



# AUDIT AND RISK COMMITTEE

## AGENDA

Meeting to be held

**FRIDAY 17 MAY 2019**

**8.30AM**

In the Manawatū District Council Chambers,  
135 Manchester Street, Feilding

A handwritten signature in black ink that reads "R.G. Templer".

Dr Richard Templer  
**Chief Executive**

## **MEMBERSHIP**

### **Chairperson**

Councillor Stuart Campbell

### **Deputy Chairperson**

Councillor Barbara Cameron

### **Members**

Her Worship the Mayor, Helen Worboys

Councillor Barbara Cameron

Councillor Stuart Campbell

Councillor Hilary Humphrey

Councillor Phil Marsh

Councillor Howard Voss

External Member – John Fowke

# ORDER OF BUSINESS

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<b>2. APOLOGIES</b>	
<b>3. CONFIRMATION OF MINUTES</b>	<b>5</b>
<i>Draft resolution</i>	
<i>That the minutes of the Audit and Risk Committee meeting held 15 February 2019 be adopted as a true and correct record.</i>	
<b>4. DECLARATIONS OF INTEREST</b>	
Notification from elected members of:	
4.1	Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and
4.2	Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968
<b>5. NOTIFICATION OF LATE ITEMS</b>	
Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:	
5.1	The Council by resolution so decides; and
5.2	The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.
<b>6. PRESENTATIONS</b>	
<b>7. OFFICER REPORTS</b>	
<b>7.1 EMPLOYEE ENGAGEMENT SURVEY</b>	<b>9</b>
Report of the General Manager – People and Culture dated 7 May 2019	
<b>7.2 THIRD QUARTER REPORT TO 31 MARCH 2019</b>	<b>19</b>
Report of the General Manager – Corporate and Regulatory dated 30 April 2019	
<b>8. UPDATE ON INTERNAL AUDIT</b>	
Progress update from General Manager – Corporate and Regulatory	
<b>9. CONSIDERATION OF LATE ITEMS</b>	

10. NOTIFICATION OF ITEMS FOR NEXT MEETING

11. MEETING CLOSURE

MINUTES	MEETING	TIME
<b>AUDIT AND RISK COMMITTEE</b>	<b>FRIDAY 15 FEBRUARY 2019</b>	<b>8.30AM</b>

Minutes of a meeting of the Audit and Risk Committee held on Friday 15 February 2019, commencing at 8.30am in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT:	Cr Stuart Campbell	(Chairperson)
	Cr Howard Voss	
	Cr Hilary Humphrey	
	Cr Barbara Cameron	
	Cr Phil Marsh	
	Mr John Fowke	
	Mayor Helen Worboys	
IN ATTENDANCE:	Councillor Michael Ford	
	Councillor Shane Casey	
	Shayne Harris	(Acting Chief Executive)
	Hamish Waugh	(General Manager – Infrastructure)
	Frances Smorti	(General Manager – People and Culture)
	Brent Limmer	(General Manager – Community and Strategy)
	Paul Stein	(Communications Manager)
	Colleen Morris	(Chief Financial Officer)
	Rachel Dean	(Internal Auditor – Cotton Kelly)
	Nichole Ganley	(Governance Support Officer)
	Cheryl Wright	(Health and Safety Adviser)
	Brooke Rush	(Community and Strategy Operations Officer)
	Mathew Bayliss	(Community Facilities Manager)
	Michael Hawker	(Project Delivery Manager)
	Nicola Ainscough	(Aquatic Services Manager)
	Brittney Evans	(Corporate Projects Adviser)

#### ARC 19/137 MEETING OPENING

The Chairperson declared the meeting open.

#### ARC 19/138 APOLOGIES

There were no requests for apologies.

#### ARC 19/139 CONFIRMATION OF MINUTES

##### **RESOLVED**

**That the minutes of the Audit and Risk Committee meeting held 9 November 2018 be adopted as a true and correct record.**

**Moved by: Councillor Howard Voss**

**Seconded by: John Fowke**

##### **CARRIED**

#### ARC 19/140 DECLARATIONS OF INTEREST

There were no declarations of conflicts

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	FRIDAY 15 FEBRUARY 2019	8.30AM

ARC 19/141 NOTIFICATION OF LATE ITEMS

There were no items of late business notified.

ARC 19/142 PRESENTATIONS

There were no presentations scheduled for this meeting.

ARC 19/143 NOTIFIABLE HEALTH AND SAFETY INCIDENT

Report of the General Manager – People and Culture dated 1 February 2019 presenting for information a notifiable Health and Safety incident, which occurred on 21 January 2019.

**RESOLVED**

**That the Audit and Risk Committee receives the report of the Notifiable Health and Safety Incident on 21 January 2019.**

**Moved by: Councillor Phil Marsh**

**Seconded by: Her Worship the Mayor Helen Worboys**

**CARRIED**

ARC 19/144 SAFEPLUS HEALTH AND SAFETY ASSESSMENT

Report of the General Manager – People and Culture dated 1 February 2019 presenting for information the outcomes from the SafePlus Health and Safety Assessment. A presentation regarding the SafePlus Health and Safety Assessment was shown.

**RESOLVED**

**That the Audit and Risk Committee receives the SafePlus Health and Safety Assessment 2018.**

**Moved by: Councillor Howard Voss**

**Seconded by: Councillor Barbara Cameron**

**CARRIED**

ARC 19/145 REVALUATION CYCLE FOR INFRASTRUCTURAL ASSETS

Report of the General Manager – Corporate and Regulatory dated 29 January 2019 presenting for consideration of the appropriate accounting policy in relation to the revaluation cycle for infrastructural assets.

**RESOLVED**

**That the Audit and Risk Committee considers an annual revaluation of Council's infrastructural assets to be the appropriate accounting policy.**

**Moved by: Her Worship the Mayor Helen Worboys**

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	FRIDAY 15 FEBRUARY 2019	8.30AM

**Seconded by: Councillor Howard Voss**

**CARRIED**

ARC 19/146 VEHICLE POLICY

Report of the General Manager – Corporate and Regulatory dated 15 January 2019 presenting for information the Manawatu Districts Council’s Vehicle Policy.

**RESOLVED**

**That the Audit and Risk Committee receives the Manawātū District Council’s Vehicle Policy.**

**Moved by: John Fowke**

**Seconded by: Councillor Phil Marsh**

**CARRIED**

ARC 19/147 INTERNAL AUDIT – PROCUREMENT REVIEW

Report of the General Manager – Corporate and Regulatory dated 12 February 2019 presenting for information the Internal Audit Project – Compliance with Manawatu District Council’s Procurement Policies and Financial Delegations Policy (goods and services with tendering focus)

**RESOLVED**

**That the Audit and Risk Committee receives the Internal Audit Report resulting from the part one of their procurement review.**

**Moved by: Councillor Phil Marsh**

**Seconded by: Councillor Barbara Cameron**

**CARRIED**

ARC 19/148 QUARTERLY REPORT TO 31 DECEMBER 2018

Report of the General Manager – Corporate and Regulatory dated 15 January 2019 presenting for consideration a summary to 31 December 2018 of the Council’s performance against Year One of the 2018/28 Long Term Plan.

**RECOMMENDED**

**That the Council receives the Second Quarter Report and the Capital Expenditure Report for the period ended 31 December 2018.**

**That the Audit and Risk committee requests that an explanation of the changes of the classification of items in the wastewater capital budget expenditure between Quarter one and Quarter two accompany the report to Council.**

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	FRIDAY 15 FEBRUARY 2019	8.30AM

**Moved by:** Her Worship the Mayor Helen Worboys

**Seconded by:** Councillor Hilary Humphrey

**CARRIED**

ARC 19/149 UPDATE ON INTERNAL UPDATE AUDIT

General Manager – Corporate and Regulatory Shayne Harris introduced Internal Auditor Rachel Dean who highlighted that part two of the review of Council’s procurement processes will review smaller contracts and will be completed within the next three months.

It was noted that Internal Quality and Assurance checks would be reviewed by the Executive Team.

**RESOLVED**

**That the Audit and Risk Committee receives the verbal update on the Internal Audit.**

**Moved by:** Councillor Howard Voss

**Seconded by:** Councillor Phil Marsh

**CARRIED**

ARC 19/150 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

ARC 19/151 NOTIFICATION OF ITEMS FOR NEXT MEETING

- Internal Audit Update

ARC 19/152 MEETING CLOSURE

The meeting closed at 10.29am

Approved and adopted as a true and correct record:

\_\_\_\_\_

**CHAIRPERSON**

\_\_\_\_\_

**DATE**



# Audit and Risk Committee

Meeting of 17 May 2019

Business Unit: People and Culture  
Date Created: 06 May 2019

## Employee Engagement Survey

### Purpose

To present the results of the 2019 Employee Engagement Survey.

### Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

### Recommendations

That the Audit and Risk Committee receives the results of the 2019 Employee Engagement Survey.

Report prepared by:  
Frances Smorti  
General Manager - People and Culture

Approved for submission by:  
Richard Templer  
Chief Executive

## 1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatū District – the best lifestyle in New Zealand*

Manawatū District protects the natural environment through stewardship of the District’s natural and physical resources.	Manawatū District attracts and retains residents and businesses.	Manawatū District develops a broad economic base from its solid foundation in the primary sector.	Manawatū District is connected via quality infrastructure, services and technology.	Manawatū District’s built environment is safe, resilient and attractive.	Manawatū District Council is a customer-focussed and efficient organisation.
					✓

## **2 Background**

- 2.1 In 2017 and 2018 the Manawatū District Council ran employee engagement surveys through the IBM Kenexa survey product. The results showed a significant improvement in the 2018 survey, with the scores being significantly above the Local Government benchmark.
- 2.2 Later in 2018, Kenexa informed Council they were withdrawing from the engagement survey market. MDC considered a number of alternative providers, and chose AskYourTeam primarily because they were the only survey able to provide a New Zealand Local Government benchmark.
- 2.3 This change in survey provider means that this year's results cannot be compared against previous years, as the scoring methodology is fundamentally different. The Council will be able to trend in future years against these 2019 results.

## **3 Discussion and Options considered**

- 3.1 The Manawatū District Council achieved an overall score of 71%. This compares with a Local Government benchmark result of 63%.
- 3.2 Of the 72 assertions within the survey, all questions scored above the LG benchmark, with 65 of these being statistically significantly higher.
- 3.3 The highest rated areas of the survey were around culture, rate payer and community focus, performance development and leadership. The lowest rated areas of the survey related to pay, business processes and implementation.

## **4 Operational Implications**

- 4.1 Managers have discussed their team level results within their own groups, and are developing action plans to address their specific areas for improvement.
- 4.2 The organisational level results were discussed with the people leaders of MDC and we are developing our organisational level response.

## **5 Financial implications**

- 5.1 The lowest rated question in the survey related to pay. When the salary matrix is reviewed in July, officers look very closely at the data provided by MDC's salary benchmarking. In particular officers will focus on the lower level roles which are being significantly impacted by the increases in minimum wage.

## **6 Statutory Requirements**

- 6.1 There are no statutory requirements associated with this report.

## **7 Delegations**

- 7.1 The Audit and Risk Committee has the responsibility for overseeing risk in the Council – this specific risk relates to the culture of the organisation, and the potential damaging effects of having a poor organisational culture.

## **8 Consultation**

8.1 There are no consultation requirements associated with this report.

## **9 Cultural Considerations**

9.1 There are no cultural considerations associated with this report.

## **10 Conclusion**

10.1 Officers are pleased with the results of the survey and committed to continually improving the culture and efficiency of the Council.

## **11 Attachments**

- AskYourTeam Survey Results



For: Manawatu District Council  
Survey Name: Ask Our Team Survey  
Survey Start Date: 25 Feb 2019  
Survey End Date: 08 Mar 2019  
Report created by: Frances Smorti

### ORGANISATION SUCCESS FACTORS

Results of the survey are organised by Organisation Success Factor. Use the filters above to refine the results. A score of 'N/A' indicates the minimum response threshold to provide a result was not met.

Overall score:  
71%

Success Factors	Average Score	Lowest Score	Highest Score
Leadership	76%	70%	79%
Culture	74%	65%	83%
Performance Development	73%	56%	80%
Strategy	70%	61%	75%
Project Planning	68%	64%	72%
Implementation	64%	62%	66%
Review	67%	65%	69%
Internal Communication	72%	70%	77%
Information	72%	68%	75%
Business Processes	68%	60%	79%
Organisational Learning	70%	67%	78%
Rate payer / Community Focus	73%	66%	81%
Suppliers	69%	68%	70%

## ASSERTION SUMMARIES

The assertion summary reports show the 10 highest and 10 lowest scores for the survey. The highest scores can identify areas to celebrate success. The lowest scores can identify areas to focus follow-up action plans.

