharves Maintenance                                 | 20               | 50               | 30                 | 50                    | 50                  |                       |                             | Survey of wharves has been completed with a final report due in April.   |
| ✗                            | ✓          | Avalon Park Development                             | 1,207            | 2,510            | 1,303              | 3,700                 | 3,100               | (600) U               |                             | Hawkins awarded contract (following negotiation to reduce scope), for development of playground area. Works commenced in December with site establishment and playground demolition. Ground works commenced in January and progress is slightly behind schedule. Work is programmed to be completed by 30 June, but may extend into July. Overspend to be mostly offset by savings of \$290k in other capital expenditure and \$250k in operating expenditure. |
| ✓                            | ✓          | Parks & Gardens Protection Bollards                 | 5                | 4                | (1) U              | 5                     | 5                   |                       |                             | Generic budget for provision of bollard replacements   |
| ✓                            | ✓          | New Cemetery Development, Akatarawa Road            |                  | 60               | 60                 | 80                    | 80                  |                       |                             | Joint project with UHCC to prepare plans for the future development/expansion of the cemetery. Led by UHCC which has prepared consultants brief with design work to take place May/June.   |

|   |   |   |       |       |         |       |       |           |       |       |   |
|---|---|---|-------|-------|---------|-------|-------|-----------|-------|-------|---|
| ✓ | ✓ | Cemetery Improvements                                 |       | 113   | 113     |       |       | 150       | 150   | (150) | Aw aiting advice and confirmation from Internal Affairs on funding of w orks to make improvements around old RSA section. Unlikely w orks w ill occur this year.  |
| ✓ | ✓ | CFT Projects - Wider Integration with Parks           | 573   | 250   | (323) U | 250   | 250   |           |       |       | This is for w orks on the landscaping around the Taita Stadium. W orks w ere completed in mid December but there w ill be an unfavourable variance of \$320k due to treatment of poor soil conditions (\$80k), contract variations (\$120k) and the decision to undertake w orks at the Tocker Street side of the site to provide tw o new sealed outdoor public courts (\$120k). |
| ✓ | ✓ | Escarpment Fencing Pencarrow Coast Road               |       | 50    | 50      |       |       | 50        | 50    | (50)  | Craig met Martins and has got agreement in principle. Walk over of property planned to agree on fence position. Unlikely that agreement w ill be in place for w ork to take effect this financial year.   |
| ✓ | ✓ | Kelson Reserve Development [Funded from Reserves Fun  | 72    | 150   | 78      | 90    | 150   | 60        |       |       | Contract aw arded to Mexted Performance Sports Surfaces w ith w ork undertaken over Feb/March 2016. Costs are less than budget and w ill partially offset overspend on Avalon Park .  |
| ✓ | ✓ | Light Boxes   |       | 12    | 12      | 12    | 12    |           |       |       | This is for the Taita Centre, Light box has been ordered.   |
| ✓ | ✓ | Mountain Bike Park [Funded from Reserve Fund]         | 38    | 38    |         | 50    | 50    |           |       |       | Ongoing w orks to develop further tracks. New section of track constructed and a further 1 km of track underw ay.   |
| ✓ | ✓ | Manor Park Cycle Trail                                | 14    | 400   | 386     | 20    | 400   | 380       |       | (380) | First half of the cycle w ay from southern end of Benmore Crescent to York Avenue complete. Further discussions to be had w ith Tranzrail to secure section of trail along edge of rail corridor. Likely that w orks w ill not occur till next financial year.  |
| ✗ | ✓ | Making Places Riddiford Gardens                       | 2,095 | 1,653 | (443) U | 4,330 | 2,000 | (2,330) U | 2,330 |       | The programme for Phase 2 physical w orks is on target, w ith the exception of the pavilion. Naylor Love is review ing the construction programme for the landscape w ork. It is likely that the pavilion w ill be open to the public in August or early September rather than July. The bulk of the landscape w ork w ill be completed on time.                                  |
| ✓ | ✓ | Moera Reserve Facilities Improvements                 |       | 40    | 40      |       |       | 40        | 40    |       | This is for purchase or removal of a building on the reserve. Council has decided to grant funds to Moera Community House to purchase the building. The grant w ill be an operating expense therefore capital show s as nil.  |
| ✓ | ✓ | New Tracks & Track Upgrades                           | 155   | 150   | (5) U   | 150   | 150   |           |       |       | Te Whiti Park riser is 3/4 complete. Issue w ith timing due to progress slow ed by difficult section of track through extensive rock area. New w alk w ay along Waiw hetu Stream to be undertaken later this year.  |
| ✓ | ✓ | Petone Foreshore Improvements                         | 29    | 150   | 121     | 150   | 150   |           |       |       | Improvement plan identified. Consultants have prepared contract documents and specifications. A contract has been aw arded and w orks have commenced.   |
| ✓ | ✓ | Sportsground Drainage Upgrades                        |       | 20    | 20      | 60    | 60    |           |       |       | Drainage w orks to be undertaken at Frederick Wise Park in March/April 2016.  |
| ✓ | ✓ | Stokes Valley Pump Track                              |       | 50    | 50      | 50    | 50    |           |       |       | Track design is currently being undertaken by pump track specialist from SV. Installation to occur in April/May.  |
| ✓ | ✓ | Toilets Upgrade                                       | 198   | 200   | 2       | 198   | 200   | 2         |       |       | W orks at Williams Park to refurbish the toilet block w ere completed in November.  |
| ✓ | ✓ | Trafalgar Park Toilets & Fence                        | 103   | 130   | 27      | 120   | 150   | 30        |       |       | Old building demolished and new tw in modular toilets purchased and installed on site in January. Site w orks still to be undertaken and toilets to be w rapped (as w ere toilets at Hugh Sinclair Park).   |
| ✓ | ✓ | Te Whiti Park New Changing Rooms [Funded from Reserv  | 30    | 35    | 5       | 50    | 50    |           |       |       | Detailed design underw ay w ith Re-Design Limited Architects. Design and costing of development to be available in May.   |
| ✓ | ✓ | Wainuiomata Garden Of Remembrance                     | 27    | 161   | 134     | 215   | 215   |           |       |       | Consultant engaged to undertake draw ing up of plans and specifications. Contract aw arded to Juno Contractors w ho commenced on site in 15 Feb. W orks on programme to be completed by end of May.   |
| ✓ | ✓ | Walter Nash Reserve Upgrade (Funded From Reserves Fun | 3     | 20    | 17      | 20    | 20    |           |       |       | Consultant appointed to prepare plan. Work underw ay.   |
| ✓ | ✓ | Wainuiomata Viewing Platform                          | 4     | 200   | 196     | 200   | 200   |           |       |       | Plans and specifications being developed for tendering in March/April 2016. Design delay has occurred due to fitting the cycle route betw een the road and the platform.  |

| Activity: Community Safety & Connections |            |   |                  |                  |                    |                       |                     |                       |                             |  |
|--|------------|---|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE                         | On Time YE | Category/Projects                         | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓  |            | User Charges                              | 56               |                  | 56                 |                       |                     |                       |                             |  |
| ✗  |            | Operating Subsidies & Grants              | 4                | 23               | (19) U             | 4                     | 30                  | (26) U                |                             | No further income for the year from grants                                 |
| ✗  |            | Other Revenue                             | (2)              | 44               | (46) U             |                       | 59                  | (59) U                |                             | No further income for the year from grants                                 |
| ✓  |            | Employee Costs                            | 92               | 83               | (9) U              | 110                   | 110                 |                       |                             |  |
| ✓  |            | Support Costs                             | 368              | 368              |                    | 491                   | 491                 |                       |                             |  |
| ✓  |            | Operating Costs                           | 1,026            | 1,259            | 233                | 1,678                 | 1,678               |                       |                             |  |
| ✓  |            | Interest                                  | 10               | 15               | 5                  | 15                    | 20                  | 5                     |                             |  |
| ✓  |            | Depreciation                              | 141              | 102              | (39) U             | 135                   | 135                 |                       |                             |  |
| ✗  |            | Net Surplus/(Deficit)                     | (1,579)          | (1,761)          | 181                | (2,425)               | (2,345)             | (80) U                |                             |  |
| ✓  |            | Capital Maintenance                       | 95               | 175              | 80                 | 199                   | 211                 | 12                    | (12)                        |  |
| ✓  |            | Capital New                               | 86               | 70               | (16) U             | 70                    | 70                  |                       |                             |  |
| ✓  |            | Total Capital                             | 181              | 245              | 64                 | 269                   | 281                 | 12                    | (12)                        |  |
| OPERATING PROJECTS                       |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓  | ✓          | Community Development Fund                | 37               | 111              | 74                 | 148                   | 148                 |                       |                             |  |
| ✓  | ✓          | Heritage Fund                             | 5                | 11               | 6                  | 15                    | 15                  |                       |                             |  |
| ✓  | ✓          | Community Houses Funding                  | 193              | 191              | (2) U              | 255                   | 255                 |                       |                             |  |
| ✓  | ✓          | Marae Funding                             | 57               | 150              | 93                 | 200                   | 200                 |                       |                             |  |
| ✓  | ✓          | Arts & Culture Funding                    | 39               | 30               | (9) U              | 40                    | 40                  |                       |                             |  |
| ✓  | ✓          | CAB Funding                               | 99               | 73               | (26) U             | 97                    | 97                  |                       |                             |  |
| ✓  | ✓          | Scholarships                              | 6                | 7                | 1                  | 10                    | 10                  |                       |                             |  |
| ✓  | ✓          | Youth Centre                              | 53               | 75               | 22                 | 100                   | 100                 |                       |                             |  |
| ✓  | ✓          | Safety Initiatives                        | 273              | 291              | 18                 | 388                   | 388                 |                       |                             |  |
| ✓  | ✓          | Hutt Valley Community Arts                | 30               | 23               | (8) U              | 30                    | 30                  |                       |                             |  |
| ✓  | ✓          | Regional Grants                           | 18               | 25               | 7                  | 33                    | 33                  |                       |                             |  |
| ✓  | ✓          | Tamaiti Whangai Grant                     | 20               | 15               | (5) U              | 20                    | 20                  |                       |                             |  |
| ✓  | ✓          | Waiwhetu Marae Scholarship                |                  | 4                | 4                  | 5                     | 5                   |                       |                             |  |
| ✓  | ✓          | Wellington Free Ambulance                 | 52               | 39               | (13) U             | 52                    | 52                  |                       |                             |  |
| ✓  | ✓          | Mayors Taskforce Jobs For Wainuiomata     | 35               | 52               | 17                 | 70                    | 70                  |                       |                             |  |
| ✓  | ✓          | Arts & Culture Advisory Group             | 14               | 49               | 35                 | 65                    | 65                  |                       |                             |  |
| ✓  | ✓          | Youth Partnership Fund                    | 30               | 43               | 13                 | 40                    | 58                  | 18                    | (18)                        | Budget will not be fully spent so carry over will be requested.            |
| ✓  | ✓          | Improved Station Broadcast Infrastructure |                  | 4                | 4                  | 5                     | 5                   |                       |                             |  |
| CAPITAL PROJECTS                         |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓  | ✓          | Community Houses Building Maintenance     | 43               | 64               | 21                 | 70                    | 70                  |                       |                             |  |
| ✓  | ✓          | CBD Community Resource Centre             | 4                | 20               | 16                 | 8                     | 20                  | 12                    | (12)                        | Some work has been delayed and cannot be completed till January next year. |
| ✓  | ✓          | CCTV Replacement                          | 90               | 91               | 1                  | 121                   | 121                 |                       |                             |  |
| ✓  | ✓          | Community Houses                          | 44               | 70               | 26                 | 70                    | 70                  |                       |                             | Pomare House refurbishment will be completed in April.                     |



