

# AUDIT AND RISK COMMITTEE

## AGENDA

Meeting to be held

**FRIDAY 19 MAY 2017**

**8.30am**

In the Manawatu 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

	PAGE
<b>1. MEETING OPENING</b>	
<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 10 February 2017 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. OFFICER REPORTS</b>	
<b>6.1 THIRD QUARTER REPORT TO 31 MARCH 2017</b>	<b>8</b>
Report of the General Manager – Corporate and Regulatory dated 12 May 2017.	
<b>7. CONSIDERATION OF LATE ITEMS</b>	
<b>8. NOTIFICATION OF ITEMS FOR NEXT MEETING</b>	
<b>9. PUBLIC EXCLUDED BUSINESS</b>	
COMMITTEE TO RESOLVE:	
That the public be excluded from the following parts of the proceedings of this meeting, namely:	
a)	Underground Infrastructure Insurance

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution
a) Underground Infrastructure Insurance	<p>Section 7(2)(c)(ii) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest; and</p> <p>Section 7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

## 10. MEETING CLOSURE

MINUTES	MEETING	TIME
<b>AUDIT AND RISK COMMITTEE</b>	<b>THURSDAY 10 FEBRUARY 2017</b>	<b>8.30AM</b>

Minutes of a meeting of the Audit and Risk Committee held on Thursday 10 February 2017, commencing at 8.30am in the Manawatu District Council Chambers, 135 Manchester Street, Feilding.

PRESENT:	Cr Stuart Campbell	(Chairperson)
	Cr Barbara Cameron	
	Cr Hilary Humphrey	
	Cr Phil Marsh	
	Cr Howard Voss	
	Mayor Helen Worboys	
	Mr John Fowke	
IN ATTENDANCE:	Cr Michael Ford	
	Cr Alison Short	
	Richard Templer	(Chief Executive)
	Shayne Harris	(General Manager – Corporate and Regulatory)
	Brent Limmer	(General Manager - Community and Strategy)
	Hamish Waugh	(General Manager – Infrastructure)
	Frances Smorti	(General Manager – People and Culture)
	Colleen Morris	(Chief Finance Officer)
	Ernest Bernard	(Internal Auditor)
	Paul Stein	(Communications Adviser)
	Nichole Ganley	(Governance Support Officer)
	Allie Dunn	(Governance Team Leader)

#### ARC 17/001 MEETING OPENING

The Chairperson declared the meeting open.

#### ARC 17/002 APOLOGIES

##### **RESOLVED**

**That apologies for lateness be accepted from Councillor Hilary Humphrey.**

**Moved by: Councillor Phil Marsh**

**Seconded by: Councillor Howard Voss**

##### **CARRIED**

#### ARC 17/003 DECLARATIONS OF INTEREST

Councillor Barbara Cameron noted that she was a member of the MidCentral District Health Board.

#### ARC 17/004 NOTIFICATION OF LATE ITEMS

There were no late items notified.

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	THURSDAY 10 FEBRUARY 2017	8.30AM

ARC 17/005 AUDIT REPORT FOR YEAR ENDED 30 JUNE 2016

Report of the General Manager – Corporate and Regulatory dated 26 January 2017 presenting Audit New Zealand’s report to Council on the audit of the Manawatu District Council for the year ended 30 June 2016. Clint Ramoo and Chris Webby of Audit New Zealand were in attendance and spoke to their report, highlighting their audit opinion, and issues that came out of review of the Feilding Wastewater Treatment Plant regarding costs and associated accounting.

*Councillor Humphrey joined the meeting at 8.45am.*

A legal opinion was tabled regarding the typographical error in rates resolution and funding impact statement.

**RESOLVED**

**That the Audit and Risk Committee receive the Audit New Zealand report on the Manawatu District Council audit for the year ended 30 June 2016.**

**Moved by: Councillor Barbara Cameron**

**Seconded by: Councillor Howard Voss**

**CARRIED**

ARC 17/006 SECOND QUARTER REPORT TO 31 DECEMBER 2016

Report of the General Manager – Corporate and Regulatory dated 1 February 2017 providing a summary to 31 December 2016 of the Council’s performance against the first year of the 2015/25 Long Term Plan.

**RECOMMENDED**

**That the Council receives the Second Quarter Report to 31 December 2016.**

**Moved by: Councillor Phil Marsh**

**Seconded by: Councillor Howard Voss**

**CARRIED**

ARC 17/007 REVIEW OF INTERNAL AUDIT PROGRAMME AND TERMS OF REFERENCE

Report of the General Manager – Corporate and Regulatory dated 3 February 2017 presenting for information and review the Internal Audit programme for the 2016-17 year, as well as the Terms of Reference for the Audit and Risk Committee.

**RESOLVED**

**That the Audit and Risk Committee notes the Internal Audit programme for the 2016-17 year.**

**Moved by: Councillor Barbara Cameron**

**Seconded by: Mr John Fowke**

**CARRIED**

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	THURSDAY 10 FEBRUARY 2017	8.30AM

ARC 17/008 APPOINTMENT OF DEPUTY CHAIRPERSON

Report of the General Manager – Corporate and Regulatory dated 1 February 2017 seeking election of the deputy Chairperson for the Audit and Risk Committee.

**RESOLVED**

**That the Audit and Risk Committee use System B of Clause 25 of Schedule 7 of the Local Government Act 2002 for the election of its Deputy Chairperson.**

**Moved by: Councillor Stuart Campbell**

**Seconded by: Mr John Fowke**

**CARRIED**

**RESOLVED**

**That the Audit and Risk Committee appoints Councillor Barbara Cameron as its Deputy Chairperson.**

**Moved by: Councillor Stuart Campbell**

**Seconded by: Councillor Howard Voss**

**CARRIED**

ARC 17/009 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

ARC 17/010 NOTIFICATION OF ITEMS FOR NEXT MEETING

There were no items notified for inclusion on the agenda for the next meeting:

ARC 17/011 MEETING CLOSURE

The meeting closed at 9.50am

Approved and adopted as a true and correct record:

.....  
**CHAIRPERSON**

.....  
**DATE**

# Audit and Risk Committee

Meeting of 19 May 2017

Business Unit: Corporate and Regulatory  
Date Created: 12 May 2017

## Third quarter report to 31 March 2017

### Purpose

To provide a summary to 31 March 2017 of the Council’s performance against 2016/17 Annual 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 receive the Third Quarter Report and the Capital Expenditure Report for the period ended 31 March 2017.

Report prepared by:  
Colleen Morris  
Chief Financial Officer

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

## 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 Manawatu – the best rural lifestyle in New Zealand*

Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.	The Manawatu will attract and retain residents.	Manawatu district develops a broad economic base from its solid foundation in the primary sector.	Manawatu and its people are connected via quality infrastructure and technology.	Manawatu’s built environment is safe, reliable and attractive.	Manawatu District Council is an agile 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 2016/17. The Annual Report accounts for how Council performed against the 2017/18 Annual Plan and the non-financial measures included in the second year of the 2015-25 Long Term Plan. The 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.
- 3.2 The new Health and Safety at Work Act came into force on 4 April 2016. Considerable time and effort has been put into educating staff, managers and contractors on their duties and responsibilities under the reformed legislation, as set out on page 14 of the Third Quarter Report.

## **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 Annual Plan and the Long Term Plan.

## **11 Attachments**

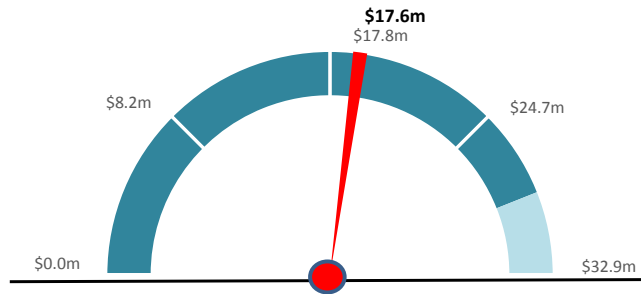
- Quarter Three Report
- Capital Expenditure Report for the period ended 31 March 2017

# Key Indicators

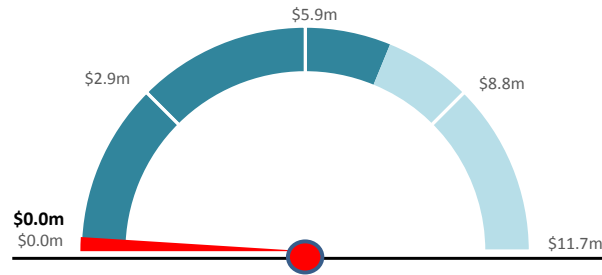
For the period ended 31 March 2017



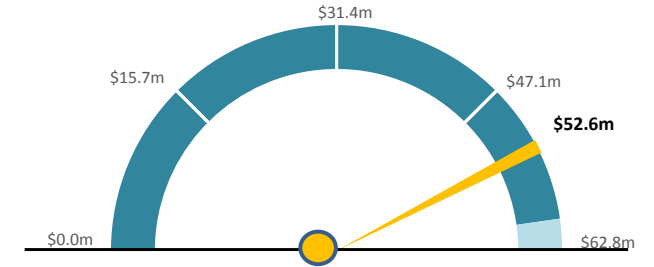
### Capital Expenditure



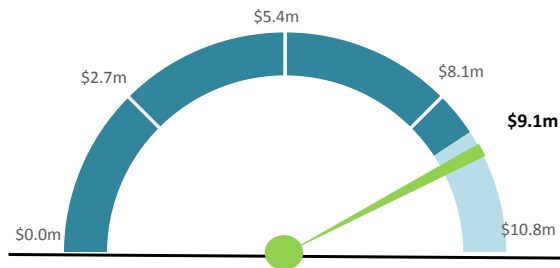
### Loans Raised



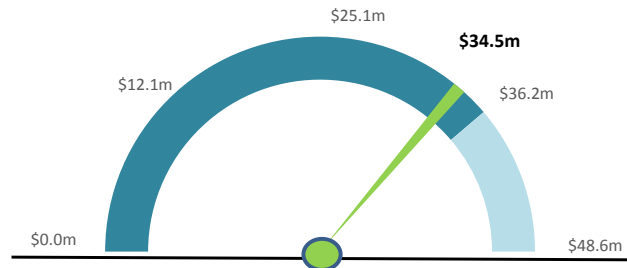
### Total External Debt



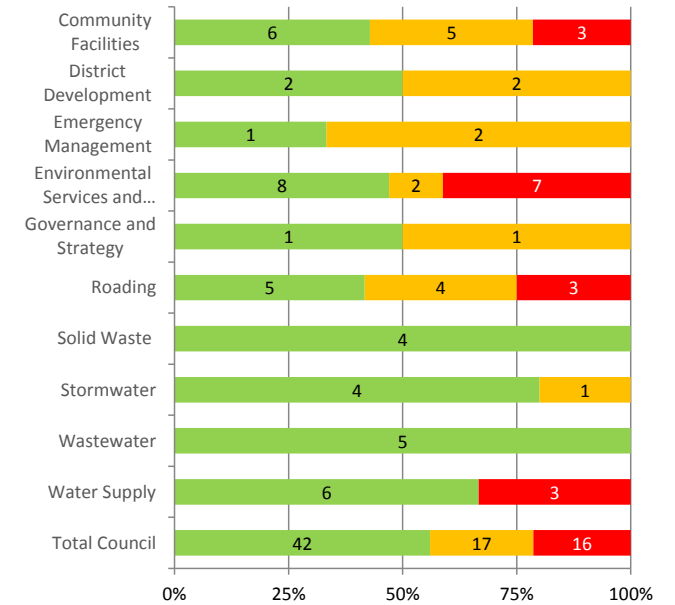
### Total Operating Revenue (excluding rates)



### Total Operating Expenses



### Key Performance Indicators



#### Key

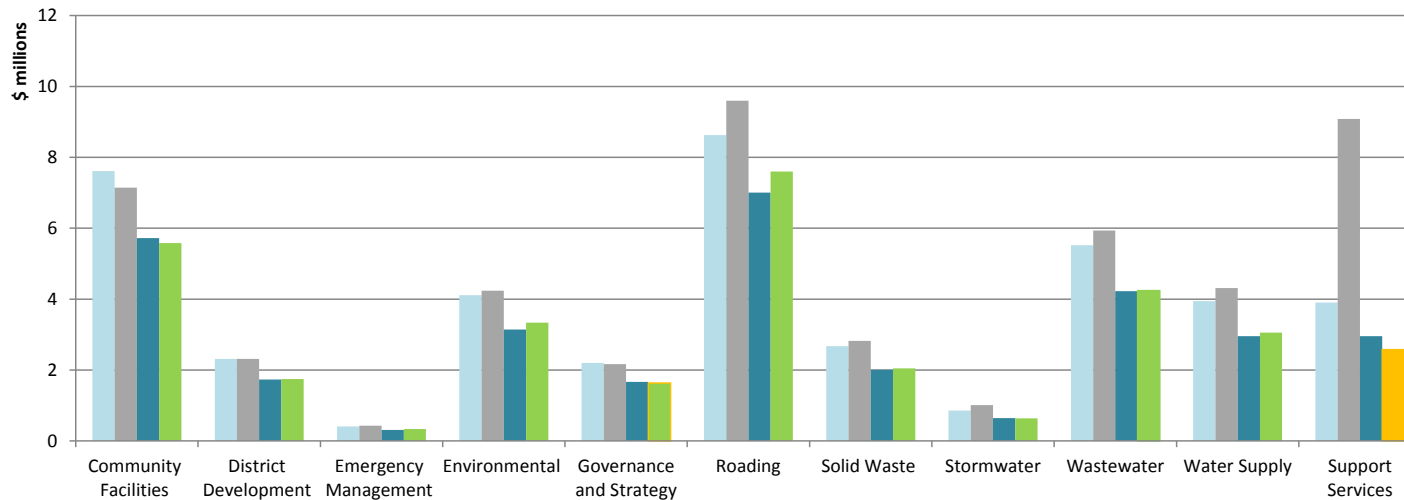
■ Annual Plan   
 ■ YTD Budget   
 ■ Actual - On Track   
 ■ Actual - Needs Monitoring   
 ■ Actual - Not achieving