### Highest Scores

#	Success Factors	Assertion	Score
1	Culture	I understand clearly how the things I do affect the ability of others in my team to do their job	83%
2	Culture	I enjoy working for this council	83%
3	Culture	Our council is a great place to work	82%
4	Rate payer / Community Focus	The importance of our ratepayers/community has a significant impact on how we work	81%
5	Rate payer / Community Focus	I am proud of the impact our council has on the community	81%
6	Performance Development	My own performance targets are aligned with the objectives of the council	80%
7	Business Processes	The health, safety and wellbeing of people in the council is appropriately reflected in our systems, processes and work environment	79%
8	Performance Development	I have regular performance reviews and receive effective feedback	79%
9	Leadership	Our Executive Team treat people the way they ask us to treat the ratepayers/community and each other	79%
10	Leadership	I am confident that our Executive Team is leading us in the right direction	79%

### Lowest Scores

#	Success Factors	Assertion	Score
1	Performance Development	Our pay/salary structure is appropriate relative to the market	56%
2	Business Processes	Meetings are generally an effective use of time	60%
3	Strategy	All departments have goals or objectives that are aligned with those of other departments	61%
4	Implementation	People are held accountable for hitting deadlines	62%
5	Implementation	We use effective project management techniques for implementing projects	63%
6	Business Processes	We effectively identify and realise opportunities to reduce costs	63%
7	Implementation	Changes to plans or deadlines are effectively communicated to all those affected	64%
8	Project Planning	Effective consultation occurs before changes are made that affect others	64%
9	Business Processes	When I receive work from other departments it is fit for purpose	64%
10	Culture	Effective cross-functional teams are common in our council	65%

## All Assertions

Success Factors	Assertion	Score
Leadership	I am confident that our Executive Team is leading us in the right direction	79%
Leadership	Our Executive Team treat people the way they ask us to treat the ratepayers/community and each other	79%
Leadership	The actions of our Executive Team are consistent with our council's values	77%
Leadership	There is a clear vision for the council	76%
Leadership	People are confident that our Executive Team will successfully implement our strategy and vision	76%
Leadership	There is a clear strategy for the council	74%
Leadership	The council has a culture of empowerment that maximises the performance of staff	70%
Culture	I enjoy working for this council	83%
Culture	I understand clearly how the things I do affect the ability of others in my team to do their job	83%
Culture	Our council is a great place to work	82%
Culture	I have the autonomy to make decisions with matters I am responsible for	76%
Culture	We have clear and effective systems for dealing with intimidating behaviour and workplace bullying, which are applied equally to everyone	75%
Culture	Honesty and directness are valued in our council	72%
Culture	We celebrate achievements as a team	71%
Culture	The contribution of individuals is recognised	69%
Culture	Our council supports people who come forward with new ideas	69%
Culture	There is a strong focus on how we can work together better as a team	68%
Culture	Effective cross-functional teams are common in our council	65%
Performance Development	My own performance targets are aligned with the objectives of the council	80%
Performance Development	I have regular performance reviews and receive effective feedback	79%
Performance Development	The council provides opportunities for me to develop my skills and competencies and actively encourages career development	78%
Performance Development	We have effective training that enhances the performance and development of individuals	75%
Performance Development	Each person in the council has clearly defined roles and responsibilities which they understand	68%
Performance Development	Our pay/salary structure is appropriate relative to the market	56%
Strategy	Social responsibility is appropriately reflected in our council's vision, values and strategy	75%
Strategy	We are good at partnering with other councils to create mutual value	73%
Strategy	The impact on the environment is appropriately reflected in our council's vision, values and strategy	72%
Strategy	Everything we do is consistent with the council's vision, values and strategy	70%
Strategy	All departments have goals or objectives that are aligned with those of other departments	61%
Project Planning	There is effective communication to inform what is required of me	72%
Project Planning	There are effective planning processes in the council	70%
Project Planning	Initiatives and projects are researched and planned effectively	65%
Project Planning	Effective consultation occurs before changes are made that affect others	64%
Implementation	Everyone involved in implementing a project understands what needs to be done and by whom	66%
Implementation	Changes to plans or deadlines are effectively communicated to all those affected	64%
Implementation	We use effective project management techniques for implementing projects	63%
Implementation	People are held accountable for hitting deadlines	62%
Review	The measurements we use show clearly whether or not we are on target with our strategy and projects	69%
Review	Information and results from projects are analysed and acted upon effectively	66%
Review	Projects are reviewed thoroughly to see how well the actual outcome reflected the forecast outcome	65%
Internal Communication	My manager shares information with me that enables me to do my job effectively	77%
Internal Communication	We are provided with meaningful updates on how the council is performing	72%

Internal Communication	Our department's results are provided in a clear, understandable way	72%
Internal Communication	The council ensures I understand why workplace changes are made	71%
Internal Communication	I feel safe to tell the truth even when it is unpopular	70%
Internal Communication	I am motivated by the effective way our Executive Team communicates	70%
Information	I have the information I need to do my job as effectively as possible	75%
Information	I have access to the right information which enables me to make effective decisions	74%
Information	We can quickly obtain customised reports from our information systems	68%
Business Processes	The health, safety and wellbeing of people in the council is appropriately reflected in our systems, processes and work environment	79%
Business Processes	We have the technology to effectively support our processes	69%
Business Processes	We regularly review processes and identify possible improvements	69%
Business Processes	Our council allocates resources effectively to achieve agreed outcomes	69%
Business Processes	When I receive work from other departments it is fit for purpose	64%
Business Processes	We effectively identify and realise opportunities to reduce costs	63%
Business Processes	Meetings are generally an effective use of time	60%
Organisational Learning	The performance of our council is better than that of similar councils	78%
Organisational Learning	We learn effectively from our mistakes	68%
Organisational Learning	We keep up with the best initiatives that are used in other councils	68%
Organisational Learning	Our council responds quickly to external changes	67%
Organisational Learning	People are regularly asked for feedback on how to improve the council	67%
Rate payer / Community Focus	I am proud of the impact our council has on the community	81%
Rate payer / Community Focus	The importance of our ratepayers/community has a significant impact on how we work	81%
Rate payer / Community Focus	We actively gather feedback from ratepayers/community and use this to improve our service to them	74%
Rate payer / Community Focus	We provide great value to our ratepayers/community	73%
Rate payer / Community Focus	The council has effective public communication and consultation on significant issues	72%
Rate payer / Community Focus	Our council has a positive reputation in its local business community	71%
Rate payer / Community Focus	Everyone in the council is clear on the role they play in helping deliver what our ratepayers/community wants	70%
Rate payer / Community Focus	Our council has a positive reputation with our ratepayers/community	66%
Suppliers	We have suppliers who are responsive to our feedback	70%
Suppliers	Our suppliers enable us to perform as successfully as possible	70%
Suppliers	Our suppliers provide excellent value	68%

## Benchmarking - Assertions

Compare your survey results with the AskYourTeam benchmark scores. Within the table, a green or red 'Difference' score indicates it is a statistically significant difference. If it's grey, it is not a statistically significant difference from the benchmark.

Overall Survey Score 71%  
 Benchmark Score 63%  
 Difference 8%

Success Factors	Assertions	Survey Score	Difference
Culture	I understand clearly how the things I do affect the ability of others in my team to do their job	83%	1%
Business Processes	When I receive work from other departments it is fit for purpose	64%	2%
Implementation	People are held accountable for hitting deadlines	62%	2%
Rate payer / Community Focus	We provide great value to our ratepayers/community	73%	2%
Business Processes	Meetings are generally an effective use of time	60%	3%
Rate payer / Community Focus	Everyone in the council is clear on the role they play in helping deliver what our ratepayers/community wants	70%	3%
Business Processes	We effectively identify and realise opportunities to reduce costs	63%	4%
Culture	I have the autonomy to make decisions with matters I am responsible for	76%	4%
Culture	There is a strong focus on how we can work together better as a team	68%	4%
Strategy	All departments have goals or objectives that are aligned with those of other departments	61%	4%
Suppliers	We have suppliers who are responsive to our feedback	70%	4%
Culture	I enjoy working for this council	83%	5%
Culture	Our council supports people who come forward with new ideas	69%	5%
Implementation	Everyone involved in implementing a project understands what needs to be done and by whom	66%	5%
Implementation	We use effective project management techniques for implementing projects	63%	5%
Performance Development	Each person in the council has clearly defined roles and responsibilities which they understand	68%	5%
Rate payer / Community Focus	The council has effective public communication and consultation on significant issues	72%	5%
Suppliers	Our suppliers enable us to perform as successfully as possible	70%	5%
Suppliers	Our suppliers provide excellent value	68%	5%
Culture	We celebrate achievements as a team	71%	6%
Business Processes	We regularly review processes and identify possible improvements	69%	6%
Business Processes	The health, safety and wellbeing of people in the council is appropriately reflected in our systems, processes and work environment	79%	6%
Organisational Learning	We learn effectively from our mistakes	68%	6%
Rate payer / Community Focus	The importance of our ratepayers/community has a significant impact on how we work	81%	6%
Strategy	Everything we do is consistent with the council's vision, values and strategy	70%	6%
Strategy	The impact on the environment is appropriately reflected in our council's vision, values and strategy	72%	6%
Strategy	Social responsibility is appropriately reflected in our council's vision, values and strategy	75%	6%
Culture	Our council is a great place to work	82%	7%
Implementation	Changes to plans or deadlines are effectively communicated to all those affected	64%	7%
Information	I have the information I need to do my job as effectively as possible	75%	7%
Performance Development	My own performance targets are aligned with the objectives of the council	80%	7%
Rate payer / Community Focus	I am proud of the impact our council has on the community	81%	7%
Strategy	We are good at partnering with other councils to create mutual value	73%	7%

Success Factors	Assertions	Survey Score	Difference
Culture	Honesty and directness are valued in our council	72%	8%
Culture	The contribution of individuals is recognised	69%	8%
Information	I have access to the right information which enables me to make effective decisions	74%	8%
Organisational Learning	We keep up with the best initiatives that are used in other councils	68%	8%
Organisational Learning	Our council responds quickly to external changes	67%	8%
Performance Development	Our pay/salary structure is appropriate relative to the market	56%	8%
Project Planning	Initiatives and projects are researched and planned effectively	65%	8%
Project Planning	There is effective communication to inform what is required of me	72%	8%
Culture	Effective cross-functional teams are common in our council	65%	9%
Leadership	There is a clear vision for the council	76%	9%
Leadership	There is a clear strategy for the council	74%	9%
Leadership	The actions of our Executive Team are consistent with our council's values	77%	9%
Review	Information and results from projects are analysed and acted upon effectively	66%	9%
Internal Communication	The council ensures I understand why workplace changes are made	71%	10%
Internal Communication	I feel safe to tell the truth even when it is unpopular	70%	10%
Internal Communication	Our department's results are provided in a clear, understandable way	72%	10%
Internal Communication	My manager shares information with me that enables me to do my job effectively	77%	10%
Internal Communication	We are provided with meaningful updates on how the council is performing	72%	10%
Organisational Learning	The performance of our council is better than that of similar councils	78%	10%
Project Planning	There are effective planning processes in the council	70%	10%
Rate payer / Community Focus	We actively gather feedback from ratepayers/community and use this to improve our service to them	74%	10%
Internal Communication	I am motivated by the effective way our Executive Team communicates	70%	11%
Leadership	Our Executive Team treat people the way they ask us to treat the ratepayers/community and each other	79%	11%
Performance Development	We have effective training that enhances the performance and development of individuals	75%	11%
Performance Development	The council provides opportunities for me to develop my skills and competencies and actively encourages career development	78%	11%
Project Planning	Effective consultation occurs before changes are made that affect others	64%	11%
Rate payer / Community Focus	Our council has a positive reputation with our ratepayers/community	66%	11%
Review	The measurements we use show clearly whether or not we are on target with our strategy and projects	69%	11%
Review	Projects are reviewed thoroughly to see how well the actual outcome reflected the forecast outcome	65%	11%
Leadership	The council has a culture of empowerment that maximises the performance of staff	70%	12%
Organisational Learning	People are regularly asked for feedback on how to improve the council	67%	12%
Business Processes	We have the technology to effectively support our processes	69%	13%
Leadership	I am confident that our Executive Team is leading us in the right direction	79%	13%
Leadership	People are confident that our Executive Team will successfully implement our strategy and vision	76%	13%
Rate payer / Community Focus	Our council has a positive reputation in its local business community	71%	13%
Business Processes	Our council allocates resources effectively to achieve agreed outcomes	69%	14%
Performance Development	I have regular performance reviews and receive effective feedback	79%	14%
Culture	We have clear and effective systems for dealing with intimidating behaviour and workplace bullying, which are applied equally to everyone	75%	15%
Information	We can quickly obtain customised reports from our information systems	68%	18%

# Benchmarking - Engagement

This report compares your survey results with the AskYourTeam benchmark for the People Score and Participation rates

## People Score (Engagement)

Overall People Score	74%
People Score Benchmark	66%
Difference	8%

## Participation

Survey completion count	178 of 214
Survey participation rate	83%
Participation Benchmark	74%
Difference	9%



## **Audit and Risk Committee**

Meeting of 17 May 2019

Business Unit: Corporate and Regulatory

Date Created: 30 April 2019

### **Third Quarter Report to 31 March 2019**

#### **Purpose**

To provide a summary to 31 March 2019 of the Council's performance against Year One of the 2018/28 Long Term Plan.

#### **Significance of Decision**

The Council's Significance and Engagement policy is not triggered by matters discussed in this report.

#### **Recommendations**

That the Audit and Risk Committee recommends:

That the Council receives the Third Quarter Report and the Capital Expenditure Report for the period ended 31 March 2019.

Report prepared by:  
Colleen Morris  
Chief Financial Officer

Approved for submission by:  
Shayne Harris  
General Manager - Corporate and Regulatory

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## 1 Contribution to the Council Vision and Council Outcomes

### 1.1 Relationship to the Council Outcomes that underpin the Council's Vision:

*Connected, vibrant and thriving Manawatū District – the best lifestyle in New Zealand*

Manawatū District protects the natural environment through stewardship of the District's natural and physical resources.	Manawatū District attracts and retains residents and businesses.	Manawatū District develops a broad economic base from its solid foundation in the primary sector.	Manawatū District is connected via quality infrastructure, services and technology.	Manawatū District's built environment is safe, resilient and attractive.	Manawatū District Council is a customer-focussed and efficient organisation.
✓	✓	✓	✓	✓	✓

## 2 Background

2.1 Quarterly governance reports provide interim updates towards end of year results to be published in the Annual Report 2018/19. The Annual Report accounts for how Council performed against Year One of the 2018-28 Long Term Plan. The quarterly reports summarise Council's financial performance, progress on capital projects, levels of service performance and reasons for significant differences from what was planned.

## 3 Discussion and Options considered

3.1 This report is for information purposes. Any matters that require resolution would be reported separately to Council.

## 4 Operational Implications

4.1 There are no capital or operating expenditure implications, or maintenance costs associated with this paper.

## 5 Financial implications

5.1 Any financial implications would be reported separately to Council.

## 6 Statutory Requirements

6.1 Quarterly governance reports provide an overview of results towards the Annual Report, which will be prepared and audited in accordance with the requirements of the Local Government Act 2002.

## 7 Delegations

7.1 The Audit and Risk Committee's Terms of Reference includes the responsibility for financial reporting, including the following:

- long term planning including the financial strategy;
- appropriateness of accounting policies;

- annual report; and
- internal report (monthly and/or quarterly).

## **8 Consultation**

8.1 There are no consultation requirements associated with this matter.

## **9 Cultural Considerations**

9.1 There are no cultural considerations associated with this report.

## **10 Conclusion**

10.1 The quarterly reports are a mechanism of transparently reporting against progress towards achieving targets set in the Long Term Plan.