| Activity: Community Facilities |            |                                       |                  |                  |                    |                       |                     |                       |                             |  |
|--------------------------------|------------|---------------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE               | On Time YE | Category/Projects                     | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓                              |            | Rates Income                          |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                              |            | Operating Costs                       | 2,063            | 3,480            | 1,417              | 4,000                 | 11,800              | 7,800                 | (7,800)                     | Awaiting lease from CFT  |
| ✓                              |            | Interest                              | 339              | 497              | 158                | 493                   | 663                 | 170                   |                             |  |
| ✓                              |            | <b>Net Surplus/(Deficit)</b>          | <b>(2,402)</b>   | <b>(3,977)</b>   | <b>1,575</b>       | <b>(4,493)</b>        | <b>(12,463)</b>     | <b>7,970</b>          | <b>7,800</b>                |  |
| OPERATING PROJECTS             |            |                                       |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                              | ✓          | CFT Operating Grant                   | 350              | 263              | (87) U             | 350                   | 350                 |                       |                             | Timing variance only   |
| ✓                              | ✓          | CFT Sportsville & Artificial Surfaces | 473              | 350              | (123) U            | 1,000                 | 6,000               | 5,000                 | (5,000)                     | Project is behind schedule. Unspent budget to be carried over. |
| ✓                              | ✓          | Stokes Valley Community Hub           |                  | 180              | 180                | 200                   | 2,000               | 1,800                 | (1,800)                     | Project is behind schedule. Unspent budget to be carried over. |
| ✓                              | ✓          | Mildenhall Park Development           | 1,240            | 2,350            | 1,110              | 2,000                 | 3,000               | 1,000                 | (1,000)                     | Project underway. Unspent budget to be carried over.           |

| Activity: Regulatory Services |            |                              |                  |                  |                    |                       |                     |                       |                             |                       |
|-------------------------------|------------|------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|-----------------------|
| Within Budget YE              | On Time YE | Category/Projects            | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations |
| ✓                             |            | User Charges                 | 1,220            | 1,198            | 22                 | 1,284                 | 1,284               |                       |                             |                       |
| ✓                             |            | Other Revenue                | 709              | 774              | (65) U             | 1,037                 | 1,037               |                       |                             |                       |
| ✓                             |            | Employee Costs               | 2,444            | 2,414            | (30) U             | 3,214                 | 3,214               |                       |                             |                       |
| ✓                             |            | Support Costs                | (81)             | (91)             | (10) U             | (122)                 | (122)               |                       |                             |                       |
| ✓                             |            | Operating Costs              | 820              | 806              | (14) U             | 1,074                 | 1,074               |                       |                             |                       |
| ✓                             |            | Interest                     | 8                | 12               | 4                  | 12                    | 16                  | 4                     |                             |                       |
| ✓                             |            | Depreciation                 | 30               | 20               | (10) U             | 27                    | 27                  |                       |                             |                       |
| ✓                             |            | <b>Net Surplus/(Deficit)</b> | <b>(1,292)</b>   | <b>(1,189)</b>   | <b>(103) U</b>     | <b>(1,884)</b>        | <b>(1,888)</b>      | <b>4</b>              |                             |                       |
| ✓                             |            | Capital New                  | 43               |                  | (43) U             |                       |                     |                       |                             |                       |
| ✓                             |            | <b>Total Capital</b>         | <b>43</b>        |                  | <b>(43) U</b>      |                       |                     |                       |                             |                       |
| CAPITAL PROJECTS              |            |                              |                  |                  |                    |                       |                     |                       |                             |                       |
| ✓                             | ✓          | Vehicle Purchase             | 43               |                  | (43) U             |                       |                     |                       |                             |                       |

| Activity: Emergency Management |            |                                     |                  |                  |                    |                       |                     |                       |                             |                       |
|--------------------------------|------------|-------------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|-----------------------|
| Within Budget YE               | On Time YE | Category/Projects                   | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations |
| ✓                              |            | User Charges                        |                  |                  |                    |                       |                     |                       |                             |                       |
| ✓                              |            | Support Costs                       | 123              | 123              |                    | 165                   | 165                 |                       |                             |                       |
| ✓                              |            | Operating Costs                     | 321              | 465              | 144                | 620                   | 620                 |                       |                             |                       |
| ✓                              |            | Interest                            | 6                | 9                | 3                  | 9                     | 12                  | 3                     |                             |                       |
| ✓                              |            | Depreciation                        | 11               | 20               | 9                  | 27                    | 27                  |                       |                             |                       |
| ✓                              |            | <b>Net Surplus/(Deficit)</b>        | <b>(461)</b>     | <b>(617)</b>     | <b>156</b>         | <b>(821)</b>          | <b>(824)</b>        | <b>3</b>              |                             |                       |
| ✗                              |            | Capital Maintenance                 | 29               | 90               | 61                 | 149                   | 120                 | (29) U                |                             |                       |
| ✗                              |            | <b>Total Capital</b>                | <b>29</b>        | <b>90</b>        | <b>61</b>          | <b>149</b>            | <b>120</b>          | <b>(29) U</b>         |                             |                       |
| <b>CAPITAL PROJECTS</b>        |            |                                     |                  |                  |                    |                       |                     |                       |                             |                       |
| ✗                              | ✓          | Pavilion Maintenance                | 29               |                  | (29) U             | 29                    |                     | (29) U                |                             |                       |
| ✓                              | ✓          | Wainuiomata Bush Fire Force Vehicle |                  | 90               | 90                 | 120                   | 120                 |                       |                             |                       |