# Overall Council Summaries

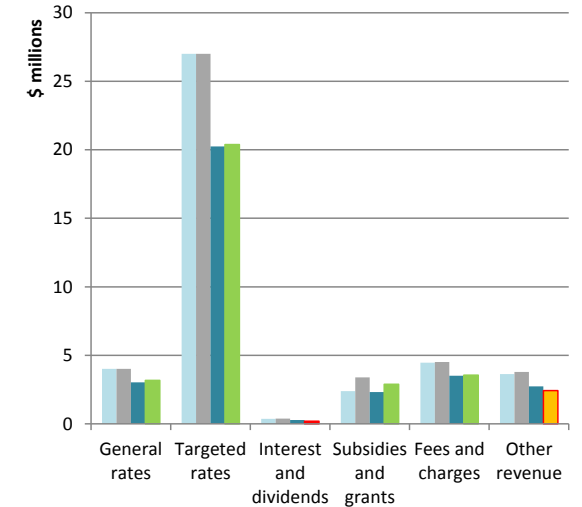
For the period ended 31 March 2017



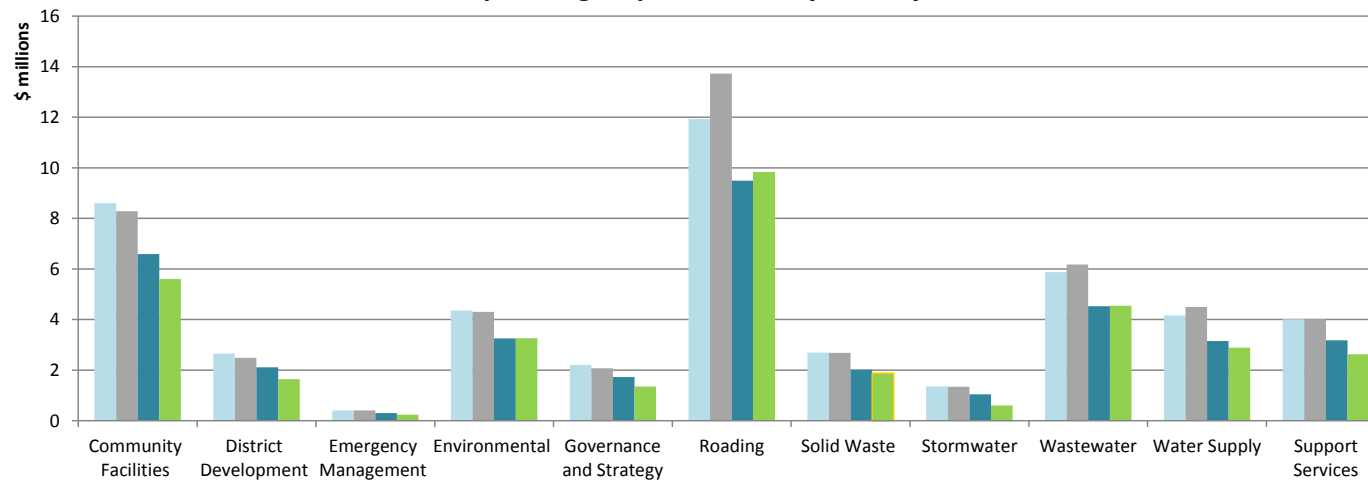
### Operating Revenue - by activity



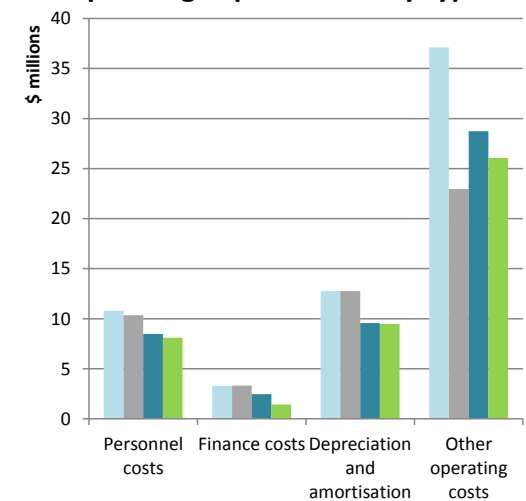
### Operating Revenue - by type



### Operating Expenditure - by activity



### Operating Expenditure - by type



#### Key

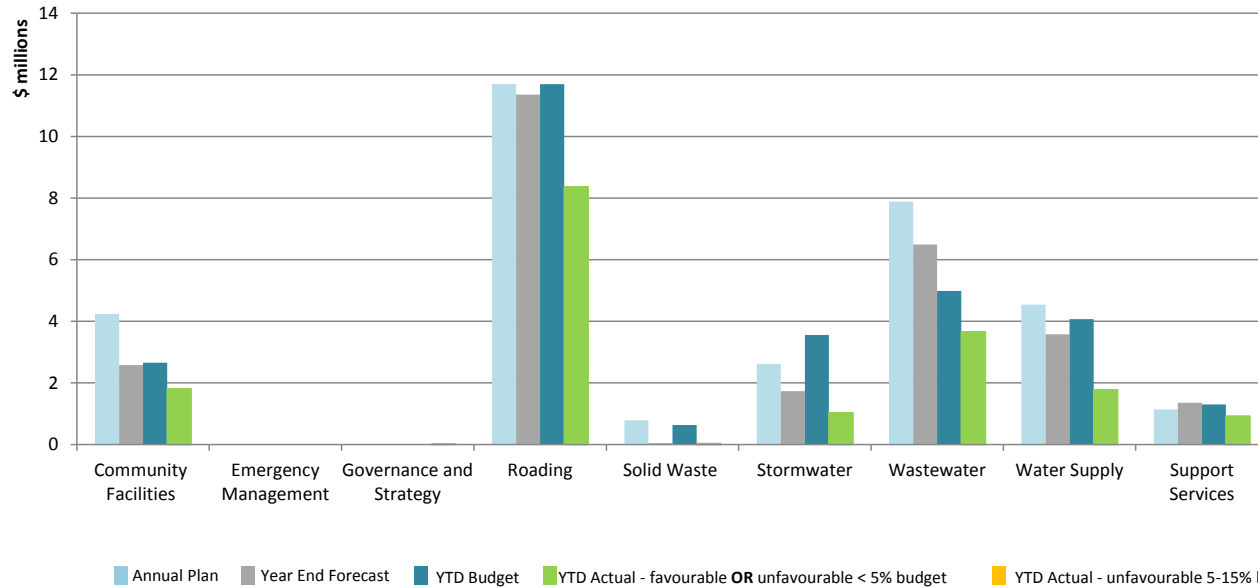
■ Annual Plan   
 ■ Year End Forecast   
 ■ YTD Budget   
 ■ YTD Actual - favourable OR unfavourable < 5% budget   
 ■ YTD Actual - unfavourable 5-15% budget   
 ■ YTD Actual - unfavourable > 15% budget

# Overall Council Summaries

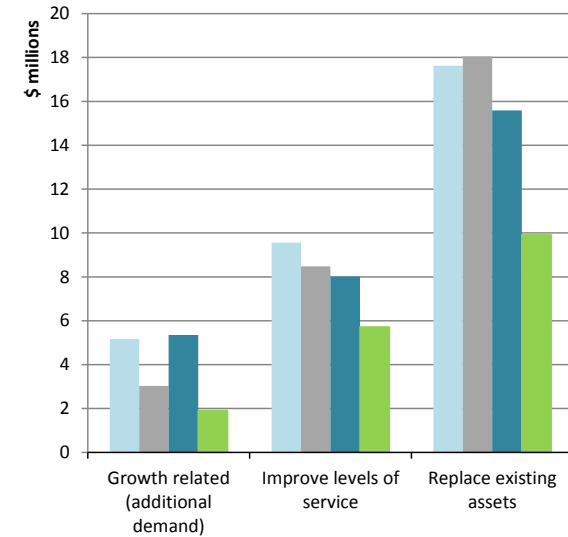
For the period ended 31 March 2017



### Capital Expenditure - by activity

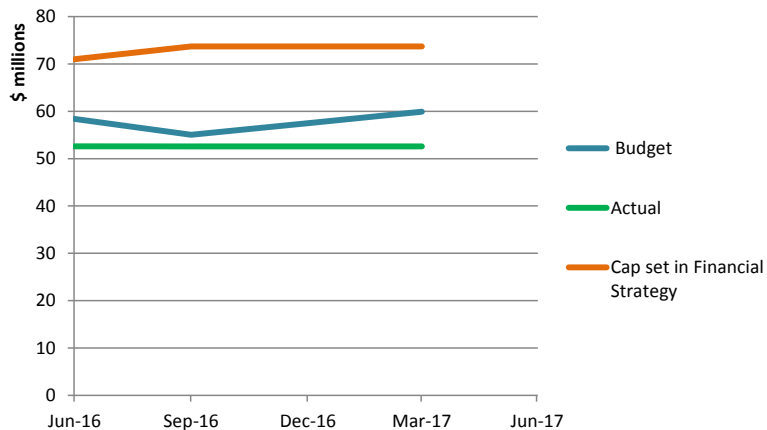


### Capital Expenditure - by type

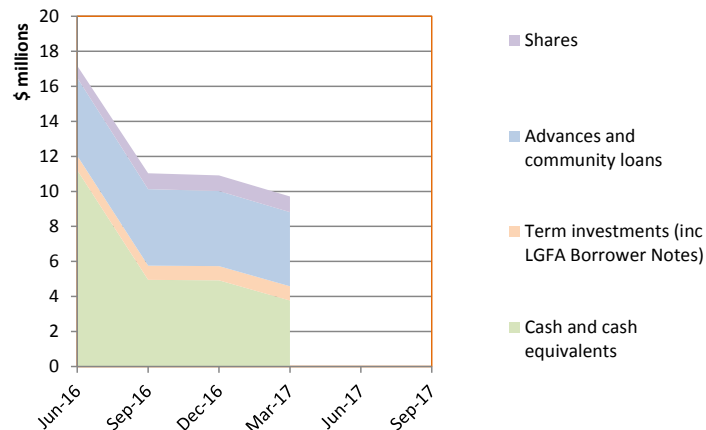


Legend: Annual Plan (light blue), Year End Forecast (grey), YTD Budget (dark blue), YTD Actual - favourable OR unfavourable < 5% budget (green), YTD Actual - unfavourable 5-15% budget (yellow), YTD Actual - unfavourable > 15% budget (red)

### External Borrowings



### Investments - by type



#### Comments:

In June last year Council borrowed \$10m to take advantage of favourable rates. As anticipated, these funds were used in the first nine months of the year. \$7m will be drawn down in May 2017.

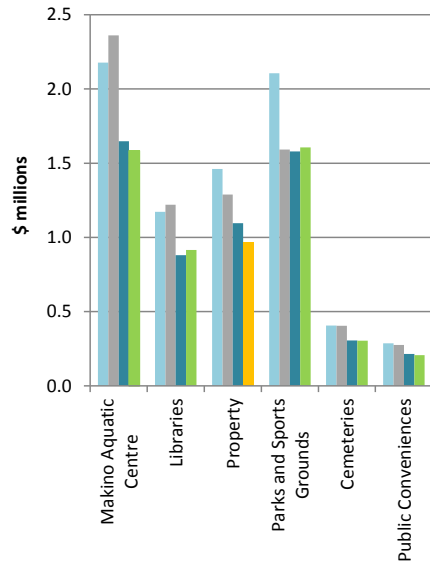
The capital expenditure forecasts include the projects carried over from the 2015/16 year subsequent to the Annual Plan process.