## **11 Attachments**

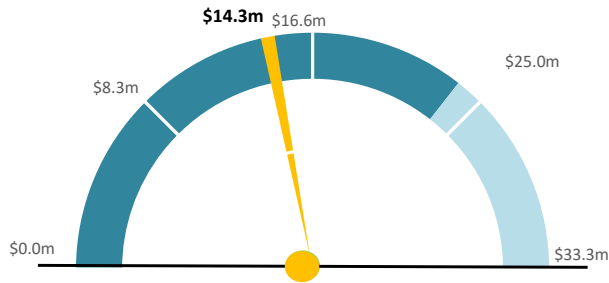
- Quarter Three Report
- Capital Expenditure Report for the period ended 31 March 2019

# Key Indicators

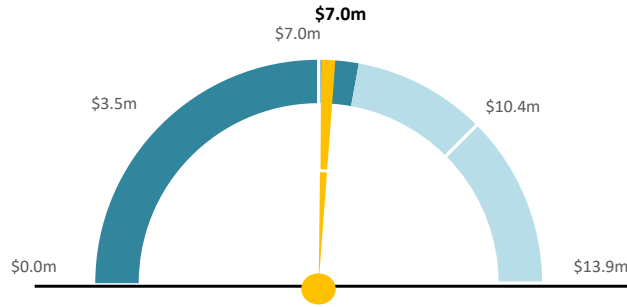
For the period ended 31 March 2019



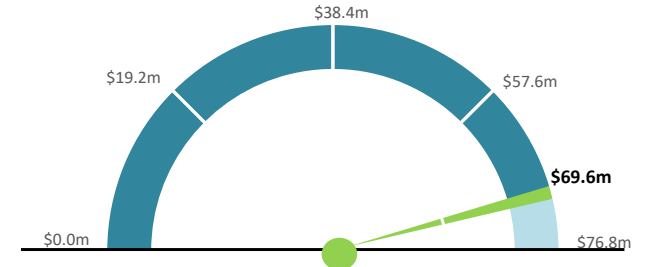
**Capital Expenditure**



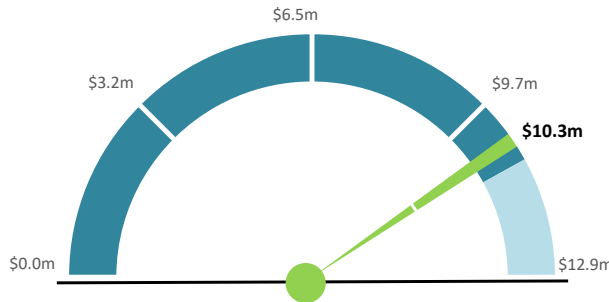
**Loans Raised (excluding refinancing loans)**



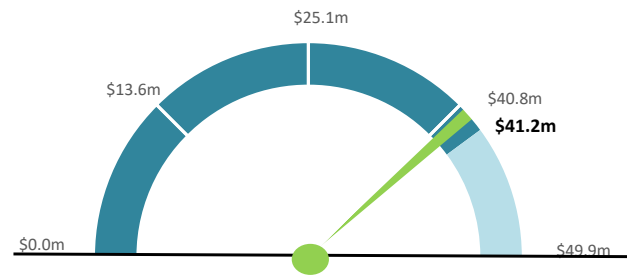
**Total External Debt**



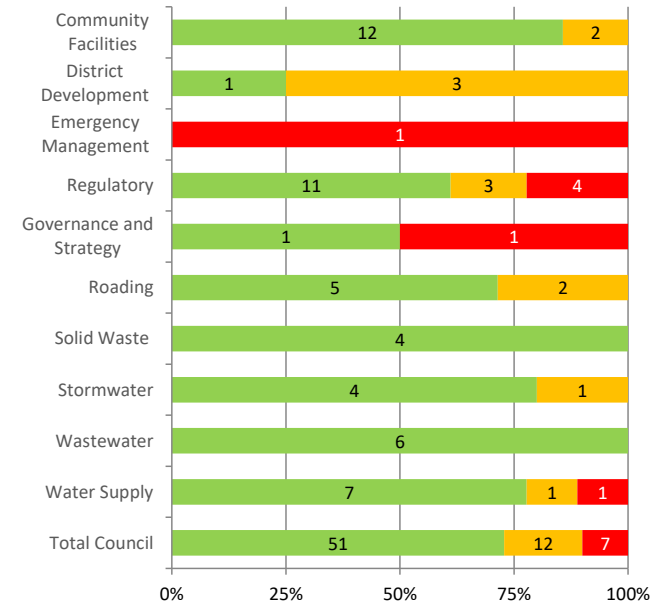
**Total Operating Revenue (excluding rates)**



**Total Operating Expenses**



**Key Performance Indicators**



**Key**

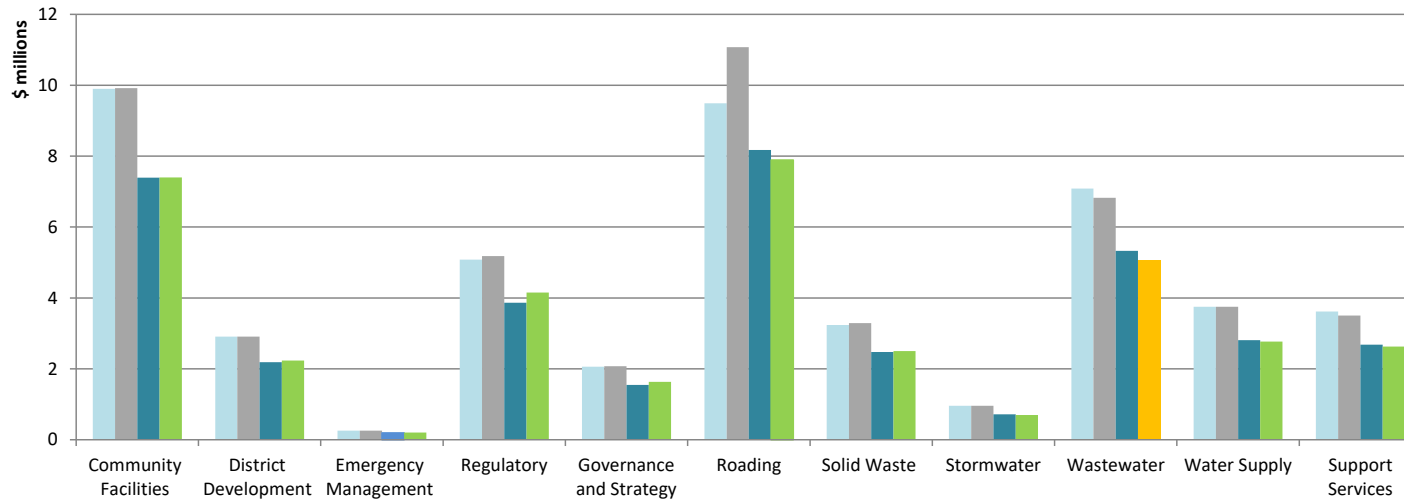
- Annual Plan
- YTD Budget
- Actual - On Track
- Actual - Needs Monitoring
- Actual - Not achieving

# Overall Council Summaries

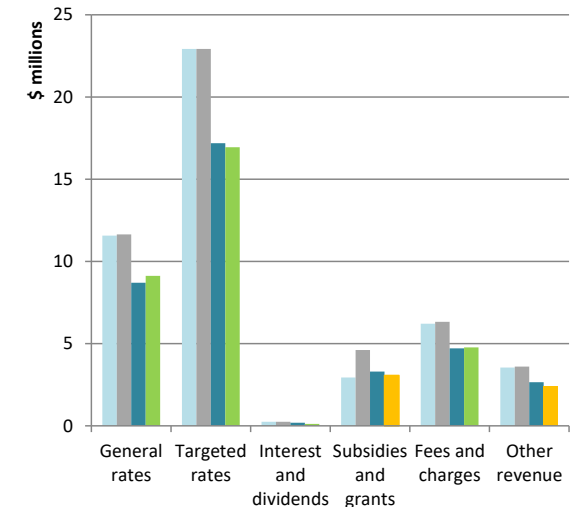
For the period ended 31 March 2019



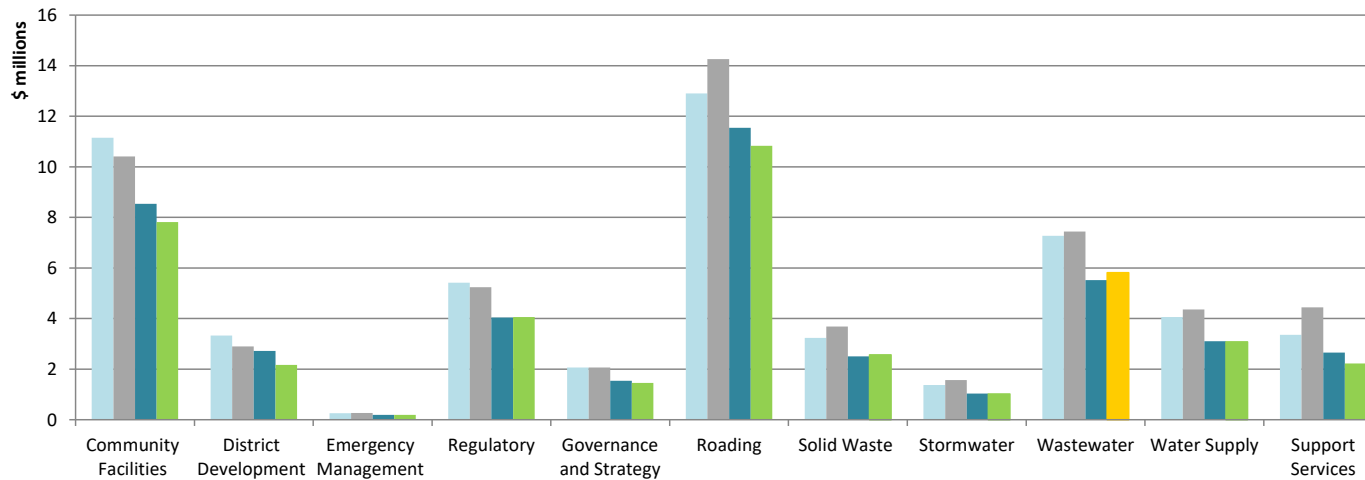
### Operating Revenue - by activity



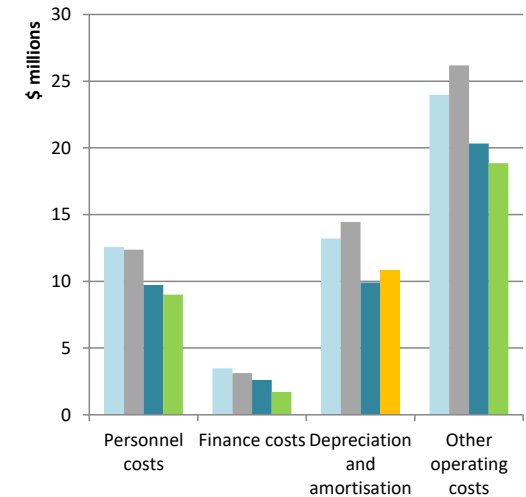
### Operating Revenue - by type



### Operating Expenditure - by activity



### Operating Expenditure - by type



#### Key

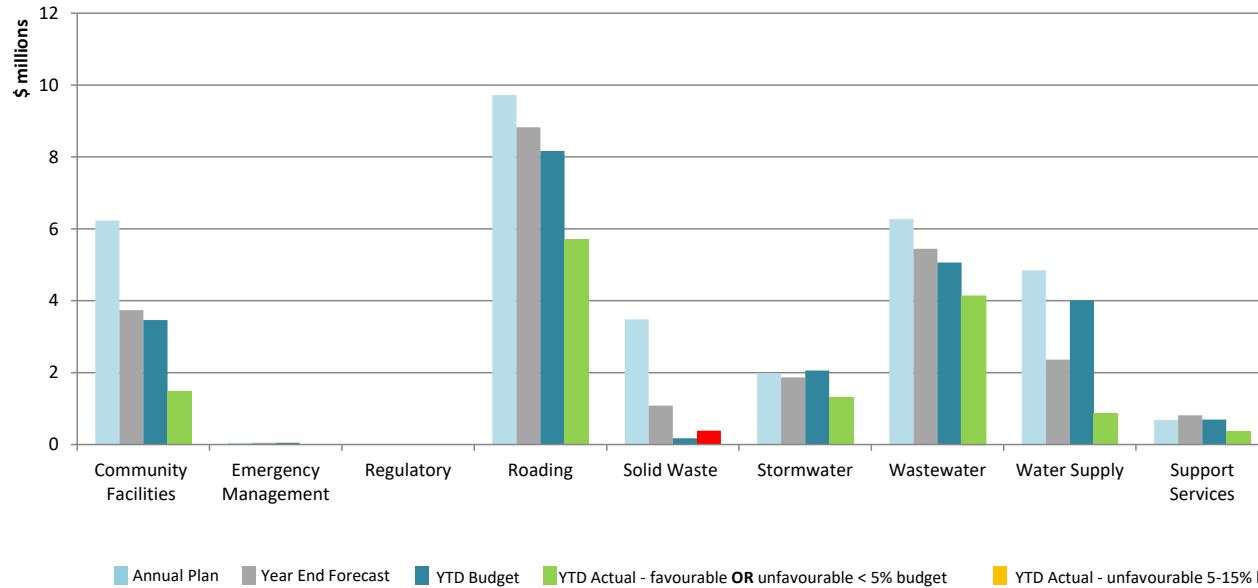
- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

# Overall Council Summaries

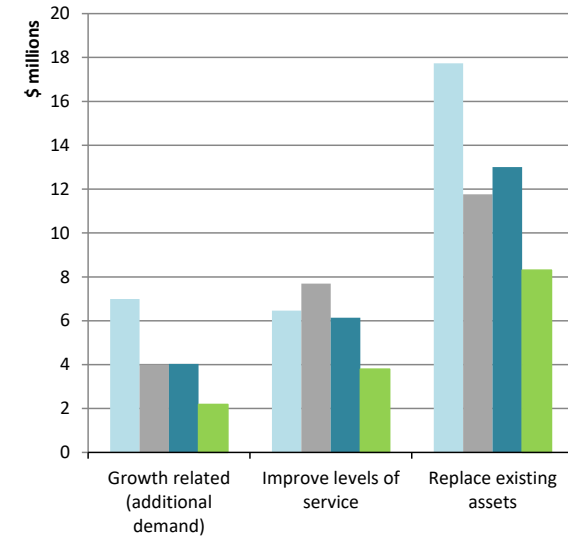
For the period ended 31 March 2019



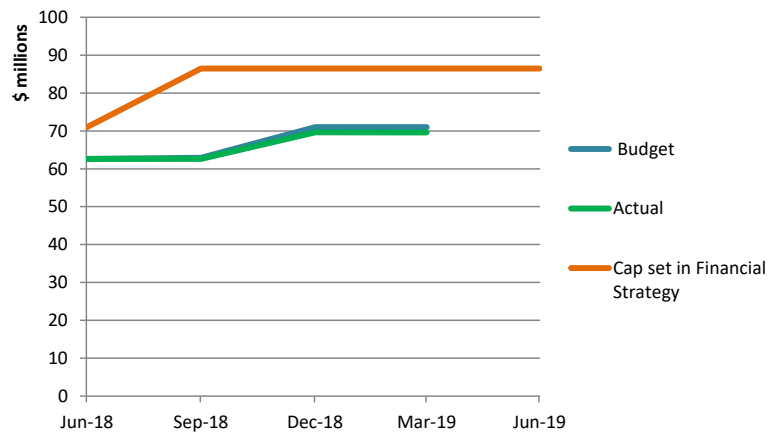
### Capital Expenditure - by activity



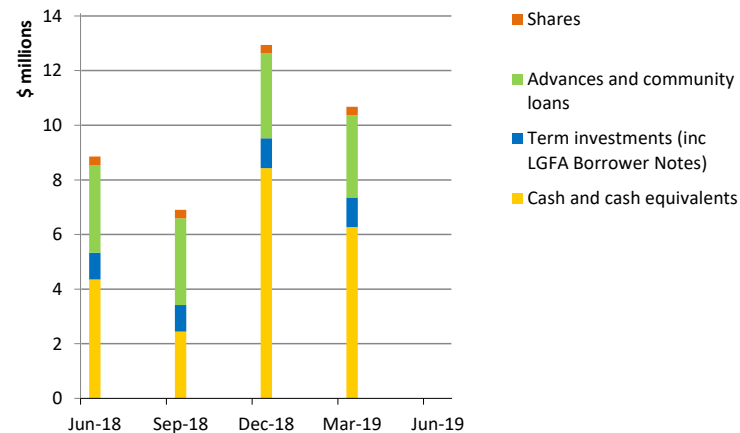
### Capital Expenditure - by type



### External Borrowings



### Investments - by type



#### Comments:

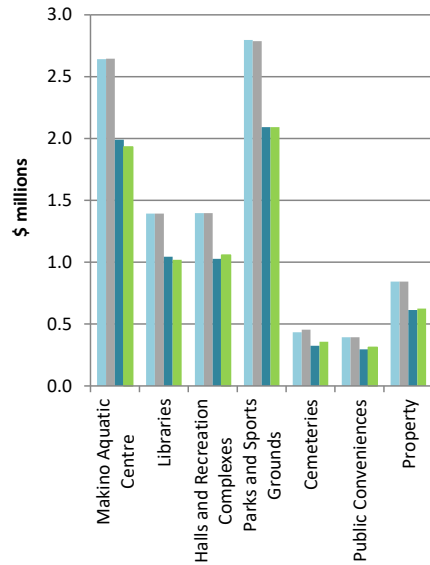
In July we borrowed \$1m from the BNZ to meet our cash flow needs. This was repaid in August after rates were received. Council borrowed \$7.0m in December. In March 2019, through the LGFA tender process \$10.5m was refinanced at a lower interest rate.