| Activity: Roading & Traffic |            |   |                  |                  |                    |                       |                     |                       |                             |  |
|-----------------------------|------------|---|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE            | On Time YE | Category/Projects                                 | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✗                           |            | User Charges                                      | 2,890            | 3,683            | (793) U            | 3,511                 | 4,911               | (1,400) U             |                             | YE unfavourable variance due to reduced parking revenue early in the year as a result of not having a full complement of wardens, plus reduced revenue of \$1,100k from "first hour free parking trial Jan - April '16.  |
| ✗                           |            | Operating Subsidies & Grants                      | 2,480            | 2,719            | (239) U            | 3,561                 | 3,678               | (117) U               | 117                         | YTD variance reflects the lag in operating spend, particularly in the Street Lighting and Traffic Management areas. YE variance reflects the carry over of \$230k relating to Bridge & Seaw alls maintenance.  |
| ✗                           |            | Capital Subsidies                                 | 2,555            | 4,816            | (2,261) U          | 5,086                 | 7,502               | (2,416) U             | 2,416                       | YTD variance reflects the delay in the 3 Cycleway Projects. YE variance acknowledges that the 3 Cycleway Projects and the Queen Street reconstruction will not be completed this year.   |
| ✓                           |            | Development Contributions                         |                  | 59               | (59) U             | 79                    | 79                  |                       |                             | Nil receipts to date. Transfer to Roading account made towards year end.   |
| ✓                           |            | Vested Assets                                     | 4                | 375              | (371) U            | 500                   | 500                 |                       |                             | Nil receipts to date. Transfer to Roading account made towards year end.   |
| ✓                           |            | Other Revenue                                     | 353              | 364              | (11) U             | 485                   | 485                 |                       |                             |  |
| ✓                           |            | Employee Costs                                    | 1,114            | 1,020            | (94) U             | 1,360                 | 1,360               |                       |                             |  |
| ✓                           |            | Support Costs                                     | 1,864            | 1,864            |                    | 2,485                 | 2,485               |                       |                             |  |
| ✓                           |            | Operating Costs                                   | 7,957            | 8,619            | 662                | 11,405                | 11,685              | 280                   | (230)                       | YTD variance reflects Street Lighting and Traffic Management being behind programme. Both are expected to be on budget by year end. YE variance reflects energy saving in new street lighting contract of \$50k from 1 April 2016 plus carry over of \$230k relating to Bridge & Seaw all maintenance and professional services costs resulting from NZTA deliberations on the seaw alls in the Eastern Bays Shared Path Project |
| ✓                           |            | Interest  | 767              | 1,125            | 358                | 1,116                 | 1,500               | 384                   |                             |  |
| ✓                           |            | Depreciation                                      | 8,972            | 8,675            | (297) U            | 11,566                | 11,566              |                       |                             |  |
| ✗                           |            | Net Surplus/(Deficit)                             | (12,392)         | (9,287)          | (3,105) U          | (14,710)              | (11,441)            | (3,269) U             | 2,763                       |  |
| ✓                           |            | Capital Maintenance                               | 4,599            | 6,745            | 2,146              | 7,312                 | 10,882              | 3,570                 | (3,570)                     |  |
| ✓                           |            | Capital New                                       | 914              | 3,795            | 2,881              | 3,820                 | 7,247               | 3,427                 | (3,423)                     |  |
| ✓                           |            | Total Capital                                     | 5,513            | 10,540           | 5,027              | 11,132                | 18,129              | 6,997                 | (6,993)                     |  |
| OPERATING PROJECTS          |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                           | ✓          | Rapid Response Anti-Graffiti Service              | 128              | 179              | 51                 | 239                   | 239                 |                       |                             |  |
| ✓                           | ✓          | Safety Initiatives                                | 24               | 15               | (9) U              | 20                    | 20                  |                       |                             |  |
| CAPITAL PROJECTS            |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                           | ✓          | Area Wide Pavement Treatment                      | 1,156            | 700              | (456) U            | 1,380                 | 1,380               |                       |                             | Work programme not aligned to Budget. Expected to be on budget at year end.  |
| ✓                           | ✓          | Carpark Resurfacing                               |                  | 38               | 38                 | 51                    | 51                  |                       |                             |  |
| ✓                           | ✓          | Estuary Bridge Corrosion Protection (Subsidy 51%) | 15               | 300              | 285                | 100                   | 900                 | 800                   | (800)                       | Delay in the Tender process due to tendering anomalies.  |
| ✓                           | ✓          | Footpath Resurfacing And Replacement              | 123              | 100              | (23) U             | 205                   | 205                 |                       |                             | Early start to programme.  |
| ✓                           | ✓          | Pavement Surfacing                                | 1,178            | 1,425            | 247                | 1,900                 | 1,900               |                       |                             |  |
| ✓                           | ✓          | Minor Safety Works                                |                  | 26               | 26                 | 51                    | 51                  |                       |                             | Will happen towards the end of the year.   |
| ✓                           | ✓          | Minor Road And Footpath Construction              | 26               | 56               | 30                 | 74                    | 74                  |                       |                             |  |
| ✓                           | ✓          | Pavements Wainuiomata Hill                        | 950              | 2,005            | 1,055              | 1,150                 | 3,100               | 1,950                 | (1,950)                     | Summit Bridge is complete. Shared Path on Lower Hutt side delayed by need for further consultation relating to the utilisation of the shared space and connectivity to the Beltway.  |
| ✓                           | ✓          | Pay & Display Extension                           | 185              | 300              | 115                | 300                   | 300                 |                       |                             | Underway.  |
| ✓                           | ✓          | Pedestrian Crossing Maintenance                   | 2                | 16               | 14                 | 31                    | 31                  |                       |                             |  |

|   |   |   |     |       |         |       |       |       |         |   |
|---|---|---|-----|-------|---------|-------|-------|-------|---------|---|
| ✓ | ✓ | Road Reconstruction ( High St - Petone) (Subsidy 16.7%) | 46  | 300   | 254     | 600   | 600   |       |         | Project has been delayed by extended consultation but construction is now under way.  |
| ✓ | ✓ | Road Reconstruction (Queen St ) (Subsidy 17.9%)         | 30  | 400   | 370     | 30    | 850   | 820   | (820)   | Carry over of the full budget less consulting fees as the drainage works that precede this roading project have been delayed.   |
| ✓ | ✓ | Streetlight Lantern Replacement Programme               |     | 150   | 150     | 200   | 200   |       |         | Work programmed for later in the year.  |
| ✓ | ✓ | Streetlight Standard Replacement                        | 193 | 187   | (6) U   | 250   | 250   |       |         | Under way. Ahead of programme.  |
| ✓ | ✓ | Street Name Sign Replacement                            |     | 15    | 15      | 20    | 20    |       |         |   |
| ✓ | ✓ | Traffic Signal Replacement                              | 51  | 128   | 77      | 170   | 170   |       |         |   |
| ✓ | ✓ | Vehicle Purchase  | 41  |       | (41) U  |       |       |       |         |   |
| ✓ | ✓ | Wainuiomata Hill Rd Safety Seal                         | 603 | 600   | (3) U   | 800   | 800   |       |         |   |
| ✓ | ✓ | Broad Band Ducting                                      |     | 10    | 10      | 21    | 21    |       |         |   |
| ✓ | ✓ | Bridge Seismic Strengthening (Wingate Overbridge) (Subs | 43  | 200   | 157     | 195   | 780   | 585   | (585)   | Programmed works will run past year end by 2 months.  |
| ✓ | ✓ | Cycleway Network Development (Accelerated Programme     |     | 725   | 725     |       | 1,100 | 1,100 | (1,100) | Beltway Project is going through the NZTA Business Case process. \$350k will be spent on the River Trail and consultancy fees this year with \$1,150k carried over.   |
| ✓ | ✓ | Cycleways Continued Development                         | 107 | 200   | 93      | 350   | 400   | 50    | (50)    |   |
| ✓ | ✓ | Eastern Bays Walkway c/o                                | 4   | 270   | 266     |       | 600   | 600   | (596)   | NZTA Business Case process for the Seawall component has delayed subsidy funding. New consenting requirement has also extended project lead in. \$600k will be carried over.  |
| ✓ | ✓ | Local Area Traffic Management                           |     | 26    | 26      | 51    | 51    |       |         |   |
| ✓ | ✓ | Land Purchase For Roads                                 |     | 7     | 7       | 10    | 10    |       |         |   |
| ✓ | ✓ | Port Road Erosion Mitigation (Net of Subsidy)           | 36  | 400   | 364     | 56    | 816   | 760   | (760)   | Consultant has questioned effectiveness of intended Rip/Rap solution and proposed a comprehensive solution at a cost of \$4-5m. Required funds are not in the current Plan and interim options are being reassessed. Full budget less consulting fees to be carried over. |
| ✓ | ✓ | Pedestrian Crossings New                                |     | 27    | 27      | 53    | 53    |       |         |   |
| ✓ | ✓ | Reconstruction Improvements - High St (Petone)          |     | 16    | 16      | 65    | 65    |       |         |   |
| ✓ | ✓ | Reconstruction Improvements - Queen St                  |     | 20    | 20      |       | 82    | 82    | (82)    | Carry over full budget as drainage works that precede this work have been delayed.  |
| ✓ | ✓ | Sub Standard Rds Upgrade                                | 357 | 220   | (137) U | 559   | 559   |       |         | Hill Rd under way.  |
| ✓ | ✓ | Substandard Roads Footpaths                             | 216 | 100   | (116) U | 250   | 250   |       |         | Pomare Rd under way.  |
| ✓ | ✓ | School Speed Zone Programme                             | 39  | 30    | (9) U   | 60    | 60    |       |         |   |
| ✓ | ✓ | Traffic Safety Improvements                             | 29  | 300   | 271     | 600   | 600   |       |         |   |
| ✓ | ✓ | Urban Growth Strategy Rooding Improvements              |     | 1,125 | 1,125   | 1,250 | 1,500 | 250   | (250)   | Tender evaluated. Consenting in progress. Work expected to commence early May. Expect weather delays will cause project to run past year end.   |
| ✓ | ✓ | UGS- Wise St Extension - Off Site Development           | 84  | 120   | 36      | 300   | 300   |       |         |   |