# Community Facilities

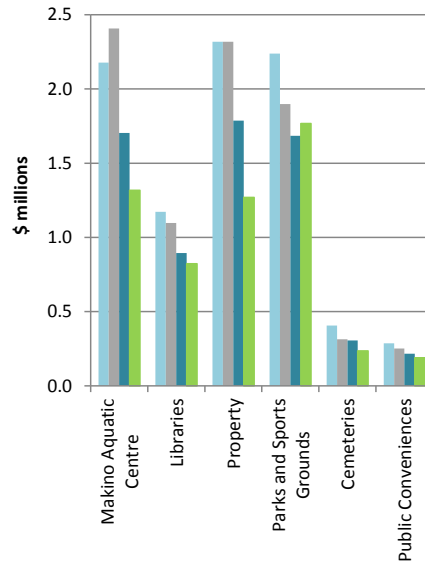
For the period ended 31 March 2017



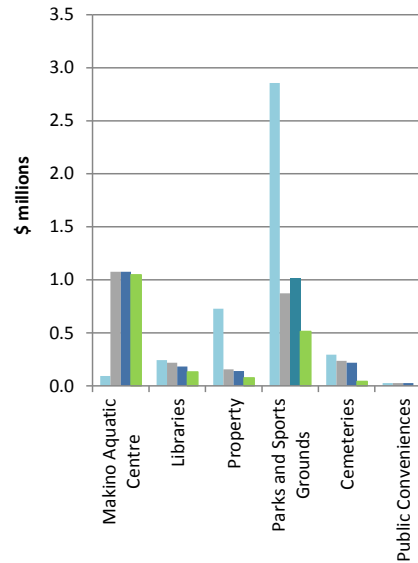
### Operating Revenue



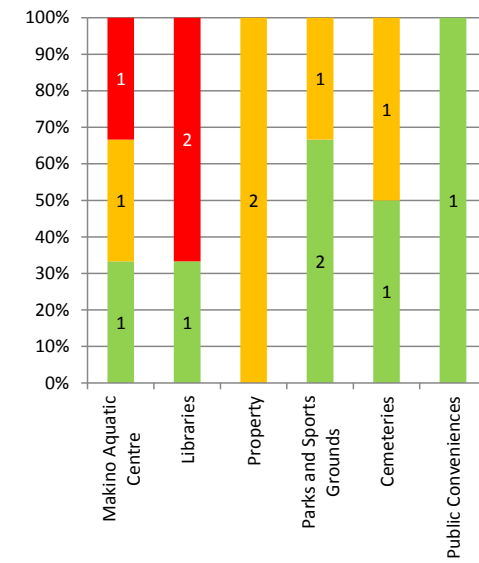
### Operating Expenditure



### Capital Expenditure



### Key Performance Indicators



Revenue is from rates and user fees and charges.

MAC revenue budget was conservative due to the capital project. The Makino was closed for the first month of the year.

No property sales transactions occurred this quarter and none are expected in the near future.

Rental relief has reduced income on Feilding Depot.

Expenditure is expected at planned levels for all activities for the year. The variances above reflect timing differences throughout the year. Expenditure has increased over the summer months for Parks and Property and year end target is expected to be met.

Scoping work is being carried out for many of the projects and physical work will commence once scoping has been completed.

The MAC redevelopment was completed in July 2016, with final expenditure expected in January 2017. 1m was carried forward from 2015/16 outside the Annual Plan process.

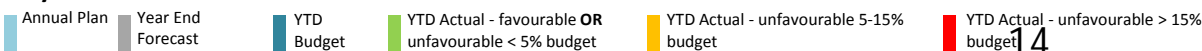
No work has been planned for the South Street/Kawakawa Road land development (budget \$459k). This is a part of the property activity.

The capital expenditure report contains a detailed list of the progress of projects.

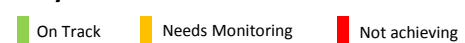
Makino - Poolsafe re-accréditation has not yet been obtained following the redevelopment. The assessment was held in February 2017 and the certificate is due to be issued in April 2017. The customer satisfaction survey was carried out between mid February and 31 March 2017 and more than 50 responses were received. Data is currently being collated but a preliminary review indicates 100% satisfaction with the overall experience at the complex. Participation in water programmes continue to exceed targets (target 12,500, actual 38,173).

Libraries - The target of 12 issues per capita is unlikely to be met with only 6.27 issues per capita for the nine months ended 31 March. 650 events have been held to date with 9,056 participants. (continued on page 15)

#### Key

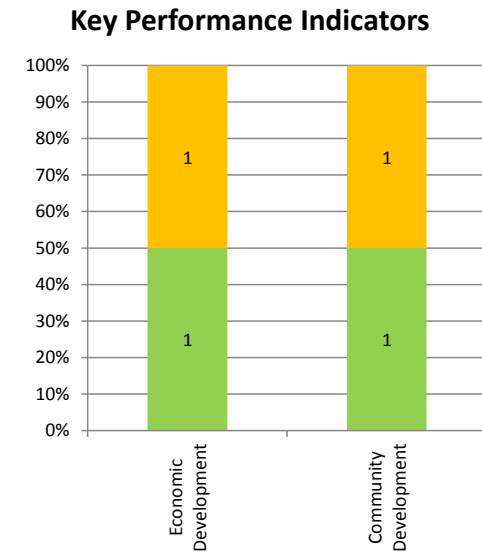
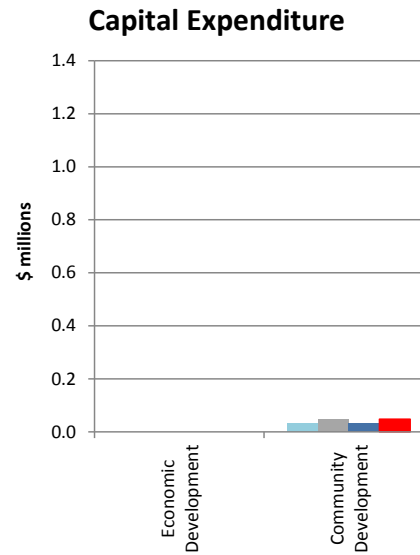
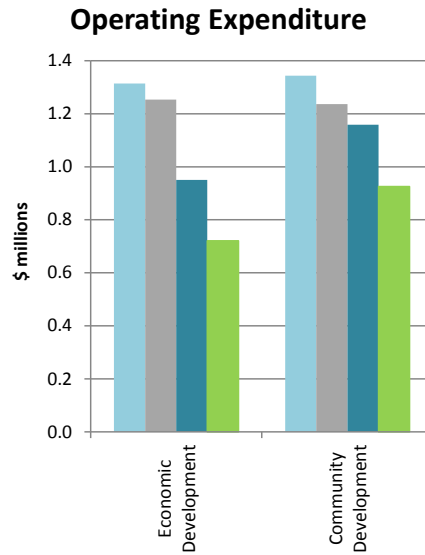
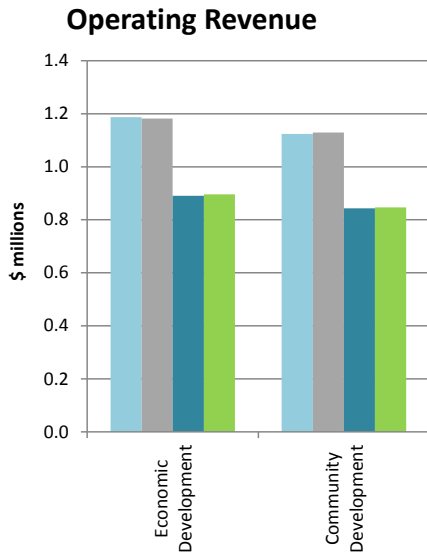


#### Key



# District Development

For the period ended 31 March 2017



Income is primarily from rates.

Expenditure is down due to timing differences and lower support costs.

This relates to the Rangiwahia Hall toilets. The project was over budget and was partially offset by external funds received (\$2k).

Economic Development - The customer survey has been commissioned in April 2017. Reports from funded agencies were received during this quarter.

A number of Community Committees have experienced delays with project planning and won't be in a position to progress projects until later this year. Remaining unspent Community Committee project funds (up to \$62k from a budget of \$97k) are proposed to be carried forward to the 2017/18 financial year. Other projects, such as the Community Development Fund, Community Committee Project Funds, Village Community Plans and the Spatial Plan were carried over from the previous financial year and are in progress.

Community Development -The customer survey has been commissioned in April 2017. Reports from funded agencies were received during second quarter. Reports from partnership funding recipients were received by the Community Funding Committee in December 2016 with additional information being received in February 2017.

## Key

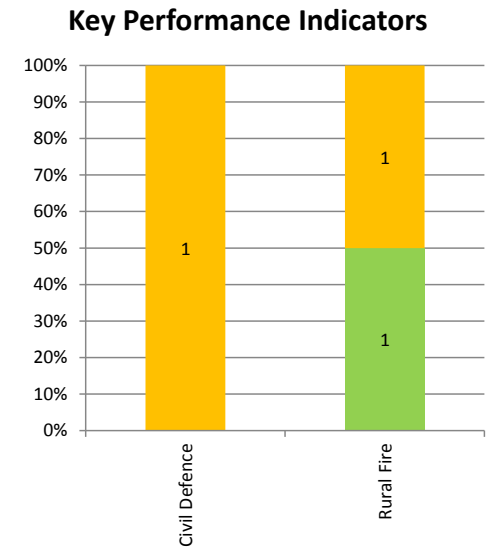
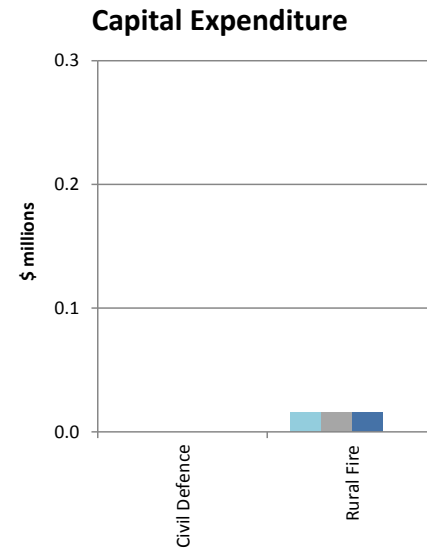
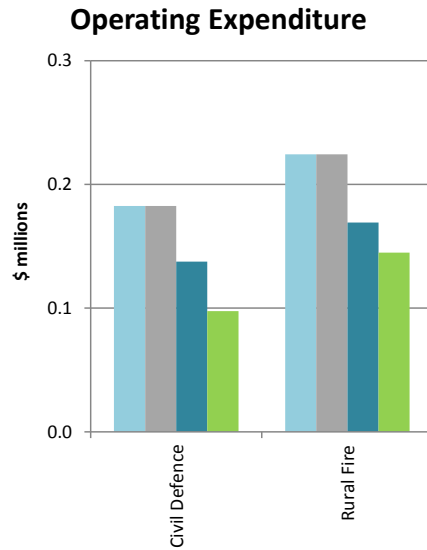
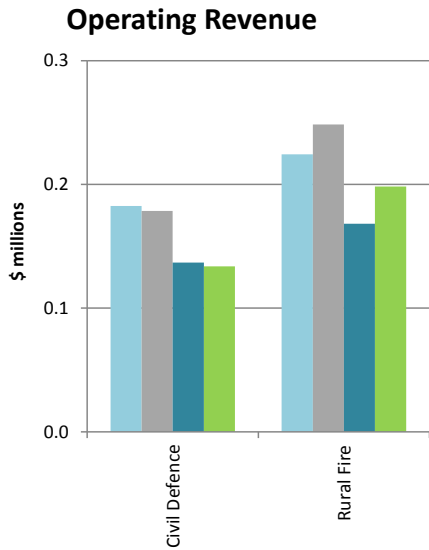
- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

## Key

- On Track
- Needs Monitoring
- Not achieving

# Emergency Management

For the period ended 31 March 2017



Income is primarily received through rates. Additional revenue in Rural Fire relates to a recovery of costs from Hastings District Council.

The budget includes a small allowance for unexpected events. No such events have occurred this quarter.

Planned capital expenditure for the year is \$16k for equipment renewals and is forecast to be spent later in the year. Due to the transfer of this activity to FENZ, this will only be spent if considered necessary.

Civil Defence - The community feedback survey has been commissioned in April 2017.

Rural Fire - The customer survey has been commissioned in April 2017. All rural fire callouts have been responded to.

## 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

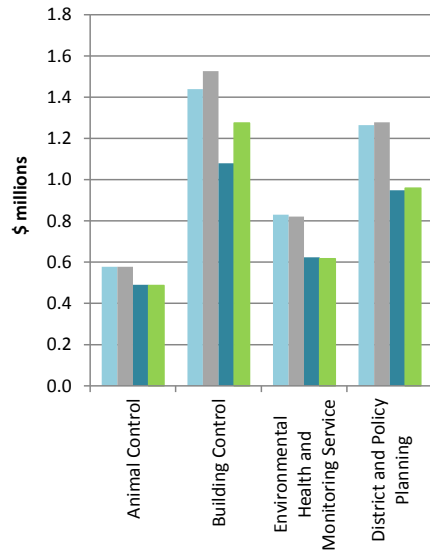
- On Track
- Needs Monitoring
- Not achieving

# Environmental Services and Monitoring

For the period ended 31 March 2017

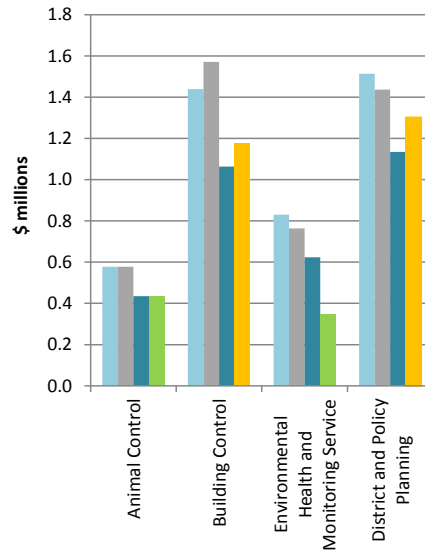


### Operating Revenue



Building Control revenue is greater than anticipated as a result of increased numbers of building consents applications.