# Community Facilities

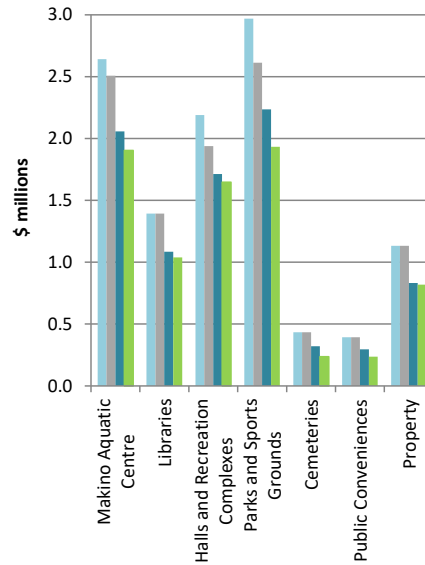
For the period ended 31 March 2019



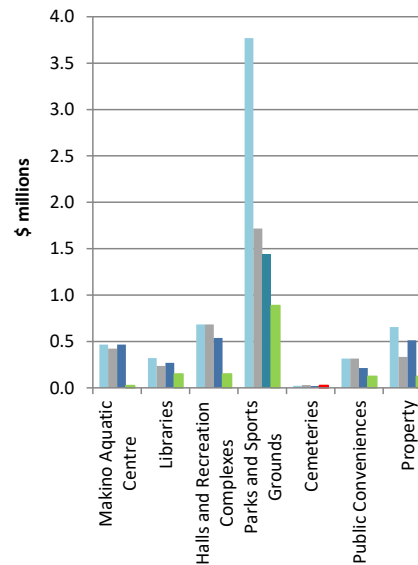
## Operating Revenue



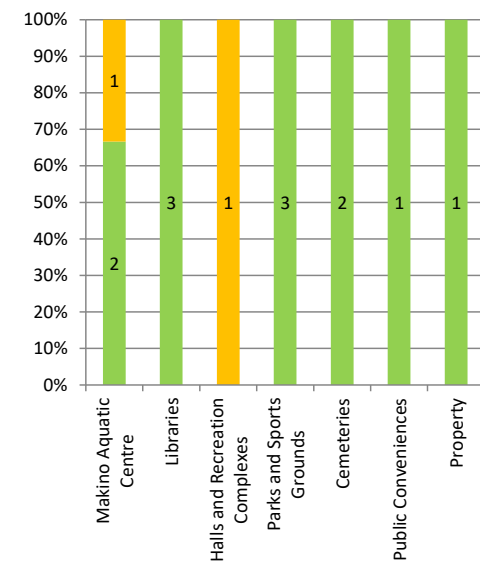
## Operating Expenditure



## Capital Expenditure



## Key Performance Indicators



Revenue is from rates and user fees and charges.

Cemeteries are \$32k above budget, due to more interments and plot reservations than expected.

Halls and Recreation Complexes - Bunnythorpe Hall grant paid to Palmerston North City Council, \$240k. Maintenance works on Kiwitea and Halcombe Halls behind schedule but expected to be complete by the end of the financial year.

Parks and Sports Grounds - anticipated work programme will be caught up by the end of the financial year, however the year end forecast has been reduced to account for staff vacancies and efficiencies (\$205k) and depreciation on projects not yet complete.

The capital expenditure report contains the progress of individual projects.

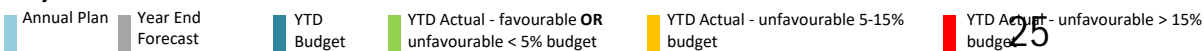
Makino Aquatic Centre (MAC) - The results of the annual customer satisfaction survey are currently being collated and will be ready for quarter 4. A total of 45,679 customers have participated in water activities. The annual target is 50,000.

Halls and Recreation Complexes - Hall usage is measured at year end.

Property - Survey results show customer satisfaction with Council owned property for this quarter is 94% (from 77 respondents). This exceeds the target of 85%.

(Continued Page 15)

### Key

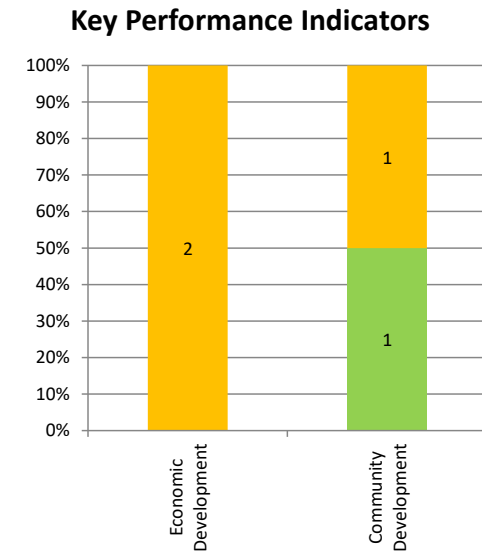
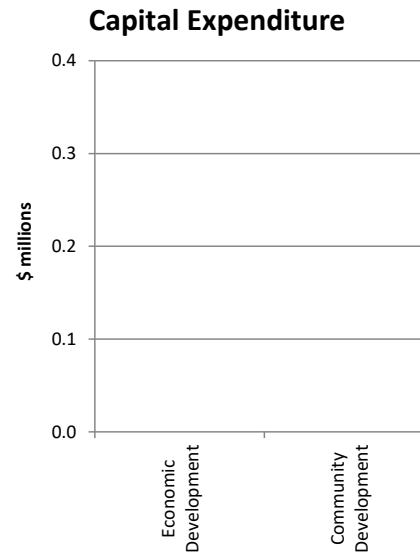
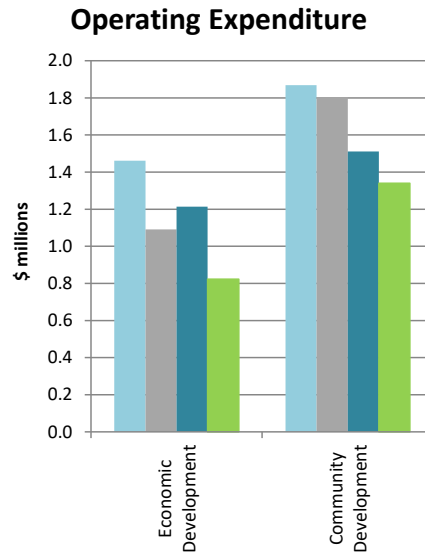
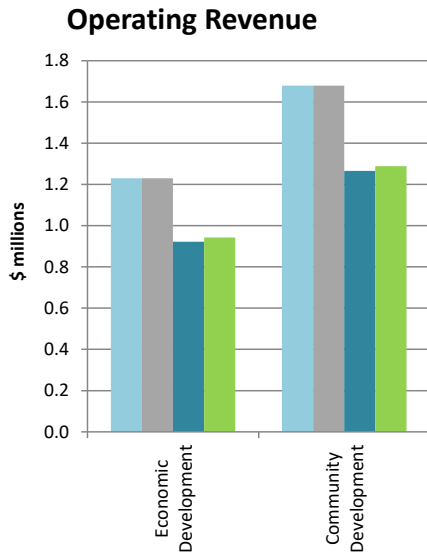


### Key



# District Development

For the period ended 31 March 2019



Income is primarily from rates.

Economic Development - The Ultra Fast Broadband project (\$212k) is on hold, pending other decisions on the Turners Road development. Economic Development opportunity and collaboration (\$159K) also unlikely to be completed in this financial year.

Community Projects - \$171k difference to budget. Funding round for grants (March 2019) to be paid in April 2019. Event Fund applications have closed, \$64k underspent, request for carry forward to be made. Economic Development and Community grants to be paid later this year.

There is no capital expenditure for this activity.

Community Development - Council received in the 2nd quarter the 2017/18 12-month Accountability Reports from the 13 organisations who currently have contracts of service through the Partnership Fund. All organisations had met their obligations under their respective contracts. During this quarter Council received reports from two representative grant recipients (annual total of 14).

(Continued page 15)

## Key

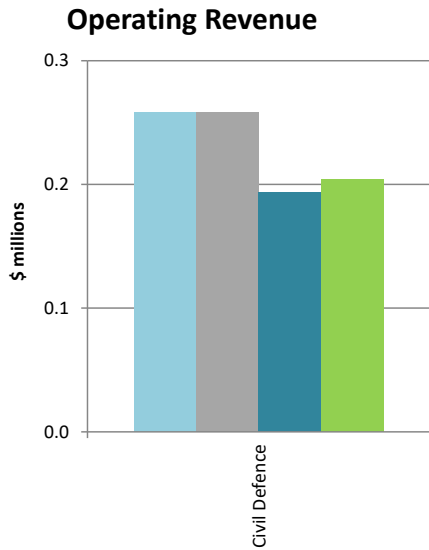
- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

## Key

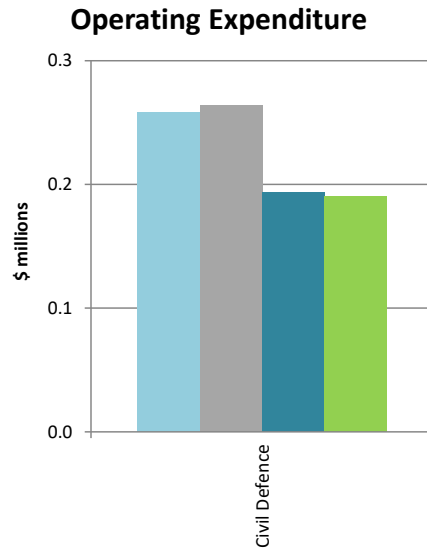
- On Track
- Needs Monitoring
- Not achieving

# Emergency Management

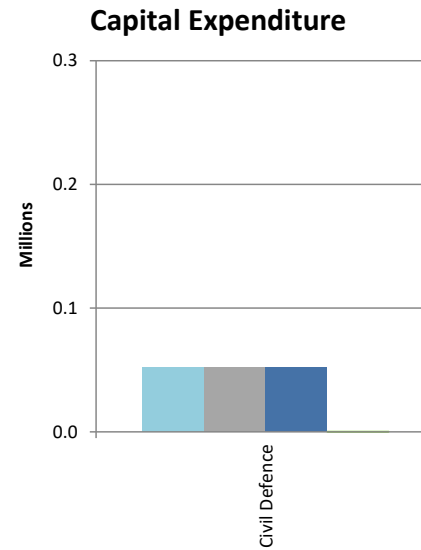
For the period ended 31 March 2019



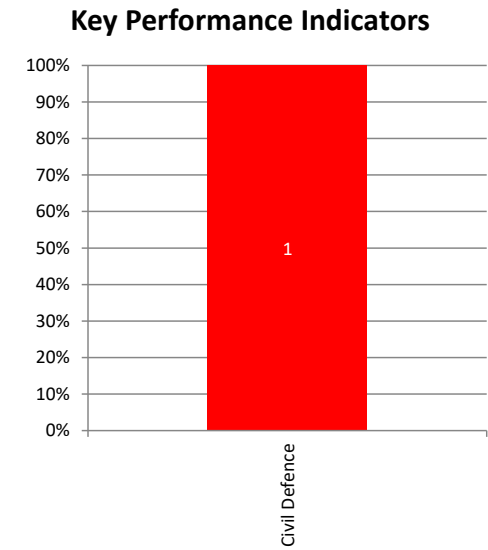
Income is primarily received through rates.



Expenditure is on track.



Capital expenditure planned for this activity has been deferred to May 2019.



Civil Defence - Community satisfaction in quarter 3 is 75%. Resident satisfaction was 77% in the 2017/18 financial year (from 457 respondents) and the target is a 2% increase of this result.