| Activity: Water Supply  |            |                                     |                  |                  |                    |                       |                     |                       |                             |  |
|-------------------------|------------|-------------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE        | On Time YE | Category/Projects                   | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓                       |            | User Charges                        | 1,758            | 1,752            | 6                  | 2,336                 | 2,336               |                       |                             | On track to achieve full year budget.  |
| ✓                       |            | Development Contributions           |                  | 26               | (26) U             | 35                    | 35                  |                       |                             | No development contributions received to date  |
| ✓                       |            | Vested Assets                       | 6                | 86               | (80) U             | 114                   | 114                 |                       |                             | No vested assets received to date, but expecting to achieve budget due to the subdivisions currently underway in the city.   |
| ✓                       |            | <b>Support Costs</b>                | <b>252</b>       | <b>252</b>       |                    | <b>336</b>            | <b>336</b>          |                       |                             |  |
| ✓                       |            | Operating Costs                     | 8,107            | 8,284            | 177                | 11,038                | 11,046              | 8                     |                             | Consultancy has been adjusted back to actuals Jan YTD, Feb and March has still been based on budget.<br>Network Maintenance costs are \$76k unfavourable YTD, this is due to the dry weather pushing up reactive repair numbers. With the continued dry weather into Autumn we are forecasting a YE overspend of \$130k.<br>External Water Charges has been reduced by \$38k, compared to previous month, based on the water consumption report to 30/03/15. This cost is now forecast to be \$329k favourable at YE (compared to \$367k forecast last month).<br>This has resulted in a significant drop in the expected savings, from \$171k forecast last month to \$8k in the current water supply forecast. |
| ✓                       |            | Interest                            | 228              | 335              | 106                | 332                   | 446                 | 114                   |                             |  |
| ✓                       |            | Depreciation                        | 2,649            | 2,646            | (3) U              | 3,528                 | 3,528               |                       |                             |  |
| ✓                       |            | <b>Net Surplus/(Deficit)</b>        | <b>(9,472)</b>   | <b>(9,654)</b>   | <b>180</b>         | <b>(12,749)</b>       | <b>(12,871)</b>     | <b>122</b>            |                             |  |
| ✓                       |            | Capital Maintenance                 | 552              | 1,120            | 568                | 1,889                 | 2,684               | 795                   | (398)                       | For details see the capital projects below .   |
| ✓                       |            | Capital New                         | 951              | 1,481            | 530                | 2,107                 | 2,782               | 675                   | (850)                       | For details see the capital projects below .   |
| ✓                       |            | <b>Total Capital</b>                | <b>1,503</b>     | <b>2,601</b>     | <b>1,098</b>       | <b>3,996</b>          | <b>5,466</b>        | <b>1,470</b>          | <b>(1,248)</b>              |  |
| <b>CAPITAL PROJECTS</b> |            |                                     |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                       | ✓          | Central Hutt Water Mains Renewals   | 65               | 330              | 265                | 598                   | 758                 | 160                   | (340)                       | Project behind program construction to start in April 2016. \$160k + 180k to be carried forward to fund Cleary Street in 2016/17. \$160k from Central Hutt Water Mains Renewals Budget. \$180k from underspends in Forward Design - Water Supply, Critical Pipelines Seismic Upgrade, Kingsley Reservoir Seismic Upgrade, Taita Reservoir Seismic Upgrade.   |
| ✓                       | ✓          | Distribution Pipe Model Development | 76               | 93               | 17                 | 128                   | 128                 |                       |                             |  |
| ✓                       | ✓          | Glen Road Water Renewal             | (13)             |                  | 13                 |                       |                     |                       |                             | Over accrual in consultancy to be moved to minor works.  |
| ✗                       | ✓          | Moohan Street Water Renewal         | 23               | 289              | 266                | 425                   | 300                 | (125) U               |                             | Project is behind program. Tender has been awarded, construction started in March 2016. Tender price was higher than Budget due to budget being carried forward from 14/15 with no inflation and increased costs due to new H&S requirements.  |
| ✓                       | ✓          | Minor Works (Water Supply)          | 48               | 70               | 22                 | 150                   | 150                 |                       |                             | Reactive works less than forecasted for YTD.   |
| ✓                       | ✓          | Oxford Terrace Water Renewal        | 35               | 21               | (14) U             |                       | 730                 | 730                   |                             | Project finished in 2014/15. 35k YTD actuals is from the consultancy allocation which will be reallocated to other WS projects.  |
| ✗                       | ✓          | Peel Place Water Renewal            | 204              | 184              | (20) U             | 318                   | 190                 | (128) U               |                             | Tender has been awarded, construction started in March. Tender price was higher than Budget due to budget being carried forward from 14/15 with no inflation and increased costs due to new H&S requirements.  |
| ✓                       | ✓          | Pump Station Minor Works            | 13               | 12               | (1) U              | 53                    | 53                  |                       |                             |  |
| ✓                       | ✓          | Reservoir Minor Work                | 5                | 12               | 7                  | 53                    | 53                  |                       |                             |  |
| ✓                       | ✓          | Scada Renewals Water Supply         | 24               | 5                | (19) U             | 27                    | 27                  |                       |                             | Expenditure ahead of programme, on track for year end.   |

|   |   |  |     |     |        |     |     |         |       |   |
|---|---|--|-----|-----|--------|-----|-----|---------|-------|---|
| ✓ | ✓ | Seismic Coupling Installations                         | 41  | 40  | (1) U  | 44  | 102 | 58      | (58)  | Park Rd reservoir site delayed due to technical issues isolating the reservoir, \$39k already spent on establishment and material cost. Delaney Reservoir site to be progressed ahead of programme. Has been tendered with Delaney Reservoir Strengthening Works. Carry forward required to construct project in 2016/17 with the Delaney Res Strengthening works |
| ✓ | ✓ | Stokes Valley Road Pumping Station Switchboard Renewal | 9   | 6   | (3) U  | 53  | 53  |         |       |   |
| ✓ | ✓ | Forward Design - Water Supply                          | 27  | 59  | 32     | 40  | 140 | 100     |       | Proposed to carry forward underspend to cover Cleary Street in 2016/17. Figure of \$100k not appearing in carryover column because is included in the carryover amount for Central Hutt Water Mains Renewals.   |
| ✓ | ✓ | Critical Pipelines Seismic Upgrade                     | 10  | 17  | 7      | 20  | 50  | 30      |       | Proposed to carry forward underspend to cover Cleary Street in 2016/17. Figure of \$30k not appearing in carryover column because is included in the carryover amount for Central Hutt Water Mains Renewals.  |
| ✓ | ✓ | Delaney Reservoir Seismic Upgrade                      | 53  | 246 | 193    | 360 | 760 | 400     | (400) | Project is behind program, reservoir cannot be isolated during dry period. Construction expected to start in May (15/16 financial year) and finish in August (16/17 financial year) resulting in a carryover of \$400k.   |
| ✓ | ✓ | Emergency Water Supply                                 |     |     |        |     | 105 | 105     |       | Project has been put on hold by HCC   |
| ✓ | ✓ | Holborn Booster Pump                                   |     |     |        |     | 300 | 300     | (300) | Project has been put on hold by HCC   |
| ✓ | ✓ | Konini Reservoir Seismic Upgrade                       | 45  | 436 | 391    | 300 | 450 | 150     | (150) | Project is behind program, reservoir cannot be isolated during dry period. Construction expected to start in May (15/16 financial year) and finish in September (16/17 financial year). Proposed change to draft 16/17 programme to fund physical works construction in 16/17 financial year. Expecting at this stage to carry forward \$50k.                     |
| ✓ | ✓ | Kingsley Reservoir Seismic Upgrade                     | 10  | 17  | 7      | 28  | 50  | 22      |       | Proposed to carry forward underspend to cover Cleary Street in 2016/17. Figure of \$22k not appearing in carryover column because is included in the carryover amount for Central Hutt Water Mains Renewals.  |
| ✗ | ✓ | Petone/Hutt Link Main (Tama North)                     | 653 | 586 | (67) U | 974 | 614 | (360) U |       | Project was originally planned to be completed across two years. HCC has given approval for project to be constructed in 2015/16 pulling forward budget from 2016/17. Construction started 26 Dec 2015. Double up on accrual and payment has been corrected in March.   |
| ✓ | ✓ | Pharazyn PS Seismic Upgrade                            | 25  | 19  | (6) U  | 120 | 120 |         |       |   |
| ✓ | ✓ | Reservoir Auto Shut Off Valves                         | 100 | 9   | (91) U | 105 | 105 |         |       | Works completed ahead of program. Final consultancy fees to be paid in March.   |
| ✓ | ✓ | Sweetacres Reservoir Upgrade                           | 39  | 60  | 21     | 103 | 103 |         |       | Design underway, consultancy fees to date less than forecast.   |
| ✓ | ✓ | Taita Reservoir Seismic Upgrade                        | 10  | 17  | 7      | 22  | 50  | 28      |       | Proposed to carry forward underspend to cover Cleary Street in 2016/17. Figure of \$28k not appearing in carryover column because is included in the carryover amount for Central Hutt Water Mains Renewals.  |
| ✓ | ✓ | Water Bores Eastern Wards                              | 2   | 74  | 72     | 75  | 75  |         |       | Project behind program, HCC currently in discussion with Waiwhetu Marae over how this project is to proceed.  |