### Operating Expenditure

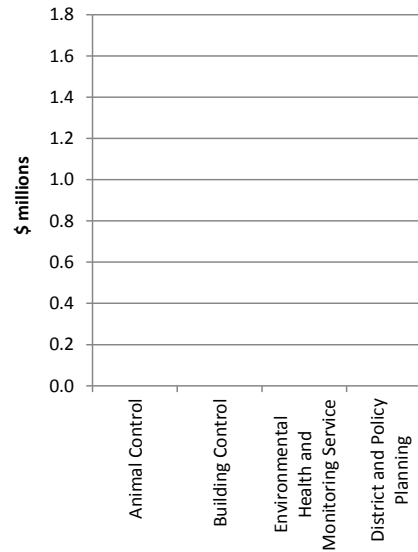


Building Control - support costs are higher than budgeted due to additional time required to process the increased applications. This is funded by the additional building control revenue received.

District Planning - the costs associated with Precinct 4, Urban Growth Plan Change for Pharazyn St are greater than anticipated.

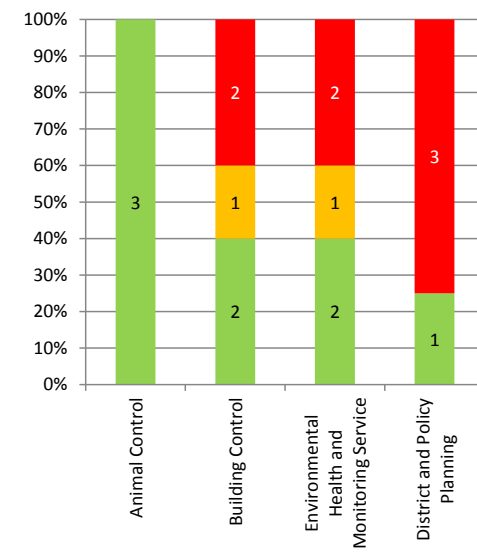
The forecast at year end anticipates savings across all activities in legal expenses (\$35k), Environmental Health (\$10k) and Building Control phones (\$3k)

### Capital Expenditure



There is no capital expenditure planned for this activity.

### Key Performance Indicators



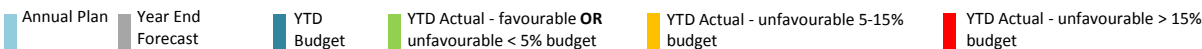
Animal Control - All of the targets for a timely response to requests for service have been met.

Building Control - Targets for building consent (BC) and code of compliance certificate (CCC) processing within the agreed timeframes were not met.  
 - 435 BCs issued - 88% compliance  
 - 595 CCCs issued - 97% compliance  
 - 195 fast track BCs issued - 79% compliance

To date only 11 of the required 19 audits have been carried out of commercial and public buildings that hold current compliance schedules. A further 10 are programmed for May 2017.

(continued on page 15)

#### Key



#### Key

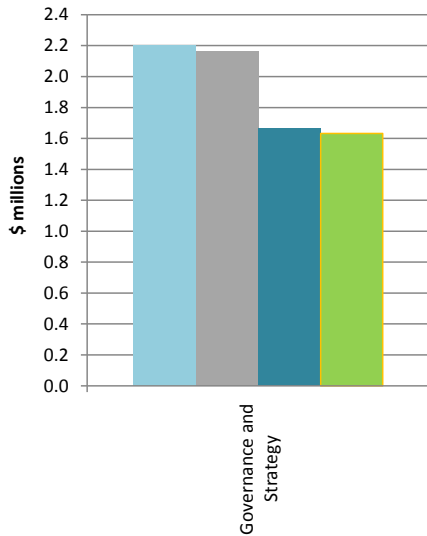


# Governance and Strategy

For the period ended 31 March 2017

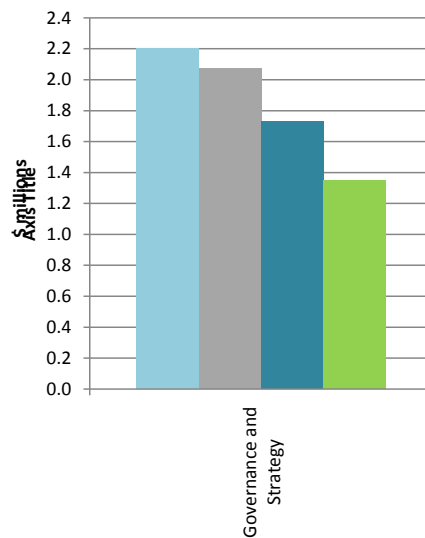


### Operating Revenue



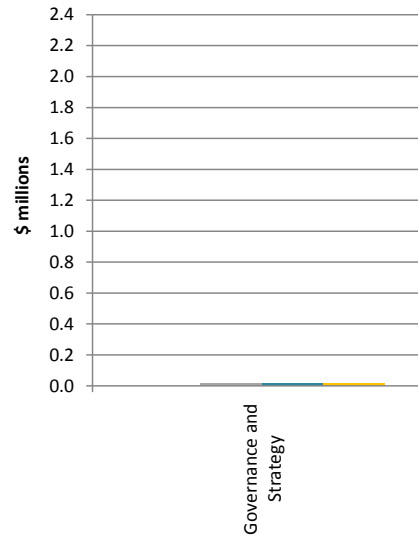
Income is received through rates and election cost recoveries from Mid Central Health and Horizons.

### Operating Expenditure



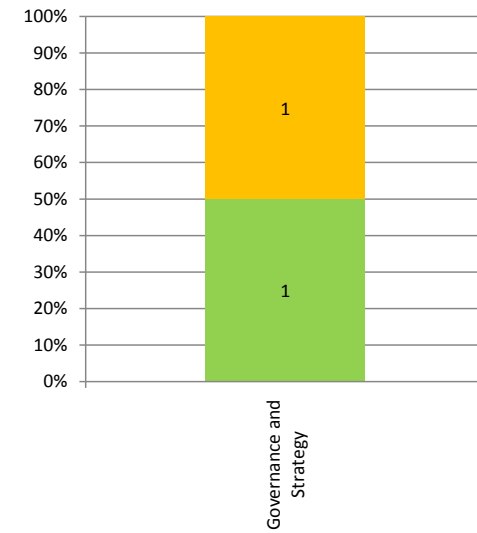
Support services costs are lower than budgeted.

### Capital Expenditure



In 2015/16 the upgrade of the Council wing was planned. The purchase of furniture was delayed until July 2016 (total \$13k).

### Key Performance Indicators



Governance and Strategy -There have been no breaches of the rating or debt limits set in the financial strategy. The limit for rates increases (as defined in the Financial Strategy) for the 2016/17 year is 5.9%. The rates set resulted in a 4.6% increase. The borrowing limit for the 2016/17 year is \$74m. The proposed borrowing at the end of the year is \$63m with actual borrowing to date is \$53m.

The customer survey regarding opportunities for the community involvement in decision-making has been commissioned in April 2017.

#### Key

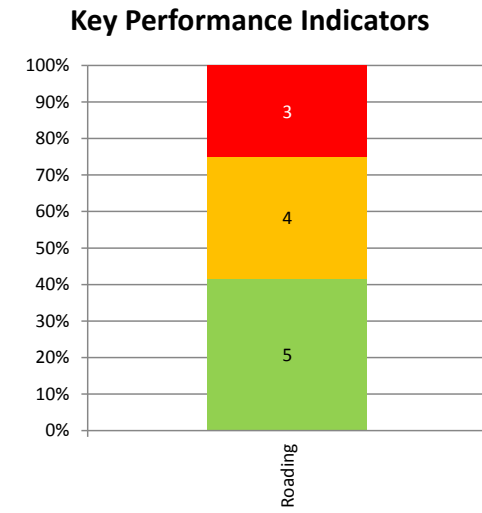
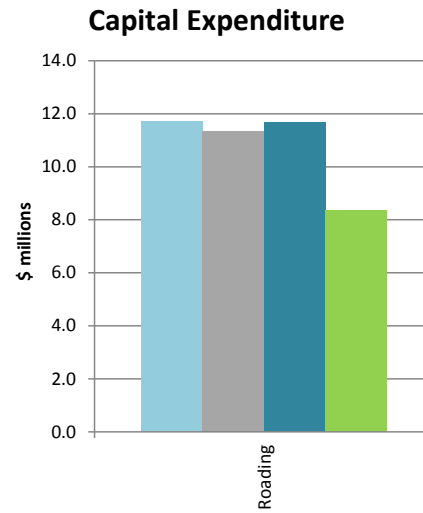
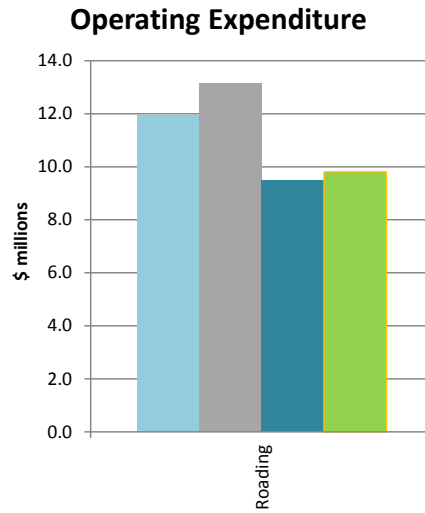
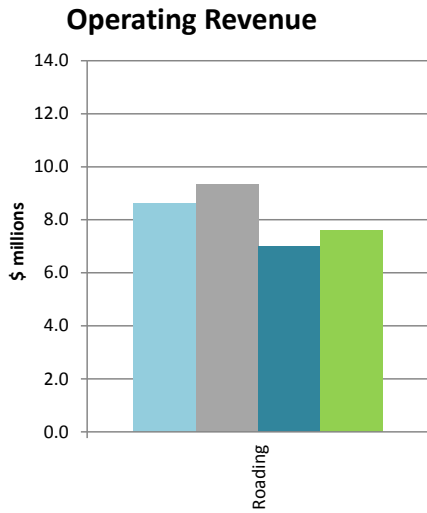
- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

#### Key

- On Track
- Needs Monitoring
- Not achieving

# Roading

For the period ended 31 March 2017



Revenue is received through rates and NZTA subsidy. The increased subsidy is a result of the increased expenditure.

The June 2015/16 flood put the 2015/16 programme behind schedule. Significant amounts were carried over to 2016/17 and projects are now being completed.

Subsidised work programme is ahead of budget and is anticipated to be \$487k ahead of budget at year end.

The capital expenditure report contains a detailed list of the progress of projects.

There are four measures that are not yet able to be reported against. Three relate to customer satisfaction surveys which have been commissioned in April 2017. The fourth relates to the number of fatal and injury crashes where the crash data is not yet available. The targets not met relate to achieving the agreed response times 90% of the time:

- 61.3% for contracted service personnel on site for urgent requests (target within one hour)
- 81.3% of customers were notified when the road network had been reinstated (within one hour)
- 39.1% of non urgent requests responded to, acknowledged and resolved within five days. (Under the contract non urgent works are programmed for repair within three months or as instructed).

## 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

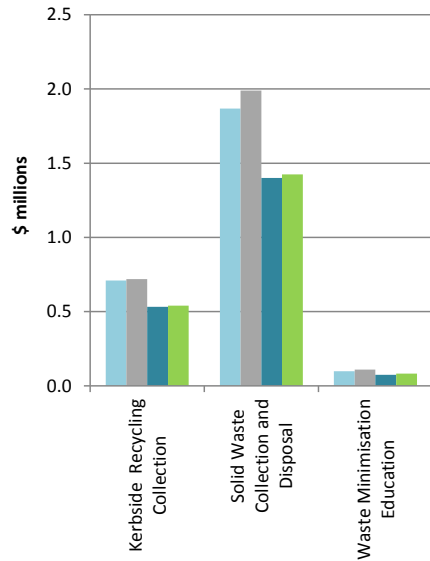
- On Track
- Needs Monitoring
- Not achieving

# Solid Waste

For the period ended 31 March 2017



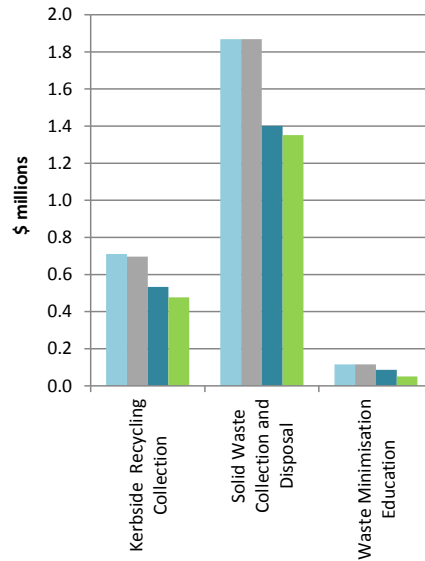
### Operating Revenue



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

Increased volumes through the Feilding Transfer Station have resulted in revenue above budgeted levels.