## Key

- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

## Key

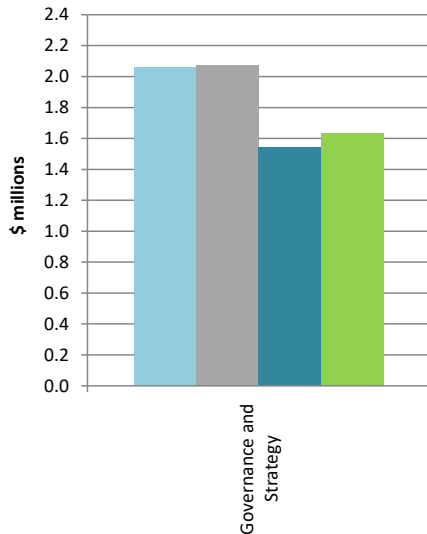
- On Track
- Needs Monitoring
- Not achieving

# Governance and Strategy

For the period ended 31 March 2019

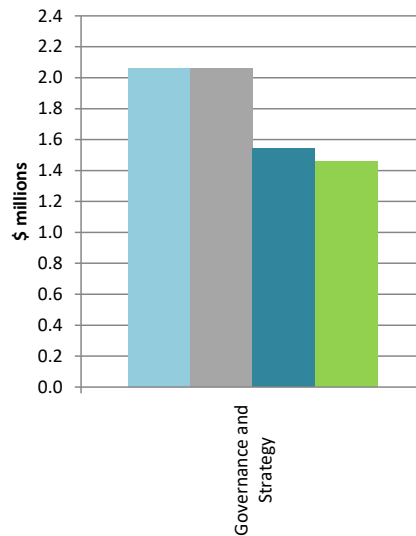


## Operating Revenue



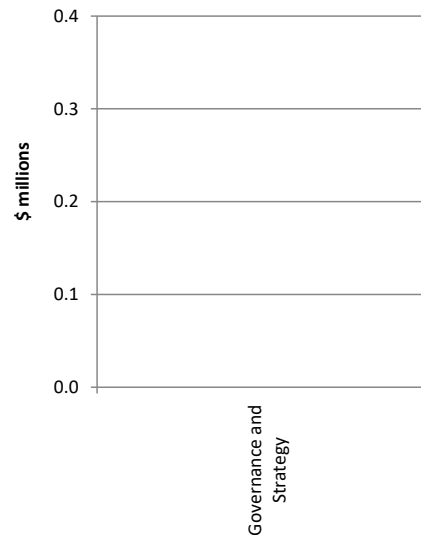
Income is received through rates.

## Operating Expenditure



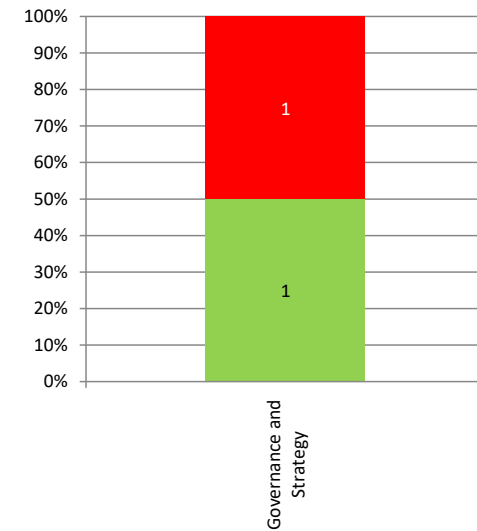
Expenditure on conference expenses and other remuneration were lower than budget by \$71k. This amount is expected to be utilised later in the financial year.

## Capital Expenditure



There is no capital expenditure planned for this activity.

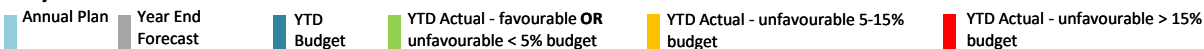
## Key Performance Indicators



The Customer Satisfaction survey showed that during quarter 3.68% of the 98 respondents were satisfied with opportunities Council provides for community involvement in decision making (target 80%).

There have been no breaches of the rating or debt levels set in the financial strategy. The limit for rate increases for the 2018/19 year is 5.0% (excluding increases as a result of growth and new levels of service) with a planned increase of 4.8% in the Long Term Plan. Actual rates revenue is slightly greater than budget due to an increase of rates penalty being charged and property changes between the time rates were set and the 30th June. The borrowing limit for the 2018/19 year is \$86 million with \$77 million planned in the Long Term Plan.

### Key



### Key

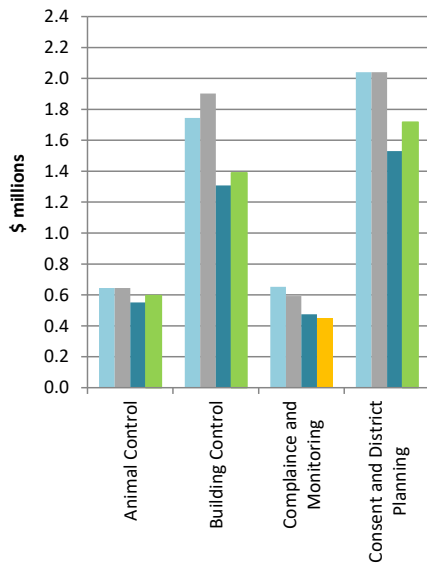


# Regulatory

For the period ended 31 March 2019



## Operating Revenue

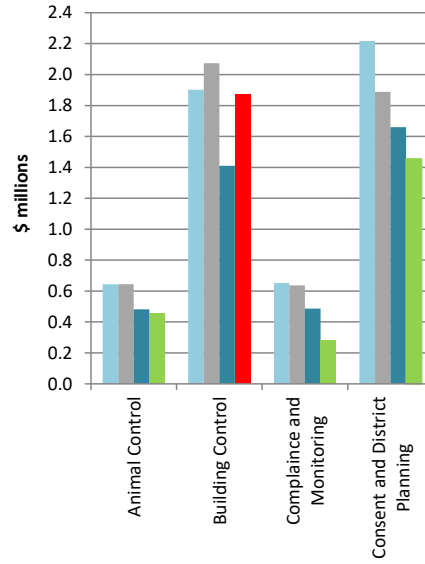


Dog registration revenue \$39k ahead of budget. Estimated less than 10 animals left to be registered this year.

Building Control revenue \$57k ahead of budget, reflecting increased growth in district. District Planning fees are \$126k ahead of budget as a result of an increased number of applications.

Alcohol Licensing Fees (\$16k down) and Environmental Health (\$16k above) have variances as renewal dates are spread unevenly during the year. The annual budget is expected to be met. Compliance contract revenue may not meet annual target as level of work from Palmerston North City Council is less than

## Operating Expenditure

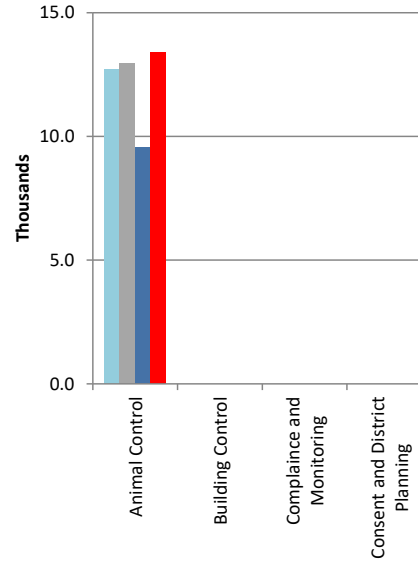


Building Control - \$162k additional expense for building consultants due to the increased number of applications. Recovery is expected at a later date. This cost is partially offset by increased building control revenue. Earthquake prone building project \$116k lower than budget, pending the appointment of an engineering resource.

Environmental Health and Monitoring costs lower than budget \$14k, as the staff allocation is down by one staff member.

The District Plan project consultant costs are \$327k behind budget. This project is being reassessed.

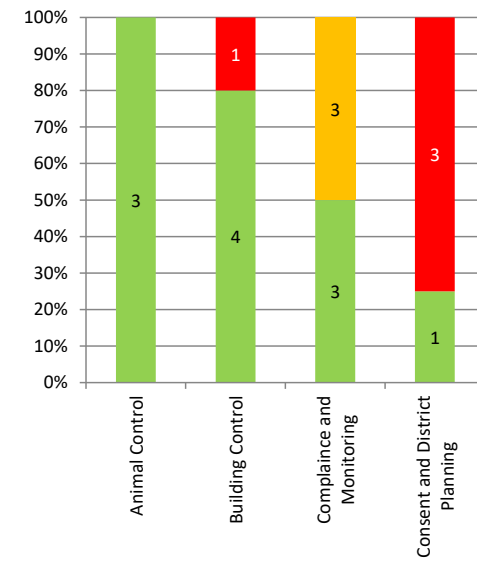
## Capital Expenditure



The capital expenditure report contains the progress of individual projects.

Annual capital expenditure planned for this activity was completed in December 2018.

## Key Performance Indicators



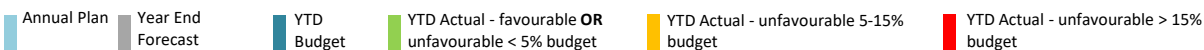
Building Control - 493 Code of Compliance certificates have been issued with 94% being within the required timeframe (target 95%).

A total of 493 building consents and 211 fast track building consents have been issued with over 95% being processed and approved within the required timeframe.

Consent and District Planning - 52 controlled activity resource consents have been received this year. 32 of these were land use consents of which four were processed within the 10 day timeframe. This results in a total of 46% processed within the timeframe (target 90%).

(Continued page 15)

### Key



### Key

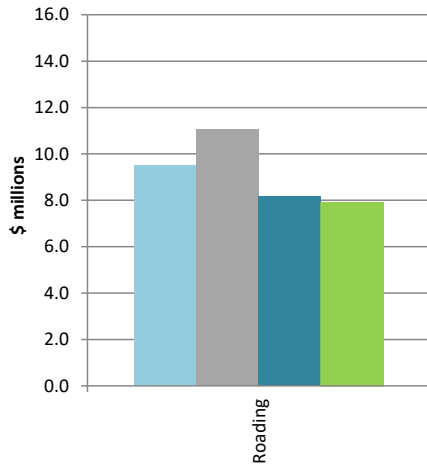


# Roading

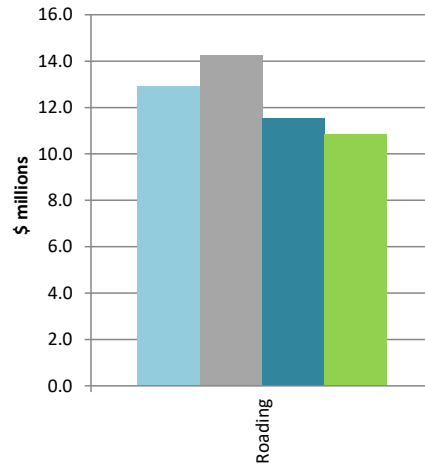
For the period ended 31 March 2019



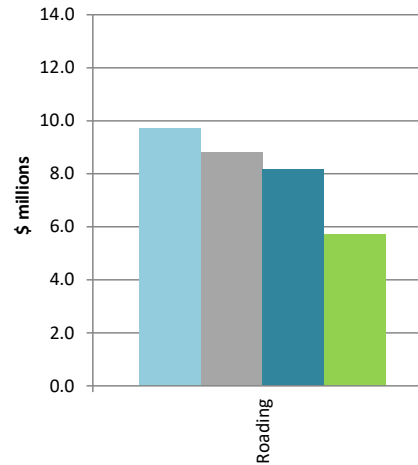
### Operating Revenue



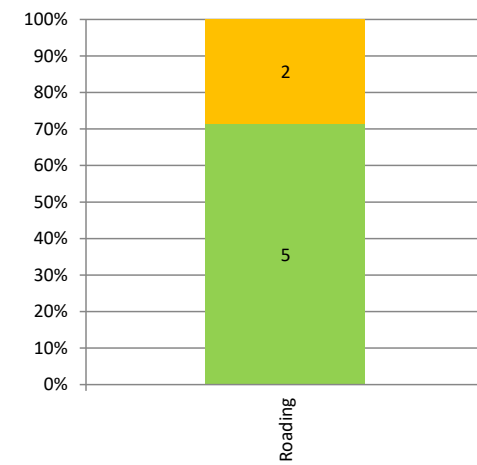
### Operating Expenditure



### Capital Expenditure



### Key Performance Indicators



Revenue is received through rates and NZTA subsidies.

Subsidy revenue is lower than budget by \$258k, as a result of delays to the maintenance programme, necessary to allow for emergency works.

The increased expenditure for emergency works related to the June and September 2018 weather events will attract a higher than normal subsidy.

The volume of emergency work has caused delays in delivery of the maintenance and renewal programmes, final emergency work costs are expected to be lower than initial estimates, any surplus budget will be declared to NZTA at the end of the financial year.

The maintenance programme is still planned to be completed this financial year.

The forecast reflects the emergency works programme approved by Council.

The capital expenditure report contains the progress of individual projects.

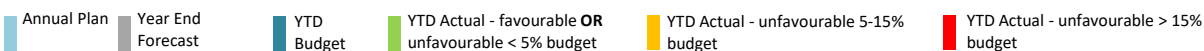
Road crash statistics are not available for this quarter.

The road re-seal programme has reached the annual target of resealing 5% of the local road network.

75 urgent and 718 non-urgent requests have been received, with five urgent and one non-urgent request exceeding the targeted timeframe (target 90%).

The Footpath Survey shows 95% of the District's footpaths are within acceptable standards (target 95%)

## Key



## Key

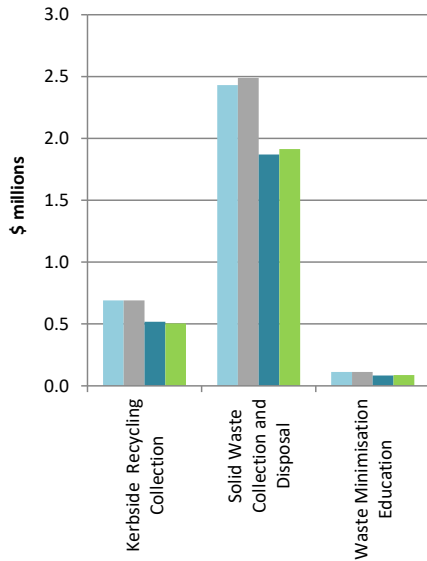


# Solid Waste

For the period ended 31 March 2019



### Operating Revenue

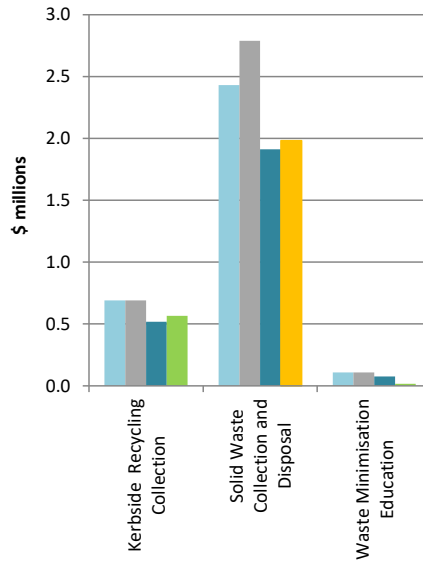


Revenue is primarily from rates, gate takings at the transfer station and blue bag sales.

Transfer station gate takings are \$90k ahead of budget, due to accepting more commercial waste at the transfer station.

Refuse bag sales are \$115k behind budget. Bag sales are \$15k ahead of the same point last year, as Budget Waste have withdrawn their yellow bags from the market.