| Activity: Wastewater |            |  |                  |                  |                    |                       |                     |                       |                             |   |
|----------------------|------------|--|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE     | On Time YE | Category/Projects                      | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✗                    |            | User Charges                           | 746              | 787              | (41) U             | 1,017                 | 1,067               | (50) U                |                             | \$29k of the YTD variance is from property – due to taking 26 Seaview Road off the market to use for project purposes. This trend will continue (\$38k FYE)<br>Additionally \$12k unfavourable is trade waste due to dry weather resulting in lower leachate levels reducing this revenue line                      |
| ✗                    |            | UHCC Operating Subsidy                 | 1,823            | 1,911            | (88) U             | 2,397                 | 2,547               | (150) U               |                             | UHCC operating subsidy has been favourable in previous, mainly due to lump sum payment of treatment plant insurance in period 1. Operating costs tracking low YTD resulting in a lower than Budget forecast for operating subsidy.  |
| ✓                    |            | Development Contributions              |                  | 304              | (304) U            | 406                   | 406                 |                       |                             | No development contributions received to date, but expecting to achieve budget due to the developments currently underway in the city.  |
| ✓                    |            | Vested Assets                          | 69               | 86               | (17) U             | 114                   | 114                 |                       |                             | Vested asset income higher than the equally phased budget. Income from Concord, Judd Crescent, High Street and Muritai Road.  |
| ✓                    |            | Support Costs                          | 617              | 617              |                    | 822                   | 822                 |                       |                             |   |
| ✓                    |            | Operating Costs                        | 8,447            | 8,812            | 365                | 11,186                | 11,691              | 505                   |                             | Operational contracts are tracking \$500k under budget, we have recognised a savings in this line. No other forecast changes since previous month   |
| ✓                    |            | Interest                               | 441              | 647              | 206                | 642                   | 863                 | 221                   |                             |   |
| ✓                    |            | Depreciation                           | 5,521            | 5,557            | 36                 | 7,410                 | 7,410               |                       |                             |   |
| ✓                    |            | Net Surplus/(Deficit)                  | (12,388)         | (12,546)         | 157                | (16,126)              | (16,652)            | 526                   |                             |   |
| ✓                    |            | Capital Maintenance                    | 1,458            | 2,833            | 1,375              | 3,613                 | 4,883               | 1,270                 | (1,310)                     | For details see the capital projects below .  |
| ✓                    |            | Capital New                            | 388              | 3,860            | 3,472              | 496                   | 5,700               | 5,204                 | (100)                       | For details see the capital projects below .  |
| ✓                    |            | Total Capital                          | 1,846            | 6,693            | 4,847              | 4,109                 | 10,583              | 6,474                 | (1,410)                     |   |
| OPERATING PROJECTS   |            |  |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                    | ✓          | Wastewater Flow Management Wainuiomata | 3                | 27               | 24                 | 90                    | 90                  |                       |                             |   |
| ✓                    | ✓          | Rising Main Vulnerability Assessment   | 4                | 38               | 34                 | 50                    | 50                  |                       |                             |   |
| CAPITAL PROJECTS     |            |  |                  |                  |                    |                       |                     |                       |                             |   |
| ✗                    | ✓          | Kendall Grove Sewer Renewals           | 16               | 49               | 33                 | 420                   | 230                 | (190) U               |                             | Kendall Grove and Wainuiomata Catchment are being designed and constructed as a package. High tender price for Kendall Grove is offset by a lower tender price for the Wainuiomata catchment. Construction started in March.  |
| ✓                    | ✓          | Naenae Sewer Renewal                   | 28               | 200              | 172                | 300                   | 300                 |                       |                             | Project behind program, tender awarded construction to start in April.  |
| ✓                    | ✓          | Network Minor Works (WW)               | 147              | 37               | (110) U            | 170                   | 170                 |                       |                             | Reactive works ahead of program.  |
| ✓                    | ✓          | Pressure Testing Of Sewers             | 74               | 114              | 40                 | 300                   | 300                 |                       |                             | Project behind program, contract awarded and works to start in April.   |
| ✓                    | ✓          | Queen Street Sewer Renewal             | 49               | 563              | 514                | 60                    | 580                 | 520                   | (750)                       | Construction start delayed to June 2016. Total project cost forecast is \$810k, \$60k to be spent at YE, \$750k to be carried forward to complete construction in 2016/17. Original budget of \$580k doesn't cover total project cost forecast, difference of \$230k to be offset by underspends in other projects. |

|   |   |   |     |       |        |     |       |       |  |
|---|---|---|-----|-------|--------|-----|-------|-------|--|
| ✓ | ✓ | Scada Renewals Wastewater                             | 24  | 5     | (19) U | 28  | 28    |       | Expenditure ahead of the programme, on track for year end.   |
| ✓ | ✓ | The Strand Sewer Renewal                              | 89  | 171   | 82     | 90  | 210   | 120   | Physical works cost lower than expected, will offset some of the overspend in Queen Street. Construction completed in February.  |
| ✓ | ✓ | Trunk DBO Asset Replacement Fund                      | 631 | 654   | 23     | 840 | 870   | 30    | Asset replacement undertaken by HVWS as part of the DBO contract. Work in January included replacement of dryer conveyor and other minor works.  |
| ✓ | ✓ | Trunk DBO Network Cyclic Replacement (Subsidy 32%)    | 46  | 190   | 144    | 300 | 300   |       | Rehabilitation of two manholes in the Seaview trade waste sewer was completed in February. The physical works for rehabilitation of Parkside Rd sewer is due to commence in May.   |
| ✓ | ✓ | Trunk Non-DBO Minor Works                             | 8   | 3     | (5) U  | 10  | 10    |       |  |
| ✓ | ✓ | Trunk DBO Pipeline Cyclic Replacement                 | 69  | 90    | 21     | 90  | 90    |       | Surface protection of Silverstream river crossing was completed in February within budget.   |
| ✓ | ✓ | Tui Street Sewer Renewals                             | 13  | 67    | 54     | 180 | 180   |       | Naenae Sewer Renewal and Tui Street Renewals are being designed and constructed as a package. Contract has been awarded work to start in May.  |
| ✓ | ✓ | Vista Grove Sewer Replacement                         |     |       |        |     | 325   | 325   | (325) Project put on hold by HCC   |
| ✓ | ✓ | Victoria Street Pumping Station Seismic Strengthening | 49  | 71    | 22     | 55  | 290   | 235   | (235) We are investigating potential dewatering consent requirements. Project is recommended for a deferral until 16/17 to allow to obtain dewatering consent.   |
| ✓ | ✓ | Wainuiomata Catchment Sewer Renewals                  | 151 | 567   | 416    | 584 | 814   | 230   | Kendall Grove and Wainuiomata catchment are being designed and constructed as a package. Lower tender price for Wainuiomata will offset high prices for Kendall Grove. Construction has started in March 2016.                   |
| ✓ | ✓ | Forward Design (WW)                                   | 28  | 37    | 9      | 100 | 100   |       |  |
| ✓ | ✓ | Pump Station Minor Works (WW)                         | 26  | 15    | (11) U | 86  | 86    |       | Work ahead of program.   |
| ✗ | ✓ | Trunk DBO Type A Network Dev                          | 116 | 100   | (16) U | 116 | 100   | (16)  | Seismic upgrades of the Seaview Main Pump Station and Milliscreen buildings are being investigated. An overflow meter for Wellington Road pump station is being designed. Work is behind programme but will be picking up in Q3. |
| ✓ | ✓ | Trunk DBO Type B Network Dev                          | 272 | 3,650 | 3,378  | 280 | 5,400 | 5,120 | All tenders for the Main Collecting Sewer duplication project were declined and the project will be deferred to 2020. The major valves were pre-ordered and are being held in stock. The new YE forecast expenditure is \$280k.  |
| ✓ | ✓ | Trunk Type A Asset Development (Subsidy 31%)          |     | 110   | 110    | 100 | 200   | 100   | (100) This project is to implement the upgrade works for Seaview Main Pump Station and Milliscreen buildings and is dependent on completion of that design work.   |



| Activity: Stormwater |            |  |                  |                  |                    |                       |                     |                       |                             |   |
|----------------------|------------|--|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE     | On Time YE | Category/Projects                              | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                    |            | User Charges                                   | 3                | 4                | (1) U              | 5                     | 5                   |                       |                             |   |
| ✓                    |            | Operating Subsidies & Grants                   | 5                | 6                | (1) U              | 9                     | 9                   |                       |                             |   |
| ✓                    |            | Development Contributions                      |                  | 38               | (38) U             | 50                    | 50                  |                       |                             | No development contributions received to date, but expecting to achieve budget due to the developments currently underway in the city.  |
| ✓                    |            | Vested Assets                                  | 50               | 86               | (35) U             | 114                   | 114                 |                       |                             | Revenue tracking slightly behind budget. Forecasted to be on track for YE.  |
| ✓                    |            | Support Costs                                  | 230              | 230              |                    | 306                   | 306                 |                       |                             |   |
| ✗                    |            | Operating Costs                                | 2,625            | 2,442            | (183) U            | 3,404                 | 3,328               | (76) U                |                             | YTD unfavourable variance due to unexpected expenses from main storm events that happened in May and June. Although forecast maintenance is below budget, a \$105k YE overspend is expected. This is partly offset by a \$29k expected underspend on Waiwhetu Stream Flood Management Plan. We expect a \$76k unfavourable variance for total operating costs against the full year budget. |
| ✓                    |            | Interest                                       | 192              | 281              | 89                 | 279                   | 375                 | 96                    |                             |   |
| ✓                    |            | Depreciation                                   | 2,243            | 2,354            | 111                | 3,138                 | 3,138               |                       |                             |   |
| ✓                    |            | Net Surplus/(Deficit)                          | (5,232)          | (5,174)          | (58) U             | (6,949)               | (6,970)             | 20                    |                             |   |
| ✗                    |            | Capital Maintenance                            | 1,027            | 1,088            | 61                 | 1,927                 | 1,576               | (351) U               |                             | For details see the capital projects below.   |
| ✓                    |            | Capital New                                    | 480              | 1,511            | 1,031              | 775                   | 2,464               | 1,689                 | (1,339)                     | For details see the capital projects below.   |
| ✓                    |            | Total Capital                                  | 1,507            | 2,599            | 1,092              | 2,702                 | 4,040               | 1,338                 | (1,339)                     |   |
| OPERATING PROJECTS   |            |  |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                    | ✓          | Waiwhetu Stream Flood Management Plan          | 8                | 5                | (3) U              | 45                    | 45                  |                       |                             |   |
| CAPITAL PROJECTS     |            |  |                  |                  |                    |                       |                     |                       |                             |   |
| ✗                    | ✓          | Ariki Street Stormwater Renewal                | 163              | 100              | (63) U             | 175                   | 100                 | (75) U                |                             | Forecasted cost increase due to soft ground (\$31k), unforeseen extras on site (scope changes (\$20k) and extra concrete driveway reinstatements) and additional chip seal surfacing required for CAR sign-off (\$24k)  |
| ✗                    | ✓          | John Street / Stokes Valley Stormwater Renewal | 675              | 596              | (79) U             | 900                   | 619                 | (281) U               |                             | The forecasted physical works is higher than expected due to increased materials supply costs, and additional H&S requirements that increased P&G fees. Construction variations of \$65k forecast due to soft ground conditions in carriageway resulting in additional reinstatement costs.   |
| ✓                    | ✓          | Minor Works Stormwater                         | 45               | 33               | (12) U             | 100                   | 100                 |                       |                             | Expenditure ahead of programme due to May flood investigations  |
| ✓                    | ✓          | Scada Renewals Stormwater                      | 19               | 5                | (14) U             | 27                    | 27                  |                       |                             | Expenditure ahead of programme, on track for year end   |
| ✓                    | ✓          | Forward Design - (SW)                          | 6                | 35               | 29                 | 25                    | 50                  | 25                    |                             | Forward design underway but forecasted expenditure is less than budget  |
| ✓                    | ✓          | Stormwater Network Modelling                   | 30               | 124              | 94                 | 180                   | 180                 |                       |                             | Modelling work to begin in March on track for year end.   |
| ✗                    | ✓          | Pump Station Minor Works (SW)                  | 49               | 22               | (27) U             | 101                   | 81                  | (20) U                |                             | Unfavourable year end variance due to urgent works required on Marsden St PS.   |
| ✓                    | ✓          | Walter Road Stormwater Renewal                 | 40               | 175              | 135                | 419                   | 419                 |                       |                             | Walter Road, Cheviot Rd, East Street are being designed and constructed as a package. Project behind programme, construction to start in April.   |
| ✓                    | ✓          | Awamutu Stream                                 | 115              | 113              | (2) U              | 120                   | 250                 | 130                   |                             | Forecasted savings of \$130k, expected to be used to offset variances in other projects.  |
| ✓                    | ✓          | Cheviot Rd Stormwater Improvement Project      | 33               | 104              | 71                 | 107                   | 107                 |                       |                             | Walter Road, Cheviot Rd, East Street are being designed and constructed as a package. Project behind programme construction to start in May.  |
| ✓                    | ✓          | East Street/Petone                             | 19               |                  | (19) U             | 102                   | 102                 |                       |                             | Walter Road, Cheviot Rd, East Street are being designed and constructed as a package.   |