### Operating Expenditure

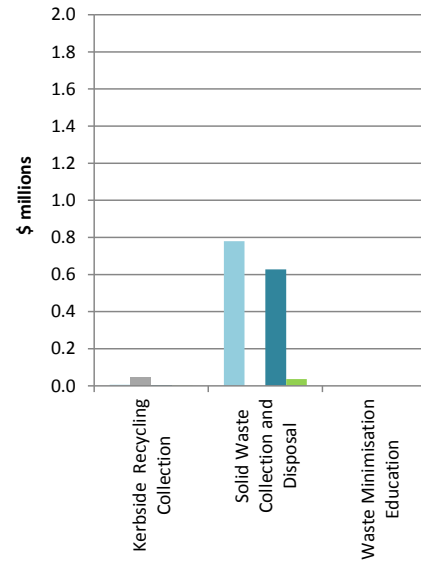


The shop bins contract is \$4.5k more than budget per month, due to change in contractor to Recreation Services.

Increased volumes through the Feilding Transfer Station have resulted in expenditure above budgeted levels. This has also resulted in a corresponding increase in revenue.

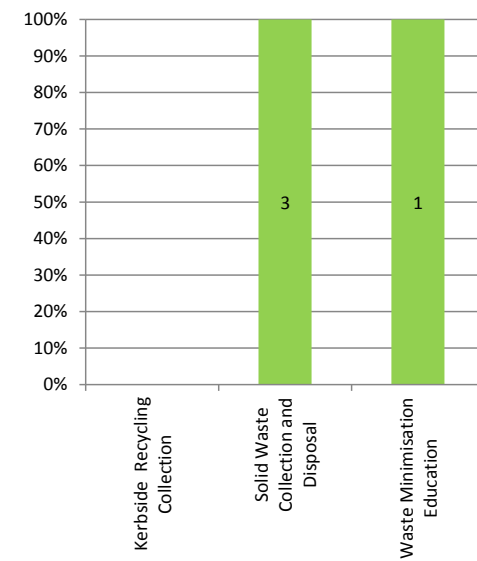
Overhead costs have reduced as the result of an internal reallocation of support costs.

### Capital Expenditure



The main capital expenditure item budgeted for this activity is a Resource Recovery Centre. The construction estimates are higher than the budget. The business case is being re-assessed and this project is not likely to be completed this year.

### Key Performance Indicators



All targets have been met.

#### Key

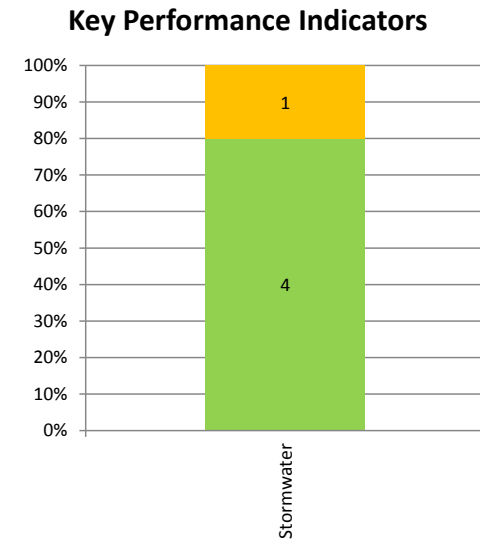
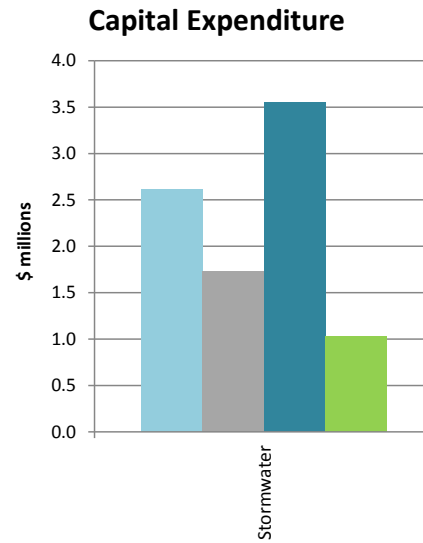
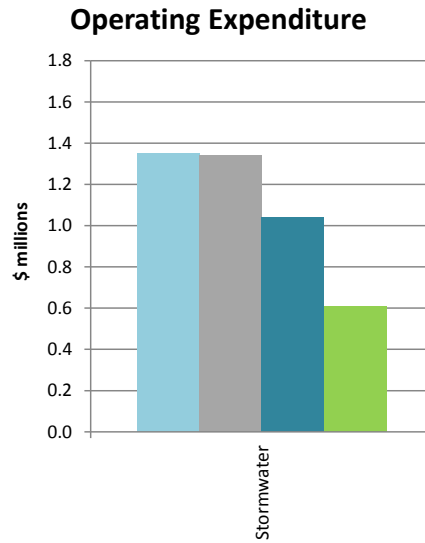
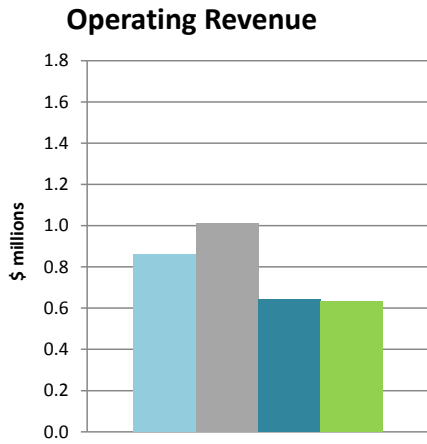
- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - favourable OR unfavourable < 5% budget
- YTD Actual - unfavourable 5-15% budget
- YTD Actual - unfavourable > 15% budget

#### Key

- On Track
- Needs Monitoring
- Not achieving

# Stormwater

For the period ended 31 March 2017



All revenue is sourced from rates.

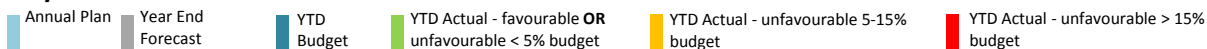
Operational costs are currently below budget. The weather have caused delays in work commencing. The scope of maintenance work required for all schemes in the last quarter will see actual expenditure increase. Some funds will be carried forward to the 2017/18 financial year.

Unbudgeted savings have been made by bringing the three waters maintenance and operating services in-house.

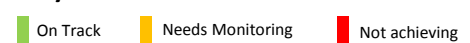
The capital expenditure report contains a detailed list of the progress of projects.

A total of 22 complaints relating to stormwater were received, 12 in the first quarter, five in the second quarter and five in the third quarter. This represents 3.3 complaints per 1,000 connections. The target is less than six complaints per annum per 1,000 connections. We are on track to met this target if this trend continues.

## Key

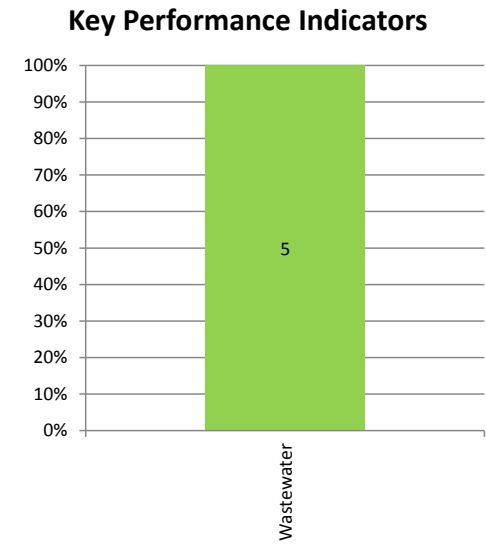
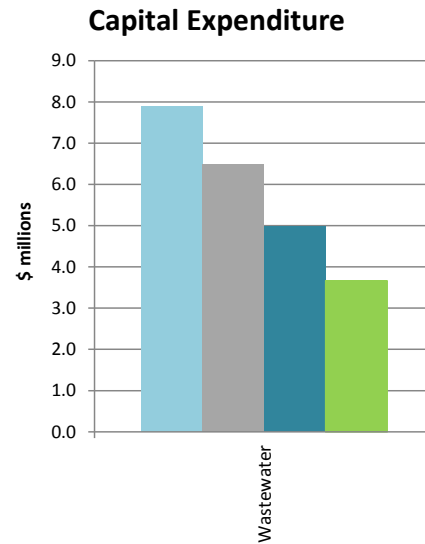
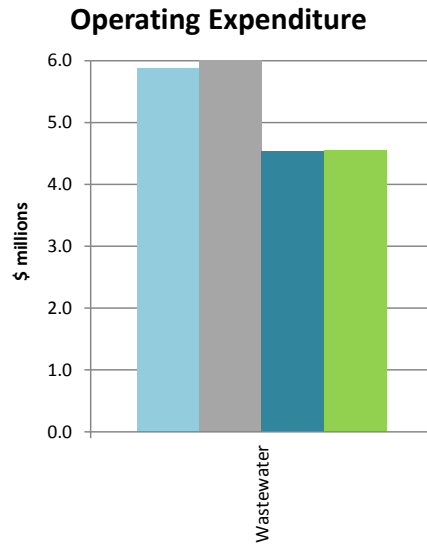
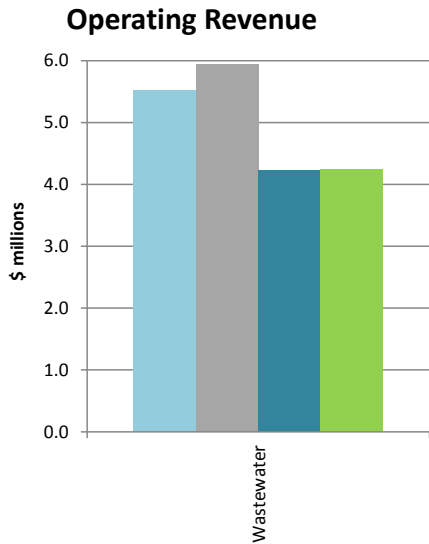


## Key



# Wastewater

For the period ended 31 March 2017



Revenue is from rates, tradewaste charges and volumetric charges.

Maintenance and monitoring costs are expected to rise over the remaining months to June 2017.

Bringing the three waters maintenance and operating services in-house has resulted in savings over the first three quarters. Savings will be reinvested into the network.

All Of Government power pricing contract has resulted in savings on electricity costs that were not budgeted.

Depreciation costs are expected to rise once the annual valuation has been updated.

Final resource consent conditions for the Feilding WWTP upgrade were granted on 24 November 2016, and these determine the design of irrigation. Some of the costs for irrigation have been deferred until the 217/18 financial year. Trial irrigator construction is underway and a wastewater buffer lagoon is being built.

The Halcombe and Cheltenham WWTP discharge consent has been lodged, and we are waiting for feedback from Horizons.

The capital expenditure report contains a detailed list of the progress of projects.

There is a target of less than six dry weather overflows per scheme. To date there have been six events in Feilding and one in Sanson to date.

A total of 49 complaints relating to wastewater services have been recorded with 25 in the first quarter, 10 in the second quarter and 14 in the third quarter (2 odour, 23 systems faults, 2 response time and 22 systems blockages). Complaints relating to systems blockages represent 3.4 per 1,000 connections. The target is less than six complaints per annum per 1,000 connections per category. The current level of complaints is within the target.