### Operating Expenditure

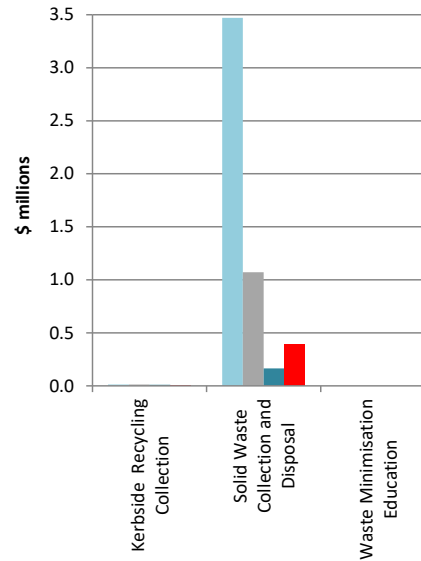


Disposal costs are overall \$161k greater than budget. These costs are partially offset by additional transfer station gate takings.

Waste volumes (above the existing contracted limit of 208 tonnes per month) have triggered cost escalations.

Waste Minimisation Education expenditure is on hold, pending a review of the programme. Currently \$60k below budget.

### Capital Expenditure

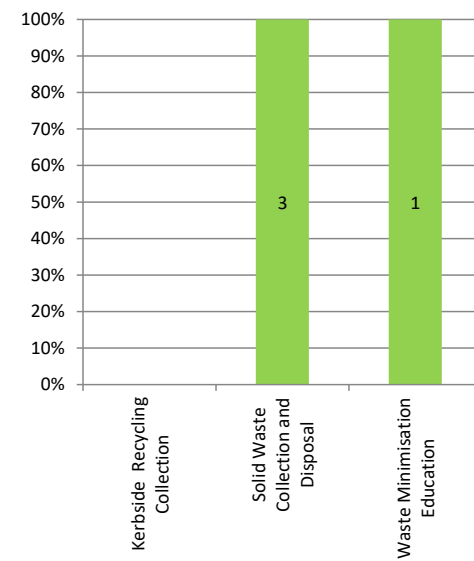


The capital expenditure report contains the progress of individual projects.

The capital costs associated with the Kerbside Recycling Collection are for bin purchases.

The capital costs associated with Solid Waste Collection and Disposal are for the Resource Recovery Centre. Initial planning costs are ahead of schedule. Construction of the Resource Recovery Centre will be deferred to the next financial year.

### Key Performance Indicators



This quarter St Josephs School received a waste education module. The Enviroschools programme visited Newbury, Sanson Schools and Pundleducks Preschool.

There were 52 justified complaints received during the quarter. Total complaints remain under the target of less than 100 per 100,000 collections.

94% of rural residents are within 10 km of a rural refuse collection point (target 90%). The research into this was carried by Council GIS staff.

#### Key

- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

#### Key

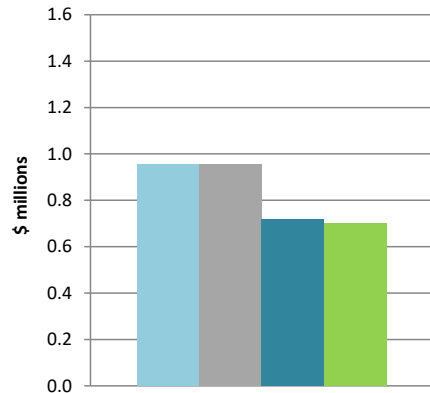
- On Track
- Needs Monitoring
- Not achieving

# Stormwater

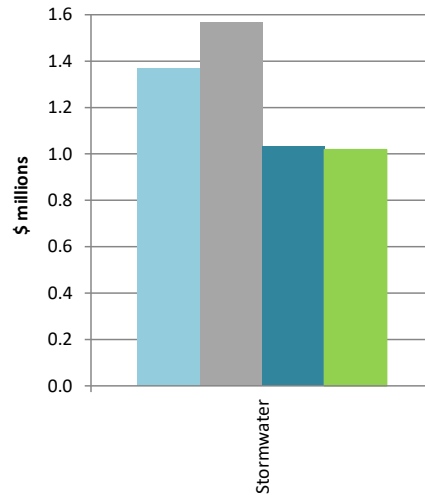
For the period ended 31 March 2019



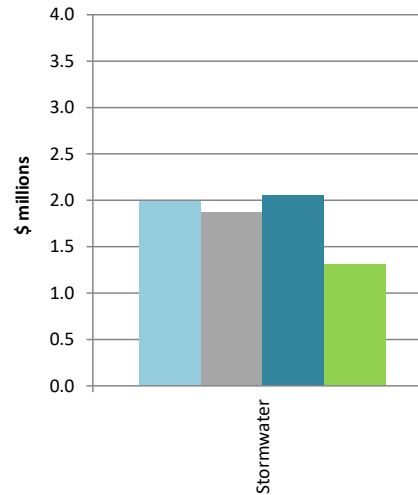
### Operating Revenue



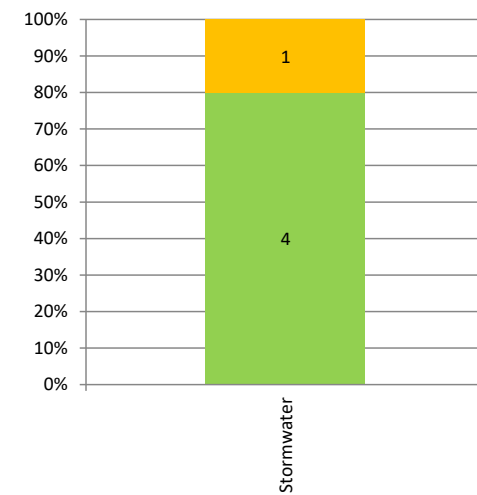
### Operating Expenditure



### Capital Expenditure



### Key Performance Indicators



All revenue is sourced from rates.

Operational spend is expected to meet year end target.

Staff productivity has resulted in higher internal charges.

Asset revaluations have now been entered, reducing the annual amount of depreciation.

The capital expenditure report contains the progress of individual projects.

A number of projects have been carried forward from last financial year, since the Annual Plan was adopted.

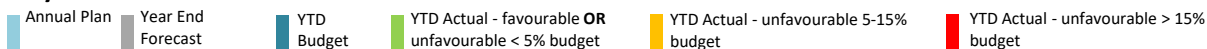
Iwi consultation and Horizons consent requirements have resulted in delays before commencing physical works.

41 complaints have been received to date. Based on the 6,896 connections this equates to 5.9 complaints per 1,000 connections to date (the target is less than six complaints per 1,000 property connection for the year). The target will not be met if another complaint is received.

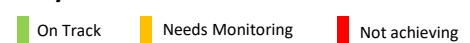
No flooding of habitable dwellings has been reported.

No abatement notices, infringement notice, enforcement orders, or convictions have been received.

#### Key



#### Key

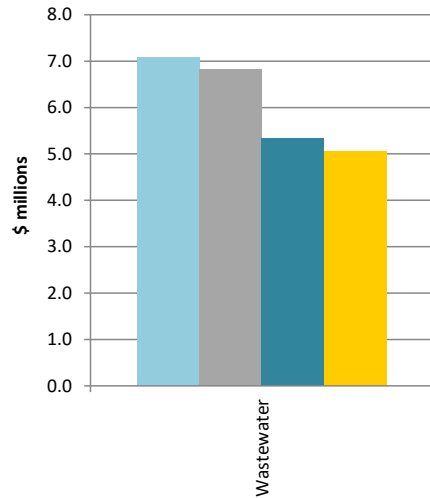


# Wastewater

For the period ended 31 March 2019



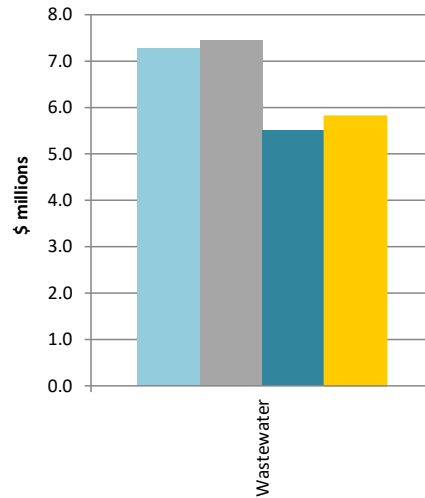
**Operating Revenue**



Revenue is from rates, trade waste charges and volumetric charges.

Trade waste charges have been adjusted in consultation with industry. Revenue is consequently less than budgeted. This trend is expected to continue for the rest of the year. Additional revenue streams from other trade waste customers are being investigated.

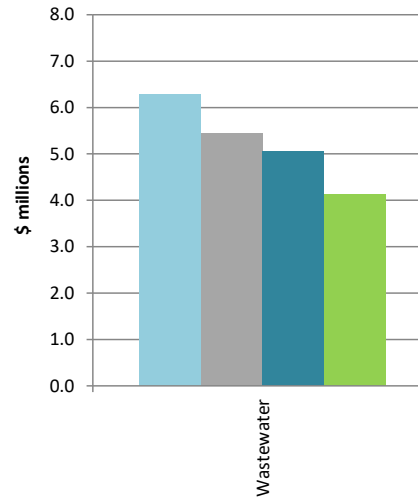
**Operating Expenditure**



Operational spend is expected to meet year end target.

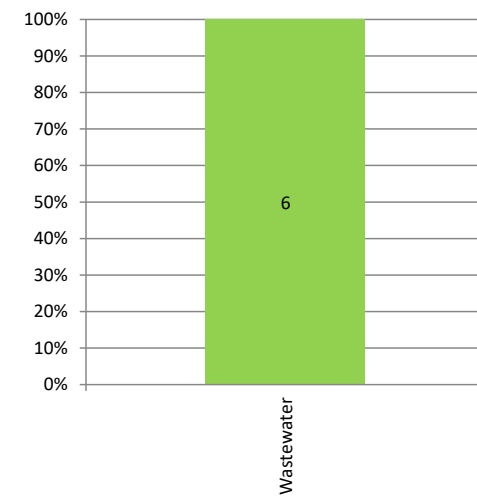
Staff productivity has resulted in higher internal charges.

**Capital Expenditure**



The capital expenditure report contains the progress of individual projects.

**Key Performance Indicators**



A total of 2 dry weather overflows have been recorded. Based on the 6,999 in the asset management plan equates to 0.28 complaints per 1000 connections (target is less than six).

The median attendance and resolution times for sewerage overflows are within the targeted timeframes.

11 system blockage complaints and 2 system fault complaints have been recorded (target is less than 20 total complaints per 1000 connections). No complaints have been received for any other category.

**Key**

- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

**Key**

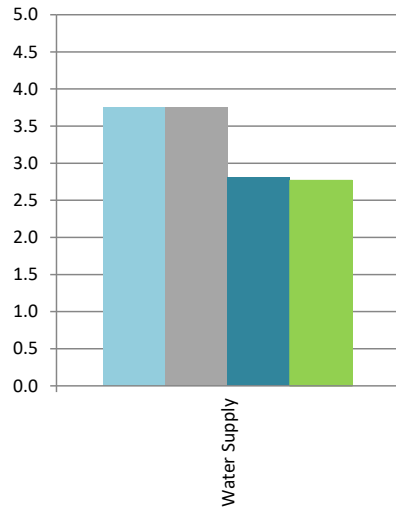
- On Track
- Needs Monitoring
- Not achieving

# Water Supply

For the period ended 31 March 2019

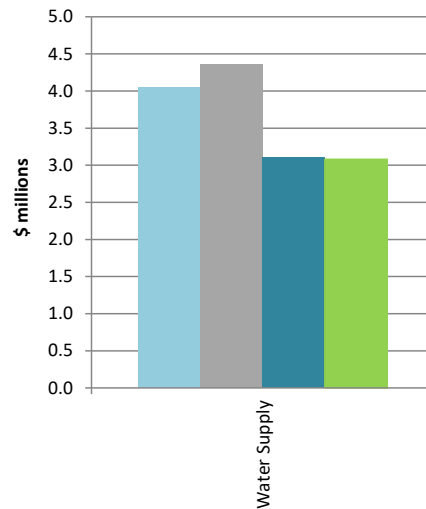


## Operating Revenue



Revenue is from rates and metered water.

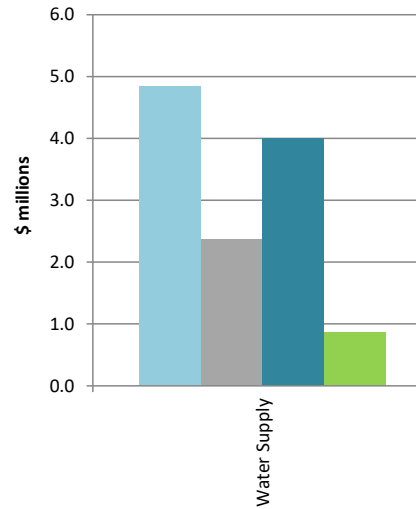
## Operating Expenditure



Operational spend is on target.

Staff productivity has resulted in higher internal charges.

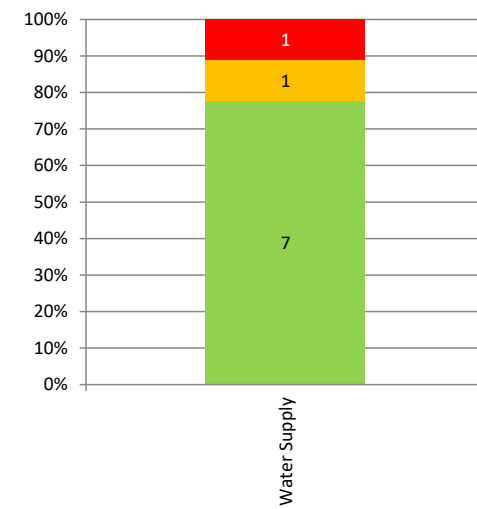
## Capital Expenditure



The capital expenditure report contains the progress of individual projects.

A number of projects have been carried forward from last financial year. Awaiting consents before physical works can commence.

## Key Performance Indicators

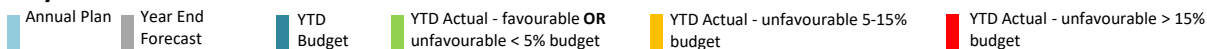


Sanson is not meeting Protozoa Compliance with the current river source. A new water treatment plant project is scheduled for completion in July 2019.

11 urgent and 157 non-urgent faults have been recorded. Both the median attendance and resolution times are within the targeted time.