|   |   |  |     |     |     |     |     |     |         |   |
|---|---|--|-----|-----|-----|-----|-----|-----|---------|---|
| ✓ | ✓ | Hutt River Backflow Electrical                     | 13  | 78  | 65  | 15  | 215 | 200 |         | Hutt River Backflow project has been added to the 2016/17 draft annual plan. Carryover not required.  |
| ✓ | ✓ | Hutt River Floodplain                              | 96  | 129 | 33  | 180 | 180 |     |         | Hutt River Floodplain is currently in the construction phase, progress has been slightly slower than initially programmed however no year-end variance is anticipated.  |
| ✓ | ✓ | Hutt River Stormwater Flapgates / Pumping Stations | 17  | 84  | 67  | 28  | 268 | 240 |         | Hutt River Stormwater Flapgates project has been added to the 2016/17 draft annual plan. Carryover not required.  |
| ✓ | ✓ | Randwick Rd Stormwater Improvement                 | 23  | 115 | 92  | 26  | 376 | 350 |         | Randwick Rd project has been added to the 2016/17 draft annual plan. Carryover not required.  |
| ✓ | ✓ | Stormwater consenting project                      | 47  | 109 | 62  | 47  | 150 | 103 | (103)   | Project to be deferred to 16/17 and budget carried forward.   |
| ✓ | ✓ | Queen Street                                       | 117 | 778 | 661 | 150 | 816 | 666 | (1,236) | The high tender prices received for Queen St have led to reprioritisation of the programme. Hutt River Backflow Electrical, Hutt River Flapgates/Penstocks and Randwick Road Stormwater Improvement Projects have been deferred to fund the Queen St project in 15/16. Construction to start in June 2016. Carryover of \$1.2M required to complete project in 16/17. |

| Activity: Solid Waste |            |   |                  |                  |                    |                       |                     |                       |                             |  |
|-----------------------|------------|---|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE      | On Time YE | Category/Projects                           | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓                     |            | User Charges                                | 9,616            | 9,671            | (55) U             | 12,895                | 12,895              |                       |                             | Domestic revenues now \$250k ahead of budget, but Commercial volumes lagging. Significant Special Waste volumes and revenues are expected in April to restore to budget. |
| ✓                     |            | Other Revenue                               | 10               | 4                | 6                  | 5                     | 5                   |                       |                             |  |
| ✓                     |            | Support Costs                               | 248              | 248              |                    | 330                   | 330                 |                       |                             |  |
| ✗                     |            | Operating Costs                             | 4,965            | 4,812            | (153) U            | 6,566                 | 6,416               | (150) U               |                             | Difficult operating conditions at this stage of landfill development.  |
| ✓                     |            | Interest                                    | 131              | 192              | 61                 | 190                   | 256                 | 66                    |                             |  |
| ✓                     |            | Depreciation                                | 503              | 440              | (63) U             | 587                   | 587                 |                       |                             |  |
| ✗                     |            | Net Surplus/(Deficit)                       | 3,779            | 3,983            | (204) U            | 5,227                 | 5,311               | (84) U                |                             |  |
| ✗                     |            | Capital New                                 | 2,054            | 1,927            | (127) U            | 3,030                 | 1,930               | (1,100) U             |                             | As reported to Council   |
| ✗                     |            | Total Capital                               | 2,054            | 1,927            | (127) U            | 3,030                 | 1,930               | (1,100) U             |                             |  |
| CAPITAL PROJECTS      |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                     | ✓          | Cleanfill Site Development                  |                  | 7                | 7                  | 10                    | 10                  |                       |                             |  |
| ✗                     | ✓          | Silverstream LF Stg 2 Design & Construction | 2,054            | 1,920            | (134) U            | 3,020                 | 1,920               | (1,100) U             |                             | As reported to Council   |

| Activity: Environmental Policy |            |                              |                  |                  |                    |                       |                     |                       |                             |   |
|--------------------------------|------------|------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE               | On Time YE | Category/Projects            | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                              |            | Employee Costs               | 325              | 339              | 14                 | 452                   | 452                 |                       |                             |   |
| ✓                              |            | Support Costs                | 252              | 252              |                    | 335                   | 335                 |                       |                             |   |
| ✓                              |            | Operating Costs              | 231              | 668              | 437                | 591                   | 891                 | 300                   | (300)                       | Limited legal services have been required. There is likely to be a significant underspend of legal services at year end. Other specialist services will also have a significant underspend. |
| ✓                              |            | <b>Net Surplus/(Deficit)</b> | <b>(808)</b>     | <b>(1,259)</b>   | <b>451</b>         | <b>(1,378)</b>        | <b>(1,678)</b>      | <b>300</b>            | <b>300</b>                  |   |
| OPERATING PROJECTS             |            |                              |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                              | ✓          | District Plan Work           | 147              | 443              | 296                | 290                   | 590                 | 300                   | (300)                       | Significant consultancy spend has been commissioned but not yet invoiced. Despite this there is likely to be a significant underspend of carried over funds at year end.                    |

| Activity: Environmental Consents |            |                              |                  |                  |                    |                       |                     |                       |                             |   |
|----------------------------------|------------|------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE                 | On Time YE | Category/Projects            | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                                |            | User Charges                 | 2,385            | 2,155            | 230                | 3,173                 | 2,873               | 300                   |                             | Additional income in RC and LIMs                                  |
| ✓                                |            | Other Revenue                | 21               | 19               | 2                  | 25                    | 25                  |                       |                             |   |
| ✓                                |            | Employee Costs               | 1,974            | 2,053            | 79                 | 2,737                 | 2,737               |                       |                             | Vacancies EST, BT - expected to break even year end at this stage |
| ✓                                |            | Support Costs                | 1,390            | 1,390            |                    | 1,853                 | 1,853               |                       |                             |   |
| ✓                                |            | Operating Costs              | 377              | 377              |                    | 513                   | 513                 |                       |                             |   |
| ✓                                |            | Interest                     | 3                | 4                | 1                  | 4                     | 5                   | 1                     |                             |   |
| ✓                                |            | Depreciation                 | 29               |                  | (29) U             |                       |                     |                       |                             |   |
| ✓                                |            | <b>Net Surplus/(Deficit)</b> | <b>(1,367)</b>   | <b>(1,650)</b>   | <b>283</b>         | <b>(1,909)</b>        | <b>(2,210)</b>      | <b>301</b>            |                             |   |
| ✗                                |            | Capital Maintenance          | 40               |                  | (40) U             | 40                    |                     | (40) U                |                             |   |
| ✗                                |            | <b>Total Capital</b>         | <b>40</b>        |                  | <b>(40) U</b>      | <b>40</b>             |                     | <b>(40) U</b>         |                             |   |
| CAPITAL PROJECTS                 |            |                              |                  |                  |                    |                       |                     |                       |                             |   |
| ✗                                | ✓          | Vehicle Purchase             | 40               |                  | (40) U             | 40                    |                     | (40) U                |                             |   |