## 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

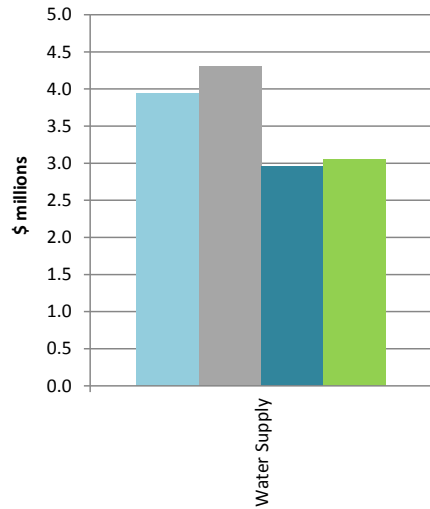
- On Track
- Needs Monitoring
- Not achieving

# Water Supply

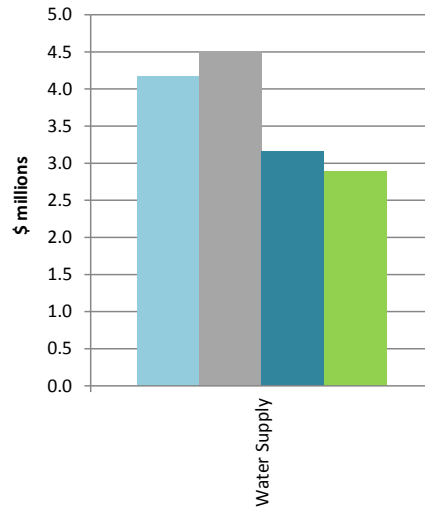
For the period ended 31 March 2017



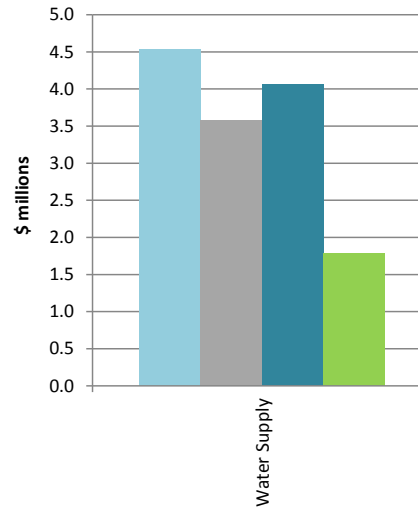
**Operating Revenue**



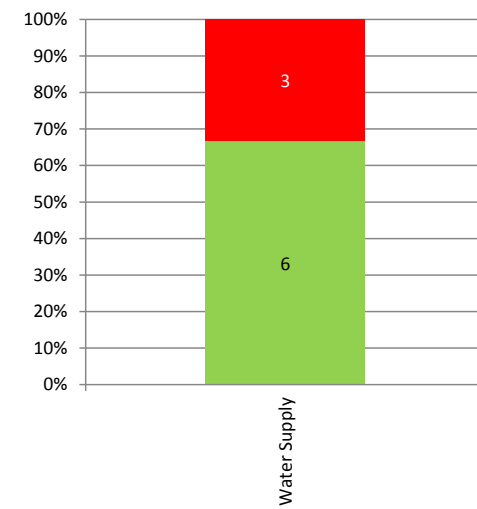
**Operating Expenditure**



**Capital Expenditure**



**Key Performance Indicators**



Revenue is from rates and metered water.

Expenditure is expected to remain within planned levels for the financial year.

The capital expenditure report contains a detailed list of the progress of projects.

Bringing the three waters maintenance and operating services in-house has resulted in savings over the first three quarters. There is a possibility of higher maintenance costs in May and June 2017 as a result of frosts.

Depreciation costs are expected to rise once the annual valuation has been updated.

Bacteriological compliance was demonstrated in all months at Waituna West, Sanson, and Stanway-Halcombe. In September Feilding failed bacteriological compliance due to a five minute incident which is believed to have coincided with an equipment recalibration problem. Inadequate frequency of sampling carried out at Himatangi Beach and Rongotea in the first five months and Rongotea in January 2017 meant that compliance could not be demonstrated. The sampling regime was changed and all schemes were compliant in December. There were no positive e-coli results in any of the samples taken.

(continued on 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**

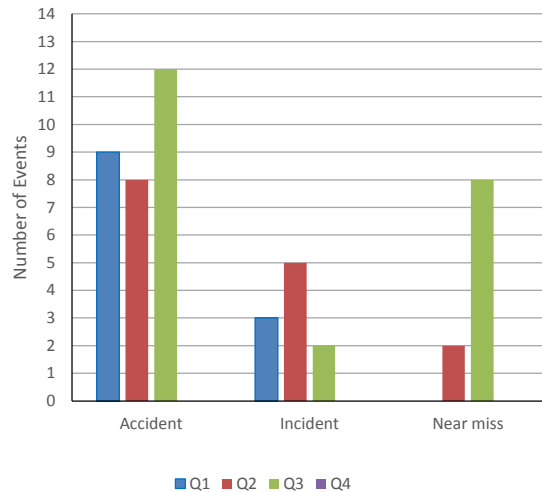
- On Track
- Needs Monitoring
- Not achieving

# Health and Safety

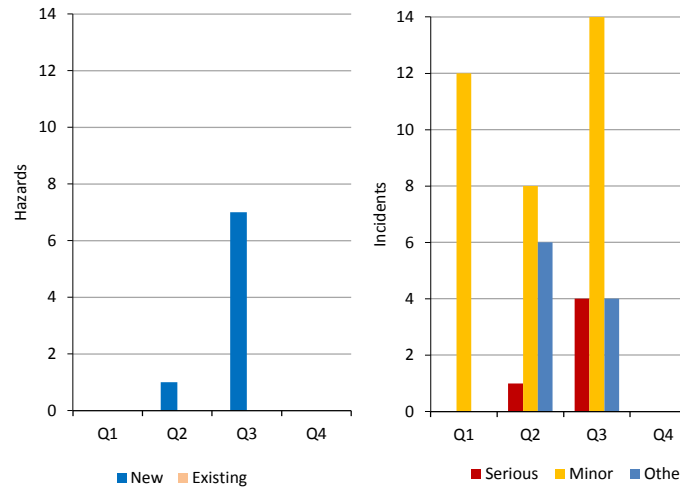
For the period ended 31 March 2017



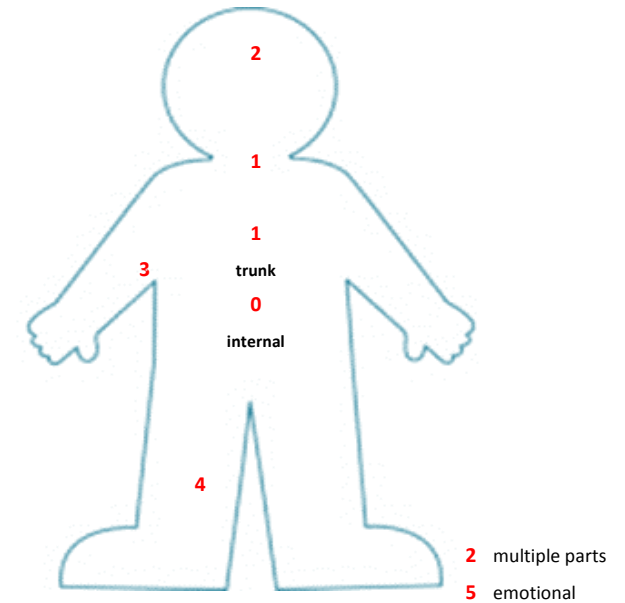
Events reported



Hazards and incidents



Injuries sustained



## Notifiable events this quarter

Notifiable: 0      Not Notifiable: 20

## Status of hazards this quarter

Open: 0      Resolved: 7

## Serious incidents this quarter

Staff members

- motor vehicle accident
- spider bite

Members of the public

- child left alone by caregiver at the pool
- sprain/strain of knee at the pool

## Policy and procedures this quarter

Reviewed and updated the following:

- Contractor pre-qualification review (still in progress) currently out for consultation with user groups
- Training register established
- Chemical register established

## Wellness initiatives this quarter

These initiatives are designed to support staff and promote wellness in the workplace.

Initiatives undertaken:

- Hepatitis vaccination
- Workstation assessments
- Drug and alcohol checks
- Funding the hall for staff tabata and boxing fitness training

## Trainings and inductions this quarter

- First aid training
- Health and safety representative training
- Dangerous goods training
- Induction was completed for 8 people

## Lost time (days) this quarter



24

## Communication and education this quarter

The following communications went out to staff:

- Accident and incident reporting
- Clean up your spills reminder
- Fatigue in the work place
- Driver fatigue
- Your Health and Safety Committee

# Comments Continued



## Community Facilities (from page 4)

Library continued - While it is expected to meet the target of 920 events, it is not expected that the target of 18,300 participants will be achieved. The number of digital users continue to exceed the target (41,142 against a target of 12,000).

Property - The customer survey has been commissioned in April 2017. Hall usage is reported by the Hall Committees in their annual return in June 2017.

Parks and Sports Grounds - The customer survey has been commissioned in April 2017.

Cemeteries - The customer survey has been commissioned in April 2017.

Public Conveniences - There has been a significant increase in the level of service. Last year 45 complaints were received during the year. The annual target is less than 25 complaints. Only two complaints have been received this year, both relating to water pump failures.

## Environmental Services and Monitoring (from page 7)

Environmental - Eight complaints relating to issues endangering public health were received and one which took five days to respond to (target 24 hours).

Currently there are 204 food and health registered premises and 51 have been inspected and 28 have Food Control Plans. Of the remaining premises 20 are not currently operating. Under the new regime not all premises will require an annual inspection.

37 of 55 licensed premises selling alcohol have been inspected. The balance of inspections are scheduled for the last quarter of the year and it is expected that all required premises will be inspected.

District Planning and Policy -  
The three measures not achieved relate to the consent processing time. In all cases the target is 100%.  
- Five notified or limited notified consents were received with one processed outside the 70 day target. This consent required additional time due to issues raised at the hearing.

## Environmental Services and Monitoring (from page 7)

District Planning and Policy (continued)  
- 192 resource consents were received and 21 were not processed within the 20 day target. The longest took 54 days to process.

- 49 controlled activity resource consents were received and six were processed within the 10 day targeted timeframe and 39 were processed within the statutory timeframe of 20 days. The four consents that exceeded the statutory timeframe were due to complexities arising from the National Environmental Standard for Assessing and Managing Contamination in Soil to Protect Human Health.

## Water Supply (from page 13)

With the exception of March Feilding has achieved protozoa compliance. The non-compliance was the result the level of turbidity achieved for only 98.3% of the time (the requirement under the Drinking Water Standard is 99% of the time). Compliance has not been achieved for Stanway-Halcombe, Sanson, Himatangi Beach and Rongotea. Waituna West has secure bore status and is not required to comply. The secure bore status at Himatangi Beach was reinstated in March 2017 and Rongotea is pending. There are projects underway to upgrade Sanson and Stanway-Halcombe to achieve protozoal compliance.

There have been 37 urgent faults. The median response time has been 1.2 hours against a target of 1 hour. More than half of these were outside Feilding, resulting in increased travel time to reach the sites.