(Continued page 15)

### Key



### Key

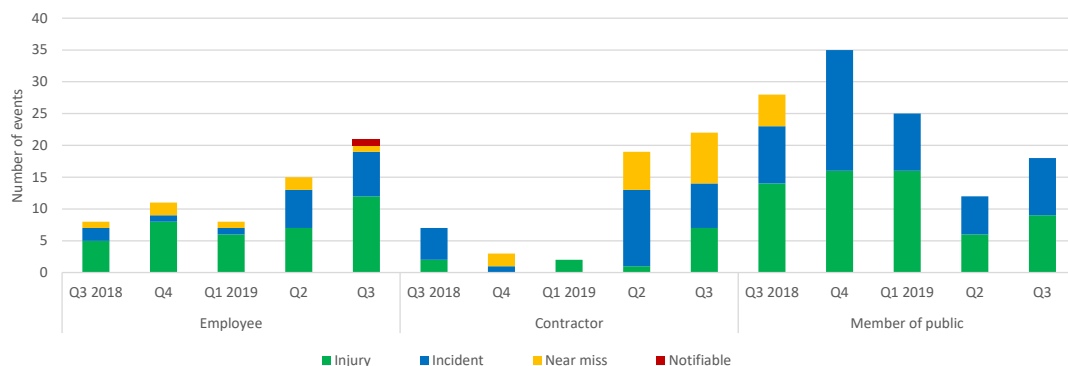


# Health and Safety

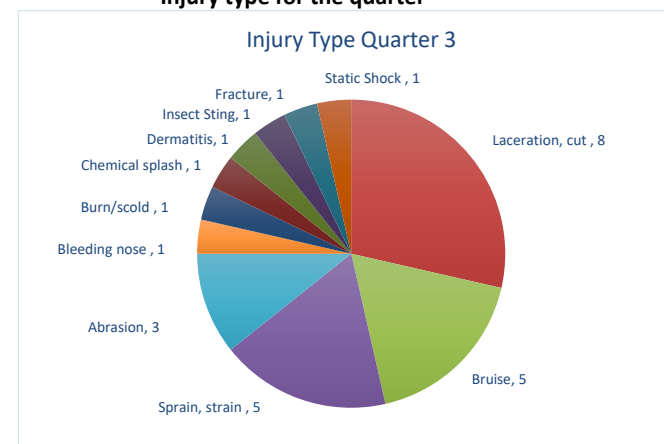
For the period ended 31 March 2019



## Events reported



## Injury type for the quarter



### Notifiable events this quarter

Notifiable: 1 Not Notifiable: 27

### Communication and education

- Confined Spaces Course over view
- The Drug and Alcohol Policy updated
- The Child Protection Policy is a new policy
- New Critical Incidents guide

### Training and inductions

- 17 new staff H&S inductions
- Confined Space and Gas Detection
- First Aid Refreshers
- Health and Safety Representative Initial
- Height Safety Introduction

### Rolling year injuries

Abrasion / scratch / graze	16
Bleeding nose	6
Bruise/contusion	17
Burn (chemical)	1
Burn/scold	1
Chemical splash	1
Crushing injury	1
Dermatitis/skin rash	1
Dislocation	1
Emotional	3
Fractured bone	2
Friction Burn	1
Illness Toxic	2
Insect or Spider bite	1
Laceration, cut	19
Puncture wound	3
Sprain, strain	17
Static Shock	1
<b>Total</b>	<b>94</b>

### Lost time (days) year to date



### Significant incidents this quarter

- \* Staff member gashing their hand while taking down sun sail in the wind. Reported to WorkSafe
- \* Youths climbing over the Makino pool fence in the middle of the night and using the diving board and pool. Increased lighting and change of direction of security cameras has been planned. The pool will be emptied for the winter.

### H&S audits

- \* 9 RDC water treatment plants and pump stations
- \* 7 RDC waste water plants
- \* Makino pool outdoor complex
- \* Archives building
- \* Manchester Street office
- \* Himatangi and Tangimoana Holiday parks

### Wellness initiatives

- \* 7 workstation assessments
- \* 1 pre-employment drug and alcohol tests
- \* 2 drug and alcohol testing reasonable grounds
- \* 7 eye tests
- \* 34 MDC Biggest Loser
- \* 27 MDC Wellness Challenge
- \* How to thrive (women's day event) open to all staff

# Comments Continued



## Community Facilities

Library - There has been a total of 41,052 digital users during the 2018/19 year (annual target 55,000).

The Library has conducted a total of 1103 events (annual target 920) with 15,042 participants (annual target 13,800).

Public Conveniences - There have been three complaints received this quarter relating to inadequate maintenance or cleaning. Year to date there have been five complaints against an annual target of less than 10 complaints.

Cemeteries - No complaints have been received about late or inadequate interment services. The this quarter's customer survey indicated 97% satisfaction from 52 respondents (target 90%).

Parks, Reserves and Sports Grounds - The customer satisfaction survey for this quarter indicated that 95% of the 105 respondents were satisfied with parks and sports grounds during this quarter (target 90%).

## District Development

Community Development - The annual resident satisfaction survey is not completed until the final quarter.

Economic Development - Progress of the 27 performance measures included in the CEDA Statement of Intent were reported to the Joint Strategic Committee during March. Of the performance measures 10 have been achieved, 11 are in progress and 6 have not yet been measured.

## Regulatory

Consent and District Planning- 82% of the 238 non-notified resource consents were completed within the 20 working day timeframe (target 90%).

There has been one limited notified resource consent issued this year. This was processed in 65 working days (target is within 50 working days).

Compliance and Monitoring - All food premises, licensed premises and health registered premises are on track to have the required amount of inspections by year end.

64 reports of issues endangering public health, 333 urban noise complaints and 191 other issues not endangering public health were reported. Response times remain above target.

Animal Control - To date there have been 142 priority one, 189 priority two and 634 priority three requests were received. 99% were responded to with the specified timeframe (target 90%).

## Water Supply

There have been a total of 77 complaints this year: 24 clarity complaints; 15 taste complaints; 2 odour complaints; 17 pressure complaints and 19 continuity of supply complaints. Based on the 7,316 connections, the category with the highest number of complaints (clarity) equates to 3.3 per 1,000 connections (target less than 20 per category).

	Actual YTD \$000	Budget YTD \$000	Variance YTD \$000	Variance YTD %	Commitments \$000	Full Year Revised Budget \$000	Annual Plan 2019 \$000	Physical Completion %	Year End Forecast \$000	Notes/Comments <i>Budget YTD reflects the amounts carried forward from 2018/19 after the Annual Plan was prepared.</i>
<b>Community Facilities</b>										
Feilding Cemetery Extension	22	14	8	57%	0	14	15	100%	22	The project has been completed.
Districtwide Cemetery Renewals	4	5	(1)	-20%	1	7	7	30%	7	Works are underway for the renewal of furniture within district cemeteries.
Strengthen Earthquake Prone Buildings	21	115	(94)	-82%	3	115	115	10%	21	Project will not commence in 2018/19 as the third party funding is being sourced to complete the refit of the Little Theatre.
Feilding Little Theatre Roof	17	20	(4)	-20%	0	20	20	100%	17	Project completed ahead of schedule as the work was carried out when the weather conditions were favourable.
Hall Renewals	9	5	4	81%	0	7	7	100%	9	This project has been completed.
Library Collection Purchases	131	158	(27)	-17%	18	211	211	75%	158	Purchases are made as required and will be completed by June 2019.
Library New Works	11	103	(92)	-89%	0	103	103	10%	12	External funding to be sourced for the project. Work is on hold pending a confirmed location for the new library. A request will be made to carry forward unspent budget to the 2019/20 financial year.
Library Renewals	8	8	0	0%	0	8	8	100%	8	Renewals have been completed.
Makino Park Playground and Skate	172	0	172	n/a	69	655	655	20%	350	Concept design has been completed for the Skate Park, with detailed designs underway. Work is progressing on the beautification of the stream and on a new walkway behind the brass band building. This includes raised platforms and beach entry points along the Makino. Carry Forwards will be requested for the landscaping and beautification around the proposed skate park.
Makino Pool Renewals	206	283	(77)	-27%	0	283	272	100%	210	Work has been completed on the Glulam Columns and the condition assessment of the outdoor pool pipes. Balance of funds to be carried forwards into 2019/20 to complete the renewal of the outdoor pool pipes.
Indoor Pool Renewals	22	163	(141)	-87%	36	163	174	80%	120	Plant room upgrades are underway and scheduled for completion by April 2019.
Indoor Pool Interior Painting	11	20	(9)	-44%	0	20	20	100%	11	All interior painting has been completed.
Sanson Public Toilets	36	214	(178)	-83%	83	214	214	40%	214	Toilets have been purchased and are ready to be installed on site with the new playground installation in May 2019.
Cheltenham Public Toilets	0	0	0	n/a	0	102	102	5%	102	Council has approved the gifting of land. Public Toilet to now be purchased. Physical work will begin later in the 2018/19 year.
Manfield Park Development	89	309	(220)	-71%	17	412	423	15%	89	Project is for the development of South Street and Kawakawa Road land. A request will be made to carry forward the balance.
New Storage Facilities and Holding Bays	0	77	(77)	-100%	0	103	103	0%	0	Budget based on the sale of the South Street depot which is in the early stages of negotiations with a potential buyer. Works for this will begin when land has progressed to a point when relocation of Recreational Services is required.
Districtwide Property Renewals Provision	6	11	(5)	-44%	0	15	15	70%	6	The Athletics shed renewal is complete. Pohangina residential house renewals are currently in scoping stage.
Kowhai Park New Paths, Carpark, Gardens	24	0	24	n/a	5	0	0	100%	24	Project has been completed.
Parks and Reserves Community Planning Projects	4	11	(7)	-66%	0	11	11	20%	11	Planting is taking place in Pohangina and at Himatangi Beach. Installation of signage and park furniture to occur later in financial year. A walkway to the Halcombe playground is under construction.
Timona Park Toilets	23	46	(23)	-50%	0	46	46	90%	46	The majority of the physical works have been carried out. Project is due to be completed in April 2019.
Pharazyn Park Growth	3	0	3	n/a	0	934	934	0%	3	Discussions are underway with land owner for land acquisition. Valuations have been received.
Feilding Walkways Quail Ave Project	10	0	10	n/a	9	279	279	30%	279	Work is underway on the construction of the walkway and pipeline. This is due to be completed by June 2019 but is weather dependant.
Johnston Park Seal Roads	26	0	26	n/a	0	35	35	100%	26	Project has been completed.
Parks and Reserves Walkways and Reserve Linkage	111	393	(282)	-72%	25	393	650	30%	282	Clearing work has been completed from the Railway to Johnston Park. Preliminary work has started on Rata Street to Kitchener Park, including easement and land purchases from Manfield Park. There is a potential delay with the Kitchener Park to Rata Street walkway as agreements for easements with third parties need to be finalised. A request will be made to carry forward the unspent budget to the 2019/20 year.
Awahuri Forest- Kitchener Park Carpark and Entrance Development	68	66	2	3%	0	66	66	100%	68	Carpark entrance and resealing has been completed.
Districtwide Reserves New Works	1	10	(9)	-89%	0	10	10	0%	10	Walkway in Halcombe domain is underway with completion expected in April 2019.
Feilding CBD New Works	18	11	7	66%	13	14	14	100%	16	Irrigation has been installed and project has been completed.
Himatangi Beach Reserve New Works	22	17	5	30%	0	22	22	100%	22	Work is now completed.
Johnston Park New Works	6	25	(20)	-79%	0	64	64	0%	64	Works will begin later in the 2018/19 year.
Tangimoana Beach Coastal Reserves - New Works	0	9	(9)	-99%	0	12	12	0%	12	Signage within Tangimoana to be installed in mid 2019.
Timona Park New Works	166	216	(50)	-23%	11	288	288	70%	280	Public toilets have been installed with remaining project completed by June 2019.
Parks Renewal Projects	3	0	3	n/a	0	0	0	100%	3	Late invoice from 2017/18 financial year and no further work on this project.
Kitchener Park Capital Works	3	4	(1)	-28%	8	4	12	50%	12	Flood protection work is in progress and being carried out in conjunction with Horizons
Railway Land Beautification	127	413	(286)	-69%	8	413	425	40%	320	Work has commenced on the car park upgrade with new lighting and resealing. Crossing points have been finalised and due to commence shortly. NZTA have given approval for crossings at New World and Hells Pizza. The crossing at Civic Centre is also due to commence.
Replacement of Fencing at Johnston Park	1	0	1	n/a	0	0	0	100%	1	Late invoice from 2017/18 financial year and no further work on this project.
Kitchener Park Toilets	2	0	2	n/a	0	0	0	100%	2	Late invoice from 2017/18 financial year and no further work on this project.
Districtwide Reserves Renewals	17	19	(2)	-11%	0	30	30	20%	30	Timona Park BMX track has been renewed and Himatangi Beach playground equipment has been ordered.
Sanson Playground	62	158	(96)	-61%	5	158	158	50%	158	Playground is being constructed and is due on-site late May 2019. All project work will be completed by June 2019.
Kowhai Park Renewals	15	9	6	66%	15	12	12	100%	15	Project has been completed.
Makino Precinct Renewals	3	8	(5)	-67%	0	8	8	40%	8	Project is currently underway.
Pohangina Valley Renewals	9	14	(5)	-36%	0	18	18	50%	15	Project is currently underway. Completion due in March 2019.
Timona Park Renewals	0	5	(5)	-98%	9	7	7	50%	7	Replacement of the Club Rooms skylight has been programmed with contractor.
Victoria Park Renewals	0	9	(9)	-99%	0	12	12	10%	12	Renewal of the sewer line for squash club. Discussion with the contractor have been carried out and works have been programmed.
<b>Total Community Facilities</b>	<b>1,487</b>	<b>2,948</b>	<b>(1,461)</b>	<b>-50%</b>	<b>336</b>	<b>5,287</b>	<b>5,577</b>		<b>3,081</b>	
<b>Regulatory</b>										
Animal Control New Works	10	7	3	40%	0	10	10	100%	10	Construction of Auxiliary Storage Area has been completed
Animal Control Renewal Projects	3	2	1	41%	0	3	3	100%	3	Painting of the new shed and pound exterior has been completed. A concrete pad has been installed in the dog yard
<b>Total Regulatory</b>	<b>13</b>	<b>10</b>	<b>4</b>	<b>41%</b>	<b>0</b>	<b>13</b>	<b>13</b>		<b>13</b>	
<b>Emergency Management</b>										
CDEM radio repeater	0	9	(9)	-100%	0	9	9	0%	9	Project will be started later in the 2018/19 year
Alternate EOC Fibre Connection and Cabling	0	36	(36)	-99%	0	36	36	0%	36	Project will be started later in the 2018/19 year
Radio Tower Upgrade and VHF Replacement	0	7	(7)	-100%	0	7	7	5%	7	Project will be started later in the 2018/19 year
<b>Total Emergency Management</b>	<b>0</b>	<b>52</b>	<b>(51)</b>	<b>-99%</b>	<b>0</b>	<b>52</b>	<b>52</b>		<b>52</b>	