| Activity: Local Urban Environment |            |  |                  |                  |                    |                       |                     |                       |                             |  |
|-----------------------------------|------------|--|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE                  | On Time YE | Category/Projects                                | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓                                 |            | User Charges                                     | 15               |                  | 15                 |                       |                     |                       |                             |  |
| ✓                                 |            | Development Contributions                        | 1                |                  | 1                  |                       |                     |                       |                             |  |
| ✓                                 |            | Other Revenue                                    | 272              | 225              | 47                 | 300                   | 300                 |                       |                             |  |
| ✓                                 |            | Employee Costs                                   | 371              | 369              | (2) U              | 492                   | 492                 |                       |                             |  |
| ✓                                 |            | Support Costs                                    | 204              | 204              |                    | 271                   | 271                 |                       |                             |  |
| ✗                                 |            | Operating Costs                                  | 1,891            | 1,014            | (877) U            | 2,070                 | 1,170               | (900) U               |                             | Professional fees and costs associated with strategic property purchases.  |
| ✓                                 |            | Interest   | 764              | 1,121            | 356                | 1,111                 | 1,494               | 383                   |                             |  |
| ✓                                 |            | Depreciation                                     | 12               | 563              | 551                | 751                   | 751                 |                       |                             |  |
| ✗                                 |            | Net Surplus/(Deficit)                            | (2,954)          | (3,046)          | 91                 | (4,395)               | (3,878)             | (517) U               |                             |  |
| ✓                                 |            | Capital Maintenance                              |                  | 7                | 7                  | 10                    | 10                  |                       |                             |  |
| ✓                                 |            | Capital New                                      | 19,585           | 23,421           | 3,836              | 22,656                | 31,683              | 9,027                 | (12,754)                    |  |
| ✓                                 |            | Total Capital                                    | 19,585           | 23,428           | 3,843              | 22,666                | 31,693              | 9,027                 | (12,754)                    |  |
| OPERATING PROJECTS                |            |  |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                                 | ✓          | Heritage Incentives                              | 28               | 33               | 5                  | 37                    | 52                  | 15                    |                             | Not expecting to spend full budget.  |
| ✓                                 | ✓          | Sculpture Trust                                  | 50               | 50               |                    | 50                    | 50                  |                       |                             |  |
| ✓                                 | ✓          | School Programmes                                |                  | 60               | 60                 | 80                    | 80                  |                       |                             |  |
| ✓                                 | ✓          | Business Programmes                              |                  | 28               | 28                 | 45                    | 45                  |                       |                             |  |
| ✓                                 | ✓          | Waste Minimisation Projects                      | 77               | 88               | 11                 | 95                    | 95                  |                       |                             |  |
| ✓                                 | ✓          | Environmental Sustainability Projects            | 70               | 53               | (17) U             | 88                    | 88                  |                       |                             |  |
| CAPITAL PROJECTS                  |            |  |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                                 | ✓          | Seaview/Gracefield Banners                       |                  | 7                | 7                  | 10                    | 10                  |                       |                             |  |
| ✗                                 | ✓          | Admin Building Strengthening                     | 10,086           | 7,367            | (2,720) U          | 10,586                | 9,822               | (764) U               | (95)                        | Explanation of the unfavourable variance are as reported to the City Development Committee. \$95k needs to be carried forward into the 2016/2017 FY for works that need to be deferred as they are connected to the Clock Tower and Town Hall. |
| ✓                                 | ✓          | Making Places - Civic Events Centre Upgrade      | 3,340            | 12,419           | 9,079              | 4,659                 | 16,559              | 11,900                | (11,900)                    | Due to tender prices being greater than forecast, the project programme has been delayed as the project team does more work to get price certainty and Council has time to consider the cost increases   |
| ✓                                 | ✓          | Making Places Investigations For Future Projects | 100              | 200              | 100                | 334                   | 334                 |                       |                             | Expect to spend all budget   |
| ✓                                 | ✓          | Making Places Projects                           | 189              | 270              | 81                 | 486                   | 1,486               | 1,000                 | (1,000)                     | YE variance due to delays in advancing projects. Carryover will be requested.  |
| ✓                                 | ✓          | Suburban Shopping Centres Improvements           | 211              | 360              | 149                | 211                   | 452                 | 241                   | 241                         | YE variance due to delays with project especially supply of pavers. Carryover will be requested.   |
| ✗                                 | ✓          | Strategic Property Purchases                     | 5,690            | 2,805            | (2,885) U          | 6,380                 | 3,030               | (3,350) U             |                             | Directly accounting for properties purchased in UPL subsidiaries which were purchased in 2014. Offsetting sales in UPL subsidiaries  |

| Activity: Economic Development |            |                                       |                  |                  |                    |                       |                     |                       |                             |   |
|--------------------------------|------------|---------------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE               | On Time YE | Category/Projects                     | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                              |            | Other Revenue                         | 127              | 113              | 15                 | 150                   | 150                 |                       |                             |   |
| ✗                              |            | Employee Costs                        | 414              | 298              | (116) U            | 587                   | 397                 | (190) U               |                             | YE variance is offset by savings in Science & Technology budget.  |
| ✓                              |            | Support Costs                         | 232              | 232              |                    | 309                   | 309                 |                       |                             |   |
| ✓                              |            | Operating Costs                       | 1,675            | 3,441            | 1,766              | 2,369                 | 4,414               | 2,045                 | (1,920)                     | YE Variance relates mainly to underspend on Development Stimulus for which a carryover will be requested.   |
| ✓                              |            | Interest                              | 1                | 1                |                    | 1                     | 1                   |                       |                             |   |
| ✓                              |            | Depreciation                          |                  | 7                | 7                  | 10                    | 10                  |                       |                             |   |
| ✓                              |            | <b>Net Surplus/(Deficit)</b>          | <b>(2,195)</b>   | <b>(3,867)</b>   | <b>1,672</b>       | <b>(3,126)</b>        | <b>(4,981)</b>      | <b>1,855</b>          | <b>1,920</b>                |   |
| <b>OPERATING PROJECTS</b>      |            |                                       |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                              | ✓          | Jackson Street Programme              | 130              | 132              | 2                  | 132                   | 132                 |                       |                             |   |
| ✗                              | ✓          | International Co-operating Cities     | 35               | 23               | (13) U             | 45                    | 30                  | (15) U                |                             | Council delegation to Minoh and other Int'l relations costs.  |
| ✓                              | ✓          | Economic Development Strategy         | 71               | 101              | 30                 | 120                   | 135                 | 15                    |                             | Offset of International relations costs.  |
| ✓                              | ✓          | Hutt Valley Chamber Of Commerce       | 200              | 200              |                    | 200                   | 200                 |                       |                             |   |
| ✓                              | ✓          | Economic Development Contestable Fund | 33               | 33               |                    | 44                    | 44                  |                       |                             |   |
| ✓                              | ✓          | Science & Technology                  | 196              | 395              | 199                | 310                   | 500                 | 190                   |                             | YE variance will offset salaries above.   |
| ✓                              | ✓          | Development Stimulus Package          | 504              | 1,950            | 1,446              | 750                   | 2,600               | 1,850                 | (1,850)                     | YE variances relates to the timing of development charges on developments that have been approved for remissions. Carryover of unspent funds will be requested. |
| ✗                              | ✓          | CBD Place Maker                       | 122              | 69               | (53) U             | 157                   | 92                  | (65) U                |                             | YE variance relates to additional CBD programmes and initiatives including Street Feast.  |
| ✓                              | ✓          | Regional Amenities Fund               | 200              | 200              |                    | 200                   | 200                 |                       |                             |   |
| ✓                              | ✓          | Urban Growth Strategy                 | 45               | 102              | 57                 | 100                   | 170                 | 70                    | (70)                        | YE variance due to underspend on professional fees. Carryover will be requested   |
| ✓                              | ✓          | Wainuiomata Development Plan          | 13               | 90               | 77                 | 120                   | 120                 |                       |                             |   |
| ✓                              | ✓          | Petone Plan Review                    | 36               | 35               | (1) U              | 50                    | 50                  |                       |                             |   |

| Activity: City Promotions  |            |                                |                  |                  |                    |                       |                     |                       |                             |   |
|----------------------------|------------|--------------------------------|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|---|
| Within Budget YE           | On Time YE | Category/Projects              | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                          |            | User Charges                   | 151              | 29               | 122                | 164                   | 39                  | 125                   |                             | YTD & year end forecast variance relates to additional revenue from higher events funding   |
| ✓                          |            | Operating Subsidies & Grants   | 63               | 45               | 18                 | 60                    | 60                  |                       |                             |   |
| ✗                          |            | Other Revenue                  | 309              | 456              | (147) U            | 416                   | 576                 | (160) U               |                             | YTD & forecast year end variance relates Reduced sales in visitors centre.  |
| ✗                          |            | Employee Costs                 | 750              | 713              | (37) U             | 971                   | 951                 | (20) U                |                             | Current variance will decrease due to 2 upcoming vacancies  |
| ✓                          |            | Support Costs                  | (1,124)          | (1,124)          |                    | (1,498)               | (1,498)             |                       |                             |   |
| ✓                          |            | Operating Costs                | 1,191            | 1,189            | (2) U              | 1,482                 | 1,507               | 25                    |                             | Higher events funding costs are offset by increased user charges in events. And reduced costs in visitors centre, which is offset by the reduced level of income. |
| ✓                          |            | Depreciation                   | 7                |                  | (7) U              |                       |                     |                       |                             |   |
| ✗                          |            | <b>Net Surplus/(Deficit)</b>   | <b>(301)</b>     | <b>(248)</b>     | <b>(53) U</b>      | <b>(315)</b>          | <b>(285)</b>        | <b>(30) U</b>         |                             |   |
| OPERATING PROJECTS         |            |                                |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                          | ✓          | Events Funding                 | 502              | 304              | (198) U            | 405                   | 405                 |                       |                             | User charges are offsetting the overspend - namely through the ice rink in periods 3 and 4 of 15/16   |
| ✓                          | ✓          | Internet Design                | 8                | 31               | 23                 | 41                    | 41                  |                       |                             | Significant portion to be spent in period 10  |
| ✓                          | ✓          | Development Stimulus Marketing | 3                | 16               | 13                 | 22                    | 22                  |                       |                             | Forecast to be spent in period 12   |
| Activity: Elected Members  |            |                                |                  |                  |                    |                       |                     |                       |                             |   |
| Within Budget YE           | On Time YE | Category/Projects              | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                          |            | User Charges                   | 7                |                  | 7                  |                       |                     |                       |                             |   |
| ✓                          |            | Employee Costs                 | 12               |                  | (12) U             |                       | 0                   |                       |                             |   |
| ✓                          |            | Support Costs                  | 461              | 461              |                    | 614                   | 614                 |                       |                             |   |
| ✓                          |            | Operating Costs                | 895              | 909              | 14                 | 1,212                 | 1,212               |                       |                             |   |
| ✓                          |            | <b>Net Surplus/(Deficit)</b>   | <b>(1,361)</b>   | <b>(1,370)</b>   | <b>9</b>           | <b>(1,826)</b>        | <b>(1,826)</b>      |                       |                             |   |
| OPERATING PROJECTS         |            |                                |                  |                  |                    |                       |                     |                       |                             |   |
| ✓                          | ✓          | Regional Governance Review     |                  | 23               | 23                 | 30                    | 30                  |                       |                             |   |
| Activity: Advice & Support |            |                                |                  |                  |                    |                       |                     |                       |                             |   |
| Within Budget YE           | On Time YE | Category/Projects              | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations   |
| ✓                          |            | Employee Costs                 | 2                |                  | (2) U              |                       |                     |                       |                             |   |
| ✓                          |            | Support Costs                  | 3,217            | 3,217            |                    | 4,289                 | 4,289               |                       |                             |   |
| ✓                          |            | Operating Costs                | 43               | 44               | 1                  | 71                    | 71                  |                       |                             |   |
| ✓                          |            | <b>Net Surplus/(Deficit)</b>   | <b>(3,262)</b>   | <b>(3,261)</b>   | <b>(1) U</b>       | <b>(4,360)</b>        | <b>(4,360)</b>      |                       |                             |   |

| Activity: Support Services |            |   |                  |                  |                    |                       |                     |                       |                             |  |
|----------------------------|------------|---|------------------|------------------|--------------------|-----------------------|---------------------|-----------------------|-----------------------------|--|
| Within Budget YE           | On Time YE | Category/Projects                                     | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Annual Forecast \$000 | Annual Budget \$000 | Annual Variance \$000 | Carryover 2016/17 Adj \$000 | Variance Explanations  |
| ✓                          |            | Rates Income  | 71,593           | 71,606           | (13) U             | 95,475                | 95,475              |                       |                             |  |
| ✓                          |            | User Charges  | 693              | 793              | (100) U            | 1,057                 | 1,057               |                       |                             |  |
| ✓                          |            | Interest Earned                                       | 807              | 637              | 170                | 850                   | 850                 |                       |                             |  |
| ✓                          |            | Other Revenue   | 170              | 151              | 19                 | 202                   | 202                 |                       |                             |  |
| ✓                          |            | Employee Costs  | 6,787            | 6,889            | 102                | 9,075                 | 9,190               | 115                   |                             | YTD variance relates to vacancies and underspend in training costs. YE variance relates mainly to vacancies.   |
| ✓                          |            | Support Costs   | (11,953)         | (11,953)         |                    | (15,937)              | (15,937)            |                       |                             |  |
| ✓                          |            | Operating Costs                                       | 1,957            | 2,469            | 512                | 2,999                 | 2,999               |                       |                             | YTD variance is due to underspends across a number areas and is mainly due to timing. No year end variance forecast at this stage.   |
| ✓                          |            | Interest  | 509              | 747              | 237                | 741                   | 996                 | 255                   |                             | Interest expense is likely to be underspent by about \$2m across all the activities due to reduced borrowing costs.  |
| ✓                          |            | Depreciation  | 1,039            | 1,239            | 200                | 1,652                 | 1,652               |                       |                             |  |
| ✓                          |            | <b>Net Surplus/(Deficit)</b>                          | <b>74,924</b>    | <b>73,796</b>    | <b>1,127</b>       | <b>99,054</b>         | <b>98,684</b>       | <b>370</b>            |                             |  |
| ✓                          |            | Gain/(Loss) On Revaluation Of Financial Instruments   | (5,499)          |                  | (5,499) U          |                       |                     |                       |                             |  |
| ✓                          |            | Gain/(Loss) On Prop Revals, Sales, Disposals          |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                          |            | <b>Net Surplus/(Deficit) After Gain/Loss</b>          | <b>69,425</b>    | <b>73,796</b>    | <b>(4,372) U</b>   | <b>99,054</b>         | <b>98,684</b>       | <b>370</b>            |                             |  |
| ✗                          |            | Capital Maintenance                                   | 738              | 956              | 218                | 1,174                 | 1,165               | (9) U                 |                             |  |
| ✗                          |            | Capital New   | 1,116            | 809              | (307) U            | 1,374                 | 1,119               | (255) U               |                             |  |
| ✗                          |            | <b>Total Capital</b>                                  | <b>1,854</b>     | <b>1,765</b>     | <b>(89) U</b>      | <b>2,548</b>          | <b>2,284</b>        | <b>(264) U</b>        |                             |  |
| <b>OPERATING PROJECTS</b>  |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                          | ✓          | Social Development Projects                           | 85               | 94               | 9                  | 125                   | 125                 |                       |                             |  |
| ✓                          | ✓          | Research - Monitoring & Evaluation Of Outcome         | 50               | 35               | (15) U             | 50                    | 50                  |                       |                             |  |
| ✓                          | ✓          | Regional Governance Review                            | 85               | 7                | (78) U             | 10                    | 10                  |                       |                             |  |
| ✓                          | ✓          | Admin Building Temporary Accommodation                | 674              | 702              | 28                 | 709                   | 709                 |                       |                             |  |
| ✓                          | ✓          | Neighbourhood Matching Fund                           |                  | 38               | 38                 | 50                    | 50                  |                       |                             |  |
| <b>CAPITAL PROJECTS</b>    |            |   |                  |                  |                    |                       |                     |                       |                             |  |
| ✓                          | ✓          | Network storage/Server Hardware and PC Replacement Pr | 396              | 380              | (16) U             | 450                   | 450                 |                       |                             |  |
| ✓                          | ✓          | Pavilion Maintenance                                  |                  | 56               | 56                 | 75                    | 75                  |                       |                             |  |
| ✓                          | ✓          | System Maintenance                                    | 55               | 215              | 160                | 260                   | 260                 |                       |                             |  |
| ✓                          | ✓          | System Upgrades                                       | 197              | 220              | 23                 | 280                   | 280                 |                       |                             |  |
| ✓                          | ✓          | Telecommunications                                    | 80               | 85               | 5                  | 100                   | 100                 |                       |                             |  |
| ✗                          | ✓          | Vehicle Purchase                                      | 9                |                  | (9) U              | 9                     |                     | (9) U                 |                             | YE variance due to decision to purchase rather than lease vehicles.  |
| ✗                          | ✓          | Administration Leased Accommodation Fitout            | 390              | 195              | (195) U            | 390                   | 260                 | (130) U               |                             |  |
| ✓                          | ✓          | Archives Cool Room For Storing Photographs            |                  |                  |                    | 16                    | 16                  |                       |                             |  |
| ✓                          | ✓          | Condensing Unit & Dehumidifier for MISA Cool room     |                  |                  |                    | 8                     | 8                   |                       |                             |  |
| ✓                          | ✓          | Digitisation Of At Risk Archives                      |                  | 19               | 19                 | 25                    | 25                  |                       |                             |  |
| ✓                          | ✓          | Mobile Devices  | 36               | 65               | 29                 | 80                    | 80                  |                       |                             |  |
| ✗                          | ✓          | Other (IT) Projects                                   | 530              | 275              | (255) U            | 530                   | 405                 | (125) U               |                             | Overspend due to additional costs with new Admin buildings IT Infrastructure and Council Chambers fit out, which will be partly offset against the under spend of System Maintenance |
| ✓                          | ✓          | Internet Online Services                              | 161              | 105              | (56) U             | 175                   | 175                 |                       |                             | YE variance offset against System Maintenance capital allocation   |
| ✓                          | ✓          | The Pavilion Improvements                             |                  | 150              | 150                | 150                   | 150                 |                       |                             |  |

**08 March 2016**

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**Report no: FandA2016/2/89**

## 2016 Finance and Audit Committee Work Programme

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**Recommendation**

That the report be noted.

**Appendices**

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|-----|---------------------------------------|------|
| 1   | Finance and Audit Work Programme 2016 | 49   |

**Author:** Annie Doornebosch  
 Committee Advisor

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**Reviewed By:** Kate Glanville  
 Senior Committee Advisor

**Approved By:** Kathryn Stannard  
 Divisional Manager, Secretariat Services



## Finance & Audit Committee Work Programme 2016

| Cycle 3 - 13 July 2016  |                       |  |
|---|-----------------------|--|
| Finance Update  | B Kibblewhite         |  |
| Report Back on the Implementation of the KPMG Project Delivery Review | J Raffills            |  |
| Risk and Assurance Update and Operational Risk Register               | E Davids              |  |
| Audit NZ Interim Management Report                                    | B Kibblewhite         |  |
| Activity Report 5 – City Safety and Community Funding                 | J Ballantyne/D Hunter |  |
| Finance & Audit Work Programme  | A Doornebosch         |  |

| Cycle 4 - 7 September 2016                            |               |   |
|---|---------------|---|
| Finance Update  | B Kibblewhite |   |
| Annual Reports for CCOs – UPL, SML, CFT               | B Kibblewhite | ® |
| Annual Report for LGFA                                | B Kibblewhite | ® |
| Insurance Update                                      | B Kibblewhite |   |
| 2016/17 Provisional Financial Outturn                 | D Newth       |   |
| Risk and Assurance Update and Strategic Risk Register | E Davids      |   |
| Audit NZ Management Report                            | B Kibblewhite |   |
| Director of CCOs – UPL & SML                          | J Raffills    | ® |
| Appointment of Trustee to CFT                         | J Raffills    | ® |
| Finance & Audit Work Programme                        | A Doornebosch |   |
| 29 September 2016                                     |               |   |
| Hutt City Council's Annual Report                     | J Stevens     | ® |