**Capital Expenditure**  
For the period ended 31 March 2017

	Actual	Budget	Variance	Variance	Commitments	Full Year	Physical	Year End	Annual Plan	Possible	Notes/Comments
	YTD	YTD	YTD	YTD		Revised Budget	Completion	Forecast	2017	Carry Forward	Budget YTD reflects the amounts carried forward from 2015/16 after the Annual Plan was prepared.
	\$000	\$000	\$000	%	\$000	\$000	%	\$000	\$000	\$000	
<b>Community Facilities</b>											
Feilding Cemetery Extension	28	180	(152)	-85%	11	264	10%	188	273	47	The project is progressing in conjunction with Timona Park car park, with an expected completion in May 2017 for the first phase of construction. Delays have occurred as a result of poor construction weather. The second phase is the installation of the cemetery beams, this work is proposed to be carried over and undertaken in the 2017/18 year.
Halcombe Cemetery Extension	10	34	(24)	-71%	0	34	25%	34	5	0	The balance of works are due to be completed in the fourth quarter, which includes installing furniture to the carpark area.
Rongtea Cemetery - New Works	0	5	(5)	-96%	0	5	10%	5	5	0	Contractor is engaged to carry out work which will be completed in the fourth quarter.
Cemetery Renewal Works	5	0	5	n/a	0	10	50%	10	10	0	First phase of work has been completed. Balance of work has been scoped and is waiting on a contractor to start in fourth quarter.
Feilding Little Theatre - Roof	0	15	(15)	-98%	0	20	0%	0	20	20	The project is to be undertaken as part of the Feilding Little Theatre strengthening project. This project may carry over to 2017/18 year, as the Theatre Trust needs to source additional funding.
Library Collection Purchases	116	148	(32)	-22%	0	197	55%	197	197	0	Content replacements on track to be fully expended by year end.
Library Review Project	14	34	(20)	-59%	3	34	5%	20	46	14	To develop options for the modernisation of the Feilding Library and undertake minor modernisation projects. Options to be presented to Council in May.
Makino Redevelopment	1,046	1,044	2	0%	1	1,044	97%	1,075	62	0	Budget includes carry over from 2015/16 year. Pool cover costs are included as part of the project. On target to be completed by 2016/17 year end.
MAC New pool covers	0	31	(31)	-99%	0	31	100%	0	31	0	Pool covers were replaced as a part of the redevelopment project above.
Public Conveniences Renewals	0	26	(26)	-100%	0	26	0%	26	26	0	Works are for Feilding Cemetery toilet renewal. Project scoping is in progress with the physical works to be carried out in the fourth quarter.
Strengthen Earthquake Prone Buildings	56	15	41	273%	52	183	5%	56	183	0	Developed design is underway for the Feilding Theatre. Completion of the project will depend on the Theatre Trust seeking additional external funding.
Manfeild Park Development	1	0	1	n/a	0	426	0%	5	426	420	This project is for Kawakawa Rd / South St development. No expenditure is anticipated until section sales arise.
Makino Park Growth	0	0	0	n/a	0	335	0%	0	335	335	This project is for the Makino Precinct. Engagement with the community on the project is expected to commence in the 2017 calendar year. Unspent budget is expected to be carried over to coincide with additional funding in the 2017/18 year.
Property Renewal Projects	14	109	(94)	-86%	6	124	5%	99	99	25	This project includes general property renewals, renewal of Feilding Square lighting and street furniture renewals. Approval to carry over funding to the 2017/18 year will be sought to carry over the lighting budget. Despite being programmed since December, the contractor is unable to achieve this work until July 2017. All other work will be completed in the fourth quarter.
Vinegar Hill Toilets Renewal	2	0	2	n/a	0	0	100%	2	0	0	Costs were invoiced late and were for the previous years project.
Parks and Reserves - Kowhai Park	13	116	(103)	-89%	7	127	0%	15	123	103	Development design is complete. A detailed design is planned for later this year with construction late in the 2017 calendar year to coincide with additional funding requirements in the 2017/18 year. Approval to carry over the balance of this funding to the 2017/18 year will be sought.
Parks and Reserves - New Projects	16	5	11	212%	0	37	100%	17	16	0	Installation of new signage at Himatangi Beach completed.
Parks and Reserves - Refurbish Victoria Park	0	3	(3)	-106%	0	3	100%	3	29	0	This is the fitness trail project. Ground works were completed in the previous year, with Rotary funding the installation and supply of new fitness equipment. Work expected in the fourth quarter. Any additional expenditure will be funded by Rotary.
Parks Growth - Timona Park	117	169	(52)	-31%	3	169	67%	169	175	0	The project work is being undertaken in conjunction with the Feilding Cemetery extension. Construction is currently underway, with expected completion in April 2017. All works will be completed for 2016/17 year end.
Parks and Reserves - Walkway / Linkages	75	215	(140)	-65%	0	431	61%	121	456	310	This project is made up of Walkway Linkages (Railway Rd to Johnston Park), Kowhai to Kitchener Parks, and Stonebridge Reserve. Approval to carry over the walkway linkage projects to the 2017/18 year will be sought, as the project is connected with both the Greenspine and Kowhai Park, construction for which is planned late in the 2017 calendar year. Stonebridge Reserve is 80% complete, with the last portion of the project being linking the Greenspine to the reserve being undertaken in the fourth quarter.
Parks and Reserves - Playground Renewal	60	80	(19)	-24%	0	106	55%	106	106	0	This project is made up of the Tangimoana playground, Timona Park playground and general playground renewals. Tangimoana playground is complete. Timona Park initial construction has started and expected to be completed by May 2017.
Parks Renewal Projects	9	0	9	n/a	0	36	0%	36	36	0	This is the James Palmer Park project. The balance of work is scheduled for the fourth quarter.
Feilding CBD Park Benches	3	41	(39)	-95%	0	41	35%	26	41	15	New park bench installation underway. \$15k carry forward request for 2017/18.
Kitchener Park Capital Works	16	30	(14)	-47%	0	51	40%	16	53	35	The work is for Kitchener Park Flood Protection. Costs cover the preliminary scoping work undertaken by the Awahuri Forest/Kitchener Park Trust. A possible carry over to the 2017/18 year will be sought, and is dependent on progress made by the Trust.
Makino Park Playground and Skate Park	4	47	(43)	-92%	4	47	50%	7	99	40	This project is for the Makino Precinct. Engagement with the community on the project is expected to commence early in 2017. The balance of funding is expected to be carried over to coincide with additional funding in the 2017/18 year.
Mt Lees Trails	0	0	0	n/a	0	0	0%	0	15	0	Annual Plan budget was revised as was fully expended in 2015/16 year.
Walkway Linking	2	0	2	n/a	0	0	100%	2	0	0	Late costs associated with previous years project.
Railway Land Beautification	14	0	14	n/a	32	579	0%	30	555	525	The project is for the Greenspine development, and is progressing through a review of the design in consultation with NZTA and Kiwi Rail. Construction is programmed for late 2017, a carry-over of the balance of funds to the 2017/018 year will be sought.
Himatangi Beach Access Carpark	17	21	(3)	-14%	9	21	85%	21	21	0	Project planning is underway with completion expected end of April.
Parks and Reserves - Renewal Projects	127	224	(97)	-43%	0	250	65%	231	207	0	The project is for Raumai Reserve toilets replacement, fencing at Johnston and Timona parks, and Rongotea park refurbishment. Raumai Reserve was completed in the second quarter, and fencing projects due for completion in the fourth quarter. Overspend has been approved by the Chief Executive through the reallocation of project funding.
Parks and Reserves - Railway Reserve	2	0	2	n/a	0	371	5%	25	371	346	The project is for the Greenspine development, and is progressing through a review of the design in consultation with NZTA and Kiwi Rail. Construction is programmed for late 2017, a carry-over of the balance of funds to the 2017/018 year will be sought.
Parks - New Projects	0	7	(7)	-96%	0	7	0%	7	7	0	The project is for the Pohangina Domain and walkway. Work requested to be carried forward by the Community Committee to 2017/18 year. Works include new walkway and bus shelter.
Sanson Playground	0	0	0	n/a	0	156	0%	0	156	156	The project is part of the Sanson development. Timing is dependent on the Sanson development being finalised. Approval will be sought to carry over funds to the 2017/18 year.
Londons Ford Toilet	33	57	(25)	-44%	0	57	100%	33	57	0	The project was completed in the second quarter. Remainder in budget covers the shortfall in the development of Raumai toilets as part of Parks and Reserves as approved by the Chief Executive.
<b>Total Community Facilities</b>	<b>1,802</b>	<b>2,657</b>	<b>(855)</b>	<b>-32%</b>	<b>129</b>	<b>5,224</b>		<b>2,582</b>	<b>4,241</b>	<b>2,391</b>	
<b>Emergency Management</b>											
Rural Fire - Equipment Renewal	0	16	(16)	-100%	0	16	0%	16	16	0	Expenditure on hold pending the transfer of the Rural Fire service to Fire and Emergency New Zealand (FENZ).
<b>Total Emergency Management</b>	<b>0</b>	<b>16</b>	<b>(16)</b>	<b>-100%</b>	<b>0</b>	<b>16</b>		<b>16</b>	<b>16</b>	<b>0</b>	

	Actual	Budget	Variance	Variance	Commitments	Full Year	Physical	Year End	Annual Plan	Possible	Notes/Comments
	YTD	YTD	YTD	YTD		Revised Budget	Completion	Forecast	2017	Carry Forward	Budget YTD reflects the amounts carried forward from 2015/16 after the Annual Plan was prepared.
	\$000	\$000	\$000	%	\$000	\$000	%	\$000	\$000	\$000	
<b>District Development</b>											
Community Planning - Renewal	48	32	16	49% <span style="color:red">◆</span>	0	32	100%	48	32	0	Project covers Rangiwahia toilets. Project is complete. Funding from a third party (\$2k) now received.
<b>Total District Development</b>	<b>48</b>	<b>32</b>	<b>16</b>	<b>49%</b> <span style="color:red">◆</span>	<b>0</b>	<b>32</b>		<b>48</b>	<b>32</b>	<b>0</b>	
<b>Governance and Strategy</b>											
Council Chamber Asset Purchase	15	13	2	13% <span style="color:orange">▲</span>	0	13	100%	15	0	0	Carried over from 2015/16 year and project complete.
<b>Total Governance and Strategy</b>	<b>15</b>	<b>13</b>	<b>2</b>	<b>13%</b> <span style="color:orange">▲</span>	<b>0</b>	<b>13</b>		<b>15</b>	<b>0</b>	<b>0</b>	
<b>Roading</b>											
CBD Redevelopment Projects	0	60	(60)	-100% <span style="color:green">●</span>	0	80	0%	0	0	0	The budget represents carry overs from last year. No projects have been identified to date.
Sub Unsealed Road Metalling	683	373	310	83% <span style="color:red">◆</span>	28	746	92%	725	614	0	Major projects nearing completion, with the exception of Stage 3 Makoura Rd which has been deferred to 2017/2018 year. Budget over spend due to LTP commitments. Over spend will be offset by underspend in other renewal projects.
Sub Sealed Road Resurfacing	1,771	1,892	(121)	-6% <span style="color:green">●</span>	845	1,892	94%	1,920	1,892	0	All chip seal sites are complete. There are some asphaltic concrete sites which will be complete by end of June.
Subsidised Bridge Renewals	1,019	740	279	38% <span style="color:red">◆</span>	1,319	1,932	53%	1,731	1,332	201	Two bridge renewals completed. Resource consent delays have forced delays with Nannestad line bridge replacement, remaining funds to be carried forward for this, additional NZTA emergency work funds will be needed in 2017/18 to complete this project.
Sub Cycle Facilities	0	20	(20)	-100% <span style="color:green">●</span>	0	38	0%	0	38	38	There are currently no plans for the Feilding to Palmerston North cycle link works. The project is under discussion as part of the 2017/18 annual plan process. Funds to be carried forward in case it proceeds.
Sub Minor Improvements	17	76	(59)	-78% <span style="color:green">●</span>	6	105	16%	22	53	0	Work programmed in conjunction with new subsidised minor improvement projects, not expended due to project deferrals. The surplus will be used to fund over spends in other subsidised renewal jobs
Roading Growth	477	1,384	(907)	-66% <span style="color:green">●</span>	9	1,949	24%	480	1,458	1,469	Costs relate to Stage 2 Pharazyn St works, roading component for Stage 3 Pharazyn St works will span 2016/17 and 2017/18, \$529k is included in carry forward amount for this. The remainder of the carry forward amount is for the economic and financial case for the Turners Road extension project which was not expended in 2016/17.
Sub Drainage Renewals	530	191	339	178% <span style="color:red">◆</span>	149	229	100%	907	229	0	The over spend is due to renewals associated with this year's pavement rehabilitation projects. This overspend is funded by an underspend in other renewal activities.
Sub Structures Renewals	507	316	191	60% <span style="color:red">◆</span>	139	330	100%	827	281	0	Budget over spend will be offset by underspend in other renewal projects.
Sub Traffic Services Renewal	257	363	(106)	-29% <span style="color:green">●</span>	118	490	52%	428	310	0	Behind schedule due to delays with the installation of LED light fittings, programmed to be installed this financial year. Surplus to fund over spends in other subsidised renewal jobs
Sub Associated Improvements	27	62	(35)	-57% <span style="color:green">●</span>	2	62	43%	27	53	0	Work programmed in conjunction with new subsidised minor improvement projects, not expended due to project deferrals. Surplus to fund over spends in other subsidised renewal jobs
Sub Pavement Rehabilitation	1,758	3,687	(1,930)	-52% <span style="color:green">●</span>	2,161	3,886	45%	1,989	3,270	894	The programme has been reduced due to inclement weather impacting on achievement. Surplus to fund over spends in other subsidised renewal jobs with remainder of \$894k to be carried over to funded from the 2017/18 pavement renewals.
Sub Minor Improvement New	638	1,089	(451)	-41% <span style="color:green">●</span>	0	1,089	59%	771	819	318	Due to weather related delays Lees/Awahuri Rd intersection improvement project will span 2016/17 and 2017/18 financial years.
Non Sub Road Reconstruction	245	840	(596)	-71% <span style="color:green">●</span>	511	840	29%	820	871	0	Expenditure behind budget phasing but projects are planned to be complete this financial year.
Non Sub Seal Extension	265	138	128	93% <span style="color:red">◆</span>	5	145	183%	296	145	0	Stage 3 of the Makoura Rd seal extension has been deferred to 2017/18, budget overspend due to LTP commitments. The overspend will be offset by an under spend on new footpaths.
Non Sub Roothing New Footpaths	0	162	(162)	-100% <span style="color:green">●</span>	79	165	0%	66	165	0	Budget underspend offset by over spend on for non-subsidised seal extensions.
Non Sub Footpath Renewals	42	158	(116)	-73% <span style="color:green">●</span>	0	158	27%	158	78	0	Expenditure behind budget phasing, projects will be completed by end of 2016/2017 year.
Non Subsidised Roothing Renewal	77	143	(66)	-46% <span style="color:green">●</span>	105	191	40%	191	99	0	Expenditure behind budget phasing, projects will be completed by end of 2016/2017 year. To be used in association with Seddon St and Wellington St non-subsidised reconstruction projects and footpath renewals.
<b>Total Roothing</b>	<b>8,313</b>	<b>11,693</b>	<b>(3,380)</b>	<b>-29%</b> <span style="color:green">●</span>	<b>5,477</b>	<b>14,327</b>		<b>11,358</b>	<b>11,707</b>	<b>2,920</b>	
<b>Solid Waste</b>											
Purchase of New Recycling Bins	7	4	3	66% <span style="color:red">◆</span>	0	6	75%	8	6	0	Bin movements. New bin purchases are planned closer to June 2017.
Recycling Inventory	(7)	0	(7)	n/a	0	0	75%	(8)	0	0	Bin movements - bins issued from inventory.
Resource Recovery Centre	37	628	(591)	-94% <span style="color:green">●</span>	7	779	0%	44	779	735	Subdivision consent has been granted with the land use consent in progress. Due to construction estimates being considerably higher than budgets, the business case is being re-assessed and not expected to be completed in 2016/17 year.
<b>Total Solid Waste</b>	<b>37</b>	<b>632</b>	<b>(595)</b>	<b>-94%</b> <span style="color:green">●</span>	<b>7</b>	<b>785</b>		<b>44</b>	<b>785</b>	<b>735</b>	
<b>Stormwater</b>											
Stormwater Growth Feilding	585	2,388	(1,803)	-76% <span style="color:green">●</span>	92	2,388	70%	838	1,541	1,550	Stage 3 stormwater contract for Precinct 4 is underway. A design for Port St has been completed. The Kawakawa Rd/Turners Rd (Precinct 5) stormwater design is underway. No physical work will take place this financial year. Needs for growth work have increased during this year.
Stormwater New Work Feilding	139	211	(72)	-34% <span style="color:green">●</span>	109	211	92%	151	211	60	The new stormwater in Wellington Rd is under construction as part of the roading improvements. Poplar Grove and Mahi Grove investigations as a result of existing flooding issues will be resolved once landowner engagement is complete.
Stormwater Unplanned Renewals	181	957	(776)	-81% <span style="color:green">●</span>	145	1,144	24%	744	863	400	Design for McCorkindale St and Derby St improvement underway. West St is underway. Pipe inspections for other jobs indicate assets do not require replacement. Carry forward is for projected contract commitments.
<b>Total Stormwater</b>	<b>905</b>	<b>3,556</b>	<b>(2,651)</b>	<b>-75%</b> <span style="color:green">●</span>	<b>346</b>	<b>3,742</b>		<b>1,733</b>	<b>2,615</b>	<b>2,010</b>	
<b>Wastewater</b>											
Desludging Oxidation Ponds	0	139	(139)	-100% <span style="color:green">●</span>	0	139	0%	0	139	139	Sanson ponds de-sludging on hold pending future decisions on the consent.
Feilding WWTP Asset Renewal	949	1,170	(221)	-19% <span style="color:green">●</span>	1,178	2,181	47%	2,029	2,161	152	Detailed seismic strengthening design for administration building is complete, monitoring bores are being installed, sedimentation tank chains and scrapers requirements are confirmed, and the master programmable logic controller replacement completed. Digester replacement tender awarded, and the composting trial is complete. Physical works on the digester replacement fully committed but not completed.
Feilding WWTP Upgrade	1,305	851	455	53% <span style="color:red">◆</span>	659	1,682	90%	1,457	1,580	225	Construction of effluent storage pond complete. Final requirements for the pumping and pipework to fill the ponds are being confirmed.
Feilding WWTP - Irrigation	596	1,192	(596)	-50% <span style="color:green">●</span>	1,502	3,150	31%	1,950	1,803	1,200	Expenditure to be spread over the next two years due to consent conditions requiring one irrigator to be trialled during 2016/17 year. Irrigation contract and design yet to be finalised. Trial irrigator works are complete. Carry forward requested for remainder of irrigators to be installed.