	Actual YTD \$000	Budget YTD \$000	Variance YTD \$000	Variance YTD %	Commitments \$000	Full Year Revised Budget \$000	Annual Plan 2019 \$000	Physical Completion %	Year End Forecast \$000	Notes/Comments <i>Budget YTD reflects the amounts carried forward from 2018/19 after the Annual Plan was prepared.</i>
<b>Roading</b>										
Roading Growth	597	1,496	(899)	-60%	498	1,952	872	43%	1,061	Port Street East Stage is programmed for completion by 30 June 2019. Land acquisition for the Turners Road project process has started. The Kimbolton CBD upgrade is now complete. The Hiwinui Walkway started in January with completion expected in June 2019
CBD Redevelopment Projects	0	82	(82)	-100%	0	82	82	0%	0	Pending Council approval for the project to proceed.
Subsidised Minor Improvement New	688	1,188	(500)	-42%	769	1,314	1,353	41%	1,314	Improvement projects planned for construction through summer include; Awahuri Feilding Road Stage 2, Aranui Road/Rongotea Road intersection, Makino Short Road Intersection safety improvements and the Safer Schools Programme. These projects are expected to be completed by May 2019. New footpath works in Port Street are included in the approved 2019-2021 NZTA subsidised work programme. The new flag lighting installation at Himatangi Block Road and Rangiotu Road is complete. Actual expenditure for the year will not exceed budget.
Subsidised Cycle Facilities	18	33	(15)	-44%	22	44	44	0%	40	Feilding to Palmerston North Cycleway single stage business case is being carried out jointly with PNCC this has been delayed by NZTA but is expected to be completed by the end of May 2019.
Subsidised Road Improvements New	46	41	5	12%	0	55	0	0%	55	This project is for improvements that are made in conjunction with Subsidised Minor Improvement Projects.
Subsidised Unsealed Road Metalling	213	117	97	83%	26	234	507	91%	234	The renewals programme is carried out via a contract with Higgins Contractors Ltd. Currently ahead of budget but still expected to remain within the full year budget. Commitments to be reviewed.
Subsidised Sealed Road Resurfacing	1,577	1,313	263	20%	0	1,751	1,784	87%	1,705	Chip seal sites are complete. Asphaltic concrete resurfacing will be completed by the end June 2019.
Subsidised Bridge Renewals	325	1,044	(718)	-69%	225	1,291	1,929	30%	961	Due to delays in funding approval by NZTA there will be a compressed timeframe to carry out the Mangaweka bridge design, consultation and land acquisition. The optimistic forecast for completion of this phase is November 2019. An approximate carry forward of \$330k will be requested. Gillespies Line and Rongotea Road box culvert replacements design and consultation phase is complete. The Otara Bridge (boundary bridge) strengthening project is complete.
Subsidised Drainage Renewals	292	827	(535)	-65%	466	827	574	22%	827	Work on drainage renewals is in progress and will be completed by June 2019.
Subsidised Structures Renewals	501	455	46	10%	2	455	464	97%	508	Pohangina Road (Grand Canyon) steel bridge project is completed. Guard rail replacement projects have also been completed.
Subsidised Traffic Services Renewal	293	175	118	67%	33	268	273	23%	310	The forecast overspend will be balanced out by underspending in the non-subsidised Rooding renewal programmes.
Subsidised Pavement Rehabilitation	1,080	1,040	40	4%	444	1,488	1,517	53%	1,540	Port Street East roading component will be completed by June 2019. Kimbolton Road North urban reconstruction and southern rehabilitation are complete. Rehab projects: Awahuri Road (in conjunction with road improvements), Cemetery Road including Oppatt Service Lane rehabilitation in Sanson are complete. Taylor Road and Penny Road will be completed in May 2019. The forecasted overspend will be offset by the transfer of funds from another renewal budget.
Subsidised Accelerated LED Renewals	2	133	(131)	-98%	178	140	140	80%	82	This project is for the design and installation for stage 3 LED replacements (high use roads) in Feilding. Design and procurement of 300 LED luminaires is confirmed with product delivery expected in June 2019. Payment for the luminaires will be split over 2018/19 and 2019/20 budgets with installation programmed in 2019/20. A request will be made to carry forward the surplus budget and remaining commitments.
Roading District Footpath Renewal	47	56	(9)	-17%	0	80	0	50%	80	This project will be carried out in conjunction with rehabilitation and maintenance contracts work.
Non Subsidised Rooding Renewal	28	97	(69)	-71%	0	102	102	17%	28	Expenditure is for commitments carried over from the 2017/18 for Port Street works. Projected underspend will be used to offset expenditure in other renewal projects.
Roading District New Footpaths	10	70	(60)	-86%	0	82	82	12%	82	Project is for new footpaths in Port Street.
<b>Total Rooding</b>	<b>5,717</b>	<b>8,167</b>	<b>(2,449)</b>	<b>-30%</b>	<b>2,662</b>	<b>10,165</b>	<b>9,723</b>		<b>8,827</b>	
<b>Solid Waste</b>										
Purchase of New Recycling Bins	7	15	(8)	-53%	3	20	20	30%	20	Bin movements out to the community on an as needs basis.
Recycling Inventory	(7)	(5)	(1)	27%	1	(7)	(7)	80%	(7)	This is the net movement of inventory - new bin purchases and the issue of bins out to the community.
Resource Recovery Centre	387	160	227	142%	8	3,461	3,461	12%	1,061	Works are progressing ahead of budget due to early designer engagement. The physical works contract was awarded in March 2019. Construction is not programmed to be completed this financial year and a carry forward for the balance contract will be requested for 2019/20.
Kaimatarau Rural Transfer Station Improvements	0	0	0	n/a	0	5	5	0%	5	Minor improvements to be made before year end.
Establish Mobile Recycling Centres	0	4	(4)	-100%	3	5	5	0%	5	Minor improvements will be made as required.
<b>Total Solid Waste</b>	<b>388</b>	<b>174</b>	<b>214</b>	<b>123%</b>	<b>15</b>	<b>3,485</b>	<b>3,485</b>		<b>1,085</b>	
<b>Stormwater</b>										
Stormwater Growth Feilding	771	1,272	(501)	-39%	222	1,774	1,069	40%	1,100	Port Street new works due to be completed in April. Physical works on Satori Way have begun and are on track to be completed this financial year. Iwi consultation regarding stormwater discharge has commenced. Turners Road design work underway, carry forward will be requested for balance.
Stormwater New Work Feilding	10	41	(30)	-75%	0	57	10	5%	57	Service connections are carried out as required.
Stormwater Unplanned Renewals	486	401	85	21%	113	554	400	90%	554	Port Street renewal contract due to be completed in April 2019.
Stormwater District Wide New Works	44	343	(300)	-87%	45	509	509	10%	159	Design work underway for Tangimoana. Drainage works for Halcombe, Cheltenham and Sanson are underway. A carry forward will be requested for the balance.
<b>Total Stormwater</b>	<b>1,311</b>	<b>2,057</b>	<b>(746)</b>	<b>-36%</b>	<b>380</b>	<b>2,895</b>	<b>1,988</b>		<b>1,870</b>	

	Actual YTD \$000	Budget YTD \$000	Variance YTD \$000	Variance YTD %	Commitments \$000	Full Year Revised Budget \$000	Annual Plan 2019 \$000	Physical Completion %	Year End Forecast \$000	Notes/Comments <i>Budget YTD reflects the amounts carried forward from 2018/19 after the Annual Plan was prepared.</i>
<b>Wastewater</b>										
Feilding Wastewater Treatment Plant Asset Renewal	1,694	1,469	226	15%	351	2,136	2,036	75%	2,136	Ahead of budget but expenditure will reduce during the final quarter of the year.
Feilding Wastewater Treatment Plant Irrigation	242	147	96	65%	0	255	255	95%	255	Budget managed as part of overall Feilding Wastewater Treatment Plant projects.
Feilding Wastewater Treatment Plant New Projects	1,110	969	140	14%	0	1,260	1,230	80%	1,260	Property has been purchased. An upgrade to meet consent conditions underway.
Feilding Wastewater Growth	474	546	(72)	-13%	0	777	458	60%	777	Port Street contract is due to be completed in April 2019. Precinct 4 works underway.
Feilding Reticulation Renewals	198	109	89	82%	0	152	153	100%	199	Additional reticulation works were required.
Wastewater New Connections	52	38	13	35%	0	51	51	97%	52	Work for Himatangi Beach connections are carried out as demanded. Expenditure is offset by contributions from property owners.
Wastewater Pump Station Renewal	0	39	(39)	-100%	0	55	0	0%	55	Renewals are made as required.
Rongotea Wastewater Treatment Plant Renewals	14	197	(184)	-93%	0	263	214	5%	14	Project is confirmed as part of the centralisation upgrade works.
Cheltenham Wastewater Renewal	0	39	(39)	-100%	0	52	2	0%	0	Project is confirmed as part of the centralisation upgrade works.
Awahuri Wastewater Treatment Plant Renewals	0	14	(14)	-100%	0	20	0	0%	0	Project is confirmed as part of the centralisation upgrade works.
Kimbolton Wastewater Treatment Plant Renewals	2	20	(18)	-90%	0	28	10	7%	2	Project is confirmed as part of the centralisation upgrade works.
Halcombe Wastewater Treatment Plant Renewals	0	22	(22)	-100%	0	30	10	0%	0	Project is confirmed as part of the centralisation upgrade works.
Desludging Oxidation Ponds	3	3	(0)	-6%	0	4	10	100%	3	Project has been completed.
Himatangi Sewerage New Work	2	0	2	n/a	0	0	0	100%	2	Legal fees for Himatangi sewerage scheme.
Himatangi Wastewater Asset Replacement	23	8	15	195%	0	10	10	70%	23	Pumping works installed ahead of schedule due to contractor availability and travelling irrigator costs.
Wastewater Centralisation Renewal	312	1,377	(1,065)	-77%	0	1,832	1,832	20%	574	Resource consent process and iwi consultation underway. A request will be made to carry forward unspent budget to the 2019/20 financial year. Note: this includes Rongotea, Cheltenham, Halcombe, Awahuri, Kimbolton centralisation works.
District Wastewater Pump Station Telemetry	0	66	(66)	-100%	0	94	0	0%	94	Project will begin later in the 2018/19 year.
<b>Total Waste Water</b>	<b>4,125</b>	<b>5,062</b>	<b>(937)</b>	<b>-19%</b>	<b>351</b>	<b>7,018</b>	<b>6,271</b>		<b>5,445</b>	
<b>Water</b>										
Feilding Water Treatment Plan Renewals	229	2,458	(2,229)	-91%	61	3,277	3,291	7%	400	The reservoir tender was awarded in March 2019 to Concrete Structures NZ Ltd. The bore location is to be confirmed. Campbells Road bore land acquisition has commenced. A carry forward will be requested for the unspent balance.
Feilding Reticulation Renewals	73	114	(40)	-35%	0	204	204	30%	184	Currently in the design and scoping stage for the Sanson link main renewal as part of the Sanson Water treatment plant project. Works to be completed in July 2019. A carry forward will be requested for unspent balance.
Feilding Water Supply Growth	149	278	(129)	-46%	99	405	328	36%	405	Works on Port Street are due to be completed in April 2019.
Feilding Water Pressure Zones	3	111	(109)	-98%	71	158	20	5%	158	Minor works have been carried out. The majority of the work is scheduled for later in the 2018/19 year.
Water Supply New Connections	3	19	(16)	-83%	0	25	25	5%	15	Work is carried out as required.
Himatangi Water Asset Renewals	10	8	2	25%	0	10	10	100%	10	Works have been completed.
Himatangi Water Supply New Work	0	160	(160)	-100%	30	216	162	0%	50	Lutra will be engaged to provide treatment options. A carry forward will be requested for balance.
Sanson Water Asset Renewal	0	9	(9)	-100%	0	13	0	0%	13	Renewals will be made as required.
Sanson Water Treatment Plant New Works	330	483	(152)	-32%	853	1,100	335	20%	1,000	Tender has been awarded and Water Treatment Plant works have commenced. Commitments contain a contingency amount of 15% that isn't anticipated to be used. Physical works to be completed in July 2019. A carry forward will be requested for the unspent balance.
Stanway/Halcombe Water Treatment Plant New Works	0	259	(259)	-100%	1	350	290	0%	10	Options are being considered for the removal of protozoa. This is a requirement from the Director General of Health, as a result of the Havelock North water issue.
Stanway/Halcombe RWS Intake and Capacity Improvements	41	82	(41)	-50%	30	143	143	25%	50	Options are being considered for the removal of protozoa. This is a requirement from the Director General of Health as a result of the Havelock North water issue. Renewal works are underway.
Waituna West RWS Renewals	33	5	28	549%	0	10	10	100%	35	Costs are demand driven. Extra expense due to new SCADA system installed.
WS Unplanned Renewals-Villages	2	23	(21)	-91%	0	31	31	10%	31	Costs are demand driven.
<b>Total Water Supply</b>	<b>874</b>	<b>4,009</b>	<b>(3,135)</b>	<b>-78%</b>	<b>1,144</b>	<b>5,941</b>	<b>4,848</b>		<b>2,360</b>	
<b>Support Services and Other</b>										
Motor Vehicle Renewals	136	209	(73)	-35%	0	209	209	65%	209	Annual renewal programme underway.
Computer Hardware	134	214	(80)	-37%	0	267	262	35%	267	The phone system purchase is nearly complete. Hardware renewals are planned for later in the financial year.
Software - Document Management	64	92	(29)	-31%	0	123	46	23%	123	Document management system implementation is progressing as expected.
Other IM Renewal Projects	0	14	(14)	-100%	0	19	19	0%	19	Project will take place later in the 2018/19 year.
Software Replacement	0	84	(84)	-100%	0	104	53	0%	104	Project will take place later in the 2018/19 year.
Administration Building New Works	16	17	(1)	-6%	0	17	17	99%	17	New security camera data storage purchased ahead of schedule to take advantage of supplier pricing special.
Administration Building Renewals	28	26	1	5%	0	26	26	46%	28	Replacement of current security cameras.
Call Centre Autex Panelling	0	3	(3)	-100%	0	4	4	0%	4	Purchase of panelling will take place later in the 2018/19 year.
General Renewals	0	17	(17)	-100%	0	22	22	0%	20	Purchases planned for May 2019.
General New Assets	0	17	(17)	-100%	0	23	20	0%	5	Purchases planned for May 2019.
<b>Total Support Services and other</b>	<b>377</b>	<b>695</b>	<b>(318)</b>	<b>-46%</b>	<b>0</b>	<b>815</b>	<b>679</b>		<b>796</b>	
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>14,292</b>	<b>23,172</b>	<b>(8,879)</b>	<b>-38%</b>	<b>4,887</b>	<b>35,671</b>	<b>32,636</b>		<b>23,464</b>	

◆ Greater than 15% of budget

▲ Between 5-15% greater than budget

● Less than 5% greater than budget

LOS = Level of Service