

Waimakariri District Council

Audit and Risk Committee

Agenda

Tuesday 10 September 2024

9am

Council Chambers
215 High Street
Rangiora

Members:

Cr Jason Goldsworthy (Chairperson)

Cr Neville Atkinson

Cr Tim Fulton

Cr Joan Ward

Cr Paul Williams

Mayor Dan Gordon (ex officio)

AGENDA CONTENTS – AUDIT AND RISK COMMITTEE MEETING

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A MEETING OF THE AUDIT AND RISK COMMITTEE WILL BE HELD IN THE COUNCIL CHAMBER, RANGIORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA ON TUESDAY 10 SEPTEMBER 2024 AT 9AM.

Recommendations in reports are not to be construed as
Council policy until adopted by the Council

BUSINESS

Page No

1 **APOLOGIES**

2 **CONFLICTS OF INTEREST**

Conflicts of interest (if any) to be reported for minuting.

3 **CONFIRMATION OF MINUTES**

3.1 **Minutes of a meeting of the Audit and Risk Committee held on Tuesday 13 August 2024**

6-14

RECOMMENDATION

THAT the Audit and Risk Committee:

- (a) **Confirms**, as a true and accurate record, the circulated Minutes of a meeting of the Audit and Risk Committee, held on 13 August 2024.

3.2 **Matters Arising**

4 **PRESENTATION/DEPUTATION**

4.1 **Oxford Promotions Association Committee – Annual Report**

Representatives from the Oxford Promotions Association will be in attendance to provide the Committee with an update on works being done by the Oxford Promotions Association.

4.2 **Kaiapoi Promotions Association – Annual Report**

Representatives from the Kaiapoi Promotions Association will be in attendance to provide the Committee with an update on works being done by the Kaiapoi Promotions Association.

4.3 **Rangiora Promotions Association – Annual Report**

Representatives from the Rangiora Promotions Association will be in attendance to provide the Committee with an update on works being done by the Rangiora Promotions Association.

4.4 **Bancorp Treasury – David Walker**

D Walker from Bancorp will be in attendance to provide a treasury update.

5 REPORTS

5.1 Financial Report for the Period ended 30 June 2024 – Paul Christensen (Finance Manager)

15-61

RECOMMENDATION

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 240827143868.
- (b) **Notes** the preliminary surplus for the year ended 30 June 2024 is \$50.0 million. This is \$31.5 million over budget and reflects the high level of non-cash vested asset revenue.
- (c) **Notes** Significant expenditure variances include losses on disposals of assets \$4.2 million over budget and \$5.7 million costs from expenditure budgeted as capital but that must be accounted for as operating expenditure.
- (d) **Notes** the additional audit fee of \$55,000 incurred on the audit of the Long-Term plan 2024-34, and notes that the Canterbury Mayoral forum is writing to the Local Government Minister regarding increases in audit fees.
- (e) **Notes** that the Annual Report is currently being audited by Audit New Zealand. The Annual Report will be presented to the Council in October for adoption.

5.2 Reporting on LGOIMA Requests for the period 1 June 2024 to 31 August 2024 – Thea Kunkel (Governance Team Leader)

62-71

RECOMMENDATION

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 240828145041 for information.
- (b) **Notes** that the Council received 64 requests and responded to 61 official requests of information from 1 June 2023 to 31 August 2024, 13 less than the 74 official requests responded to in the same period in 2022/23.

6 PORTFOLIO UPDATES

6.1 Audit, Risk, Annual / Long Term Plans – Councillor Joan Ward

6.2 Communications and Customer Services – Councillor Joan Ward

7 QUESTIONS

8 URGENT GENERAL BUSINESS

9 MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be), it is moved:

1. That the public be excluded from the following parts of the proceedings of this meeting:
Item 9.1 Confirmation of Public Excluded Minutes of Audit and Risk Committee of 13 August 2024.

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:

Meeting Item No. and subject	Reason for excluding the public	Grounds for excluding the public-
9.1 Confirmation of Public Excluded Minutes of Audit and Risk Committee of 13 August 2024	Good reason to withhold exists under section 7	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (LGOIMA s 7(2)(i)).

CLOSED MEETING

See Public Excluded Agenda.

OPEN MEETING

NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Tuesday 12 November 2024 at 9am.

WAIMAKARIRI DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE COUNCIL CHAMBERS, RANGORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA ON TUESDAY, 13 AUGUST 2024, WHICH COMMENCED AT 9AM.

PRESENT

Councillor J Goldsworthy (Chairperson), Councillors T Fulton, J Ward, P Williams and Mayor D Gordon (arrived at 9.06am and departed at 10.03am).

IN ATTENDANCE

Councillors B Cairns, P Redmond and R Brine (arrived at 9.50am).

J Millward (Chief Executive), G Bell (Acting General Manager Finance and Business Support), P Christensen (Finance Manager), K Blake (Health, Safety and Wellbeing Manager), G Cleary (General Manager Utilities and Roading) C Roxburgh (Project Delivery Manager), H Street (Corporate Planner), and K Rabe (Governance Advisor).

APOLOGIES

Moved: Councillor Williams

Seconded: Councillor Ward

That an apology for absence be received and sustained from Deputy Mayor Atkinson and an apology for lateness from Mayor Gordon who arrived at 9.03am.

CARRIED

1 CONFLICTS OF INTEREST

No conflicts of interest were recorded.

2 CONFIRMATION OF MINUTES

2.1 Minutes of a meeting of the Audit and Risk Committee held on Tuesday 11 June 2024

Moved: Councillor Williams

Seconded: Councillor Fulton

THAT the Audit and Risk Committee:

- (a) **Confirms**, as a true and accurate record, the circulated Minutes of a meeting of the Audit and Risk Committee, held on 11 June 2024.

CARRIED

2.2 Matters Arising

There were no matters arising.

3 PRESENTATION/DEPUTATION

There were no presentations or deputations.

4 **REPORTS**

4.1 **Audit New Zealand Management Report on the Long-Term Plan (LTP) for the period 1 July 2024 to 30 June 2034 – P Christensen (Finance Manager)**

P Christensen introduced the report which presented the Audit New Zealand management report on the Long Term Plan (LTP) for the period of 1 July 2024 to 30 June 2034. The Council was issued an unmodified opinion on the LTP on 25 June 2024 which showed this was a clean report however it drew attention to the level of uncertainty over the New Zealand Transport Agency (Waka Kotahi) funding of the Rangiora Eastern Link Road and Skew Bridge Projects.

Councillor Williams raised concerns regarding risks in relation to the increased borrowing limits for the Local Government Funding Agency with the possible implementation of the new Local Water Done Well policy, if one of the local authorities within the group failed. P Christensen replied that the rating agencies' credit rating for the Local Government Funding Agency was unlikely to drop or increase by a significant amount.

Councillor Fulton questioned the timing of the New Zealand Transport Agency's (NZTA) funding announcements in relation to the Council's Long Term Plan process, given that this could have significant implications for large roading projects within the district. J Millward responded that this had always been an issue for all local authorities, however NZTA would not consider funding projects that were not included in the LTP and there was little likelihood of a change to NZTA's timelines to coincide with councils' timeframes in the future.

Councillor Redmond queried what the current interest rate margins on bank loans compared with the Local Government Funding Agency and J Millward responded that it was approximately 2% higher. The Local Government Funding Agency (LGFA) would work with councils if required, however it was highly unlikely that councils would fail.

Councillor Fulton queried the cost of software services and P Christenson replied that software could not be considered an asset as the Council did not own the software and only had a licence to use it. Given the Council was in the process of changing software there was a large expenditure required for the implementation however this would be smoothed over the next ten years and was considered an operational cost.

Moved: Councillor Ward Seconded: Councillor Williams

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 240711114097.
- (b) **Receives** Audit New Zealand's Management Report on the Long-Term Plan (LTP) for the period 1 July 2024 to 30 June 2034 (TRIM 240723120893).
- (c) **Notes** there are no significant matters arising from the management letter.

CARRIED

Councillor Ward noted that this was a good report given the stringent audit that was undertaken.

Councillor Williams requested that a report be presented to the Audit and Risk Committee on the impact of the introduction of the new water entities in relation to possible risks and liabilities going forward.

Mayor Gordon stated that he believed that it was too early to have definitive information as decisions had yet to be made.

Councillor Redmond agreed with the Mayor that requesting information was premature and applauded the Finance Team for a good result.

Councillor Goldsworthy concurred with Councillor Redmond.

4.2 **Outcomes of the Waimakariri District Council Health and Safety Risk Register Review February 2024 – K Blake (Health, Safety and Wellbeing Manager)**

K Blake spoke to the report which presented the outcomes of the 2024 Health, Safety and Wellbeing Risk Register review and the associated action plan for high-risk and/or high consequence activities. There were nine identified and recorded risk themes which included one critical, five high and three medium risks related to stress, harm from violent/aggressive public, harm from hazards not identified and workplace bullying/harassment.

Councillor Williams expressed concern at the costs related to skid training, four-wheel drive training and road management training. He believed that if a person had a driver's licence it was not necessary to send them on skid training and questioned how many staff were required to drive off road. K Blake replied that this matter had been reviewed and fewer staff were being included in the training and retraining had been extended from three years to five years. She also noted that only staff who were likely to drive off road or would need traffic management skills were sent for that training. Staff were investigating on-line courses which could work in the future.

Councillor Goldsworthy queried if there were liability issues which could impact on insurance if staff were not sent for additional training. K Blake responded she was unsure of the insurance implications however, the Council had a duty of care to its employees.

Councillor Fulton questioned if staff reported instances of aggressive behaviour from the public out of work hours. K Blake replied that staff were encouraged to report all instances of verbal or physical abuse however this did not always happen. Councillor Fulton asked if it was possible to get a breakdown of after hours incidents. K Blake replied that there were known incidents in Oxford and also social media abuse was common. This had led to increased conversations with the Police and some incidents were formally reported. However, for the Police to be able to assist there needed to be evidence of the abuse which was sometimes difficult to obtain.

Councillor Goldsworthy queried if the review showed a lowering of the risk to staff wellbeing. K Blake replied that there had been a positive response in staff wellbeing by acknowledging the issues and the introduction of the RAISE workplace health programme which had also improved the situation. She also noted that recruitment and filling vacancies had also alleviated stress levels of staff.

Moved: Councillor Ward Seconded: Councillor Fulton

THAT the Audit and Risk Committee:

- (a) **Receives** Report No 240515077941.
- (b) **Notes** that there has been no significant change in risk assessments during this review, however, there has been an improvement in the quality of the descriptors of current control measures/risk treatments for each risk.
- (c) **Notes** that while there have been no significant changes in risk assessments, there has been change overall in the presentation of the risk register to align with the WDC Risk Management Framework.
- (d) **Notes** The current Health, Safety and Wellbeing Risks (appendix A of the report).

CARRIED

Councillor Ward agreed that the Council had a duty of care to its employees and congratulated K Blake for supporting staff during difficult times.

Councillor Fulton thanked K Blake for giving staff the opportunity to come forward when they felt uncomfortable and for providing a feeling of security in the workplace.

Councillor Redmond supported skid training and felt it was of good value however agreed that only staff who required the training should be sent. He wished to point out that elected members should not be forgotten as they often took the brunt of criticism and social media abuse from frustrated members of the public.

Mayor Gordon concurred with Councillor Redmond's comments and supported the need for programmes to include elected members to assist with reducing stress and the effects of harassment.

Councillor Goldsworthy stated that the effects of harassment and social media could not be underestimated.

4.3 2023/24 Capital Works June Quarterly Report – D Young (Senior Engineering Advisor), G Cleary (General Manager Utilities and Roading) and C Brown (General Manager Community and Recreation)

G Cleary and C Roxburgh spoke to the report which showed the progress of the delivery of the 2023/24 Capital Works programme, noting that the results appeared poor in relation to the previous years results. It was noted that some of the projects had been impacted by New Zealand Transport Agency (NZTA) funding being withdrawn and some due to supply issues. However, all the Shovel Ready projects had been completed.

Councillor Redmond asked what percentage of projects that had not been completed had been a result of a Council decision to put the project on hold. G Cleary replied that this was high level reporting and that type of information would not be shown in this format however those projects were taken into account when scheduling projects for coming years.

Councillor Fulton noted that projects initiated by community boards seemed to be often delayed which caused frustration for the boards and queried if community involvement in some of these smaller projects should be encouraged. This could give staff the ability to concentrate on larger more complex projects. G Cleary acknowledged board frustration and noted that this would need staff and board delegations to be reviewed, however this had the potential to increase risks for the Council.

J Millward stated that growth councils, such as the Waimakariri District Council, operated in complex environments. Development delays, delays in the supply of goods and services and weather events all impacted on project delivery. Any emergency event took staff off of business as usual. Land purchase was complex as the Council had to balance price and timing to ensure there was sufficient land for infrastructure development and improvements. He acknowledged it was impossible to achieve 100% delivery in any given year however anything over 90% was considered a good outcome.

Councillor Fulton confirmed that negotiations were ongoing for the Ohoka UV plant. He also queried who carried the cost if projects ran over such as the Ashley Gorge bridge.

Councillor Goldsworth queried if emergency work was factored into the annual project delivery figures. G Cleary replied that it was added to the programme which then showed negatively on projects.

Councillor Williams

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 240731126257.
- (b) **Notes** the actual and predicted achievement across all tracked capital expenditure.

- (c) **Notes** that of the \$89.81mill total capital spend, \$56.29mill (62.7%) has been completed.
- (d) **Notes** that the previous March Quarterly Report predicted completion of 67.4%.
- (e) **Notes** that progress towards delivering the 2024/25 programme has begun, and staff will report on this after the September quarter.

CARRIED

Councillor Williams stated the Council need to be realistic in what could and could not be achieved in any given year and supported the review of delegations to allow staff to get on and do the work required.

Councillor Goldsworthy acknowledged the frustration due to delays outside of the Council's control.

Councillor Ward acknowledged the huge workload carried out by staff and noted that it must be satisfying when a project was delivered on time. She also acknowledged the quick response times during emergencies which took staff from their core role. However, she also believed there were benefits to be achieved when faced with a challenge and made achieving the end result more satisfying.

Councillor Redmond noted that the report was sobering and indicated capacity issues and staff capability for completing the programme in the given timeframe and queried if the Council was setting staff up to fail by setting aspirational goals.

Councillor Fulton believed that the targets set were ambitious and reiterated community board frustrations. He believed that the Council should harness other options to free up staff to concentrate on larger more complex projects.

G Bell noted that achievement over 80% was considered good in this sphere and it was largely acknowledged in the sector that 100% was unachievable.

4.4 Non-Financial Performance Measures for the year ended 30 June 2024 – H Street (Corporate Planner)

H Street took the report, which provided the results of the Long Term Plan 2021-2031 non-financial performance measures for the 2023/24 financial year, as read.

Councillor Redmond noted the decrease in library visits shown and asked if this was due to digitalisation. H Street noted that this seemed to be a trend during this financial year which could prompt a review on the value of bricks and mortar however it was acknowledged that libraries were more than just books in today's world.

Councillor Goldsworthy queried the wording of recommendation (b) and it was confirmed that "... and 28 were not achieved" should be removed from the recommendation.

Moved: Councillor Goldsworthy

Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 240723120874
- (b) **Notes** 77 (69%) of performance measures for the 2023/24 financial year were achieved.
- (c) **Notes** 34 (31%) of the measures did not meet target, but nine were within 5% of being achieved.
- (d) **Notes** all measures were reviewed and incorporated into the 2021-2031 LTP.
- (e) **Notes** all measures have been reviewed for the 2024-2034 LTP and adopted for the 2024-2027 financial years.

CARRIED

Councillor Goldsworthy congratulated H Street on a good report and good outcomes.

5 PORTFOLIO UPDATES

5.1 Audit, Risk, Annual / Long Term Plans – Councillor Joan Ward

Annual report

Having worked hard finalising the LTP, finance staff moved more or less straight into annual report mode. They were aiming to get the first draft of the financials ready for the auditors on 19 August 2024. This was a tight deadline, however it was important not to delay the audit. The main challenge this year would be getting the infrastructure valuations completed and audited in a timely manner as there was quite a bit of complexity involved. We had already made good progress on the non-financial aspects of the annual report, with the performance measures for the full 2023/24 year reported to today's meeting.

Treasury management

We had \$10m debt that matured on Thursday 15 August 2024. The Council would roll the debt and keep its total borrowing at \$200m. Additional borrowing was likely to be required in October 2024 to help fund this year's capital works. Some reductions in market interest rates are beginning to be seen which bodes well, however there is always the uncertainty in relation to future interest rates.

Annual Plan

Although the Council only recently completed its LTP, staff are already starting to look forward to the Annual Plan for 2025/26. This included early planning of the project and tracking factors that may have had an impact on future budgets.

5.2 Communications and Customer Services – Councillor Joan Ward

Communications

Local Water Done Well

The team had been working with the Mayors and CEs of Kaikoura, Hurunui and Waimakariri District Councils to lead the communications and engagement for this important collaboration. The first announcement and related internal communications to staff and local Government partners went out in early August 2024. The team are excited to take the community on this journey as the model was developed further.

Online engagement platform

The digital engagement platform continued to grow its following. There are now over 2750 registered participants on the platform. When these participants are emailed an average open rate of 80% was received which was outstanding. By comparison 25% was considered an effective email marketing campaign. Recent projects to use the platform included the Beach Volleyball in Waikuku, Oxford Football using the Cust Domain, Northern Pegasus Bay Bylaw, Pegasus Youth Space and others.

Parking Survey

The Integrated Transport Strategy identified that parking in Kaiapoi and Rangiora needed to be investigated. In the first phase of a two-pronged engagement process feedback was being sought from town centre businesses and operators to build on the baseline of knowledge. Once this stage was completed, a similar set of questions will be asked to residents and town centre shoppers.

Media Training for Management Team

Significant media training was undertaken for six staff to prepare them for encountering the media. This included a theory session, exercises, being put on camera, critique and follow up comments. In previous years this had been facilitated by an external consultancy however the skills in the team are such that it can deliver a better service at no cost.

Civil Defence Public Information Management internal training

Internal training for staff outside the Comms and Engagement team has been undertaken to bolster the numbers for Civil Defence PIMs (Public Information Managers). This was important to do as the CE had identified that he would like to see each function have five skeleton shifts available for deployment to ensure there was capacity within the organisation to look after residents during a natural disaster. Training was undertaken and systems put together in house to meet this requirement. Currently the Council now had four shifts and were identifying further staff to be part of the team.

Long Term Plan

The team had been involved in the creation of the document, organisation of meetings etc. Following adoption, the focus turned to closing the loop through responding to submitters.

Otherwise, a couple of highlights from our recent metrics for between April to June include:

- 30 news stories, 102 media queries
- 6 engagement projects
- An electronic newsletter project called '*A day in the life of a Kerbside Collection Driver*' took a fun look at an occurring problem in the placement of rubbish bins across the District. The feedback received on this had been very positive and a lot of residents responded positively to this 'softer' tone of messaging. Often punitive messaging damaged how residents saw the Council.

Councillor Williams expressed concern that there was more information out in the public domain on three water reforms than elected members were being given by the Comms Team. This was especially concerning for him as this was his portfolio and he felt he did not have sufficient information to answer queries. J Millward stated that once all the options had been worked through elected members would be fully briefed however he acknowledged that there was a lot of speculation in the media. Councillor Williams believed that there should be clearer messaging that no decisions had been made as the media were implying that the new arrangements were a done deal.

Customer Services

- Dog registrations were due by 31 July. The second year of the multi-year dog tag went well with very few new tags issued. Staff noticed the reduction in administration work, and there were significant savings on postage as well.
- Over 1600 rates rebates had been completed and there were firm bookings for the next few weeks. The full rebate was \$790 for this year.
- Around 900 letters had been sent out on rates arrears owing from previous years. Invitation for people to make contact so staff can look at appropriate payment arrangements.
- Datascape Service Requests went live on 1 July 2024. Staff had managed the changeover very well. The next areas being worked on are rates, land and property, cash receipting, debtors and debt management.
- LIM numbers had remained steady over the winter and there are already 200 applications ahead of the same time last year.

Councillor Fulton requested a review of capabilities on the Snap Send Solve to incorporate the option for an elected member to be identified as such. It was determined that staff should offer training on the system to ensure that elected members were able to utilise this ap to its full capabilities. Councillor Fulton also queried the 'completion' status and was told that completion was to the contractors standard. Councillor Fulton also queried the status of the review on the search function for the web and was informed this was still being worked through.

Councillor Williams noted that he has received feedback that the multi-year dog tags were not