	Actual	Budget	Variance	Variance	Commitments	Full Year	Physical	Year End	Annual Plan	Possible	Notes/Comments
	YTD	YTD	YTD	YTD		Revised Budget	Completion	Forecast	2017	Carry Forward	Budget YTD reflects the amounts carried forward from 2015/16 after the Annual Plan was prepared.
	\$000	\$000	\$000	%	\$000	\$000	%	\$000	\$000	\$000	
Feilding WWTP Growth	187	96	91	95% <span style="color:red">◆</span>	59	160	100%	187	300	0	Inlet screen works completed. Grit removal chamber is in the design phase.
Feilding Wastewater Growth	175	253	(77)	-31% <span style="color:green">●</span>	433	270	100%	175	200	95	Churcher St sewer main project completion will be done in conjunction with Port St stormwater. Additional expenditure will be required to complete these works. The increased demand is a result of rapid growth within Precinct 4.
Feilding WWTP Nursery New Work	73	15	58	378% <span style="color:red">◆</span>	0	104	100%	73	104	31	Nursery requirements are under review.
Feilding Reticulation Renewals	25	0	25	n/a	0	0	100%	25	0	0	Costs are for the completion of minor items associated with sewer renewals from the 2015/16 year.
Wastewater New Connections	87	0	87	n/a	25	0	87%	100	0	0	New connections installed. Costs are demand driven and are funded by connection fees received.
Wastewater Pump Station Renewals	19	74	(55)	-74% <span style="color:green">●</span>	0	74	20%	74	74	0	Works deferred to final quarter of 2016/17 year.
Rongotea Renewals	19	345	(326)	-94% <span style="color:green">●</span>	17	520	5%	25	462	495	A consultant has been engaged to assist with the consent renewal application. There is a holding consent pending review of future options. New aerator purchased and waiting on installation.
Himatangi Sewerage New Work	(12)	0	(12)	n/a	0	0	0%	(12)	0	0	A late credit note raised by pump station supplier for 2015/16 year.
Sanson Renewals	32	200	(168)	-84% <span style="color:green">●</span>	66	601	3%	40	475	561	A consultant has been engaged to assist with the consent renewal application. Irrigation renewals are designed and are subject to the consent application. Horizons are reviewing the irrigation design to ensure that any renewal works meet their requirements. The irrigation system has reached the end of its life and needs total replacement. A feasibility review is underway subject to consent requirements and pending the wastewater strategy outcomes. This is a holding consent pending review of future options.
WW Unplanned renewals-Villages	2	0	2	n/a	0	0	84%	2	0	0	
Cheltenham Wastewater Renewal	8	46	(38)	-82% <span style="color:green">●</span>	0	280	81%	10	289	270	Awaiting information from Iwi and Horizons for consent notification. There is a holding consent pending review of future options.
Rongotea Wastewater Reticulation	164	187	(24)	-13% <span style="color:green">●</span>	7	250	100%	164	0	86	Construction works completed and the network is operational.
Awahuri WWTP Renewals	0	20	(20)	-100% <span style="color:green">●</span>	0	20	#DIV/0!	0	20	20	Surveyor to confirm site area prior to works starting. This is a holding consent pending review of future options.
Kimbolton Wastewater Treatment	10	50	(40)	-81% <span style="color:green">●</span>	0	50	0%	50	50	0	SCADA/electrical works completion certification, projected to be completed by year end.
Halcombe WWTP Renewals	0	98	(98)	-100% <span style="color:green">●</span>	0	98	0%	73	98	0	Project on hold pending consent compliance and a centralisation of the reticulation network. No carried forward amount.
Halcombe WWTP Discharge Consent	11	163	(152)	-93% <span style="color:green">●</span>	31	163	54%	20	113	143	Consent application lodged and awaiting final comments from Iwi and Horizons. Final costs depend on hearing requirements. A feasibility review is underway subject to consent requirements and pending the wastewater strategy outcomes. This is a holding consent pending review of future options.
District WWPS Telemetry	0	71	(71)	-100% <span style="color:green">●</span>	0	94	0%	47	0	0	Unspent budget carried forward from 2015/16 year. Works deferred to last quarter of 2016/17 year.
<b>Total Waste Water</b>	<b>3,651</b>	<b>4,970</b>	<b>(1,319)</b>	<b>-27%</b> <span style="color:green">●</span>	<b>3,978</b>	<b>9,836</b>		<b>6,489</b>	<b>7,867</b>	<b>3,417</b>	
<b>Water</b>											
Feilding WTP Renewals	139	974	(835)	-86% <span style="color:green">●</span>	53	1,345	30%	465	1,217	880	Report received on water treatment options for bores and is under consideration. Contractor for Awa St programmable logic controller works has been engaged. The Feilding Water Strategy which will confirm a future pathway for the development of the water supply will require completion of a business case. Other work has been deferred to the 2017/18 year in accordance with the revised water strategy.
Feilding Reticulation Renewals	512	670	(158)	-24% <span style="color:green">●</span>	163	893	75%	683	893	210	On target with renewals works in Bowen St, Dalzien Place, Haggitt St. Windsor Tce is currently in the design phase.
Feilding Water Supply Growth	290	732	(442)	-60% <span style="color:green">●</span>	110	732	56%	522	389	210	South St up-grades completed, West St complete (works carried over from 2015/16). Works in Pharazyn St (Stage 3) underway. There is a carry forward request for the projected contract costs.
Feilding Water Pressure Zones	25	240	(216)	-90% <span style="color:green">●</span>	11	240	18%	140	100	100	MacDonald Heights. The pump station has been designed, pipe configuration around the reservoir is confirmed, and the pump supply and pipe installation is due to commence.
Feilding Water Metering/Backflow	11	0	11	n/a	0	74	1%	42	42	0	
Almadale WTP Optimisations	3	0	3	n/a	0	0	100%	3	0	0	Costs are for safety improvements to the treatment room. No further costs required.
Water Supply New Connections	5	0	5	n/a	9	0	52%	10	0	0	Costs are demand driven and funded by connection fees received.
Himatangi Water Asset Renewals	97	311	(214)	-69% <span style="color:green">●</span>	0	482	15%	432	380	50	The reservoir is due to be delivered. Site works are underway.
Himatangi Water Supply New Work	9	43	(34)	-79% <span style="color:green">●</span>	3	76	12%	9	55	58	Tenders let for new reservoir and associated works. A carry forward is anticipated to complete this project.
Sanson Water Asset Renewal	0	10	(10)	-98% <span style="color:green">●</span>	0	13	0%	13	13	0	Drilling works for the new bore are complete. Awaiting test results to determine level of treatment required.
Sanson WTP New Works	363	865	(502)	-58% <span style="color:green">●</span>	175	1,248	40%	898	1,180	350	Drilling works for the new bore are complete. Awaiting test results to determine level of treatment required.
Rongotea Water Scheme	5	0	5	n/a	0	0	62%	8	0	0	Costs are demand driven and funded by connection fees received.
Water Supply Unplanned Renewals -Villages	7	0	7	n/a	0	0	85%	8	49	0	Replacement of valves and hydrants as and when needed.
Stanway/Halcombe WTP New Works	191	49	142	287% <span style="color:red">◆</span>	24	99	100%	191	94	0	Work was re-scoped to meet scheme committee requirements and funded from their existing funds.
Stanway/Halcombe RWS Renewals	37	84	(47)	-56% <span style="color:green">●</span>	2	84	76%	49	0	0	Bundled with capacity improvements works below.
Stanway/Halcombe RWS Intake and Capacity Improvements	81	49	32	66% <span style="color:red">◆</span>	0	49	90%	84	84	0	Second stage of pipeline from Pryce's Line to booster reservoir completed. Bundled with renewals budget.
Waituna West RWS Renewals	0	40	(40)	-100% <span style="color:green">●</span>	0	40	0%	20	40	0	No urgent work required.
<b>Total Water Supply</b>	<b>1,776</b>	<b>4,067</b>	<b>(2,292)</b>	<b>-56%</b> <span style="color:green">●</span>	<b>549</b>	<b>5,375</b>		<b>3,577</b>	<b>4,538</b>	<b>1,858</b>	
<b>Support Services and Other</b>											
Motor Vehicle Renewals	309	290	19	7% <span style="color:orange">▲</span>	0	386	80%	431	260	0	Revised budget has an approved carry over from 2015/16 year. The forecast includes the replacement for the stolen digger which is funded from insurance proceeds (to be purchased in April 2017).
Hardware	56	174	(118)	-68% <span style="color:green">●</span>	2	191	30%	191	191	0	The renewal programme is underway. A large portion of major replacements commitments raised were in March 2017.
Software - Document Management	268	456	(188)	-41% <span style="color:green">●</span>	345	608	50%	350	608	258	Project underway and scheduled for completion in December 2017. Unspent funds will be carried forward to 2017/18.
Software Replacement	22	84	(62)	-74% <span style="color:green">●</span>	0	111	20%	56	52	0	Cost is upgrade to Creative Cloud, expected to be installed in May 2017. Budget carry over from 2015/16 year is unlikely to be required due to cost savings in the Go-Shift project.
Establishment of the Three Waters Reticulation Team	212	261	(48)	-19% <span style="color:green">●</span>	69	261	90%	232	0	0	Unspent budget carried over from last financial year.
Infrastructure Refurbishment	19	0	19	n/a	0	0	100%	19	0	0	Project complete.
Infrastructure Computers	8	0	8	n/a	0	0	100%	8	0	0	Project complete.
Computers - WTP and WWTP Ops	10	0	10	n/a	0	0	100%	10	0	0	Project complete.
General Renewals	24	17	7	39% <span style="color:red">◆</span>	0	23	0%	32	23	0	Costs are for file room mobile shelving units replaced after the earthquake. \$13k funded from the Insurance Reserve.
General New Assets	10	21	(12)	-55% <span style="color:green">●</span>	0	28	30%	28	23	0	Cost are for wall removal in Community and Strategy area, two new laptops for new parks and property staff, and additional computers for regulatory team.
<b>Total Support Services and other</b>	<b>939</b>	<b>1,302</b>	<b>(363)</b>	<b>-28%</b> <span style="color:green">●</span>	<b>416</b>	<b>1,608</b>		<b>1,357</b>	<b>1,156</b>	<b>258</b>	
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>17,485</b>	<b>28,938</b>	<b>(11,454)</b>	<b>-40%</b> <span style="color:green">●</span>	<b>10,902</b>	<b>40,958</b>		<b>27,219</b>	<b>32,955</b>	<b>13,589</b>	

◆ Greater than 15% of budget

▲ Between 5-15% greater than budget

● Less than 5% greater than budget

LOS = Level of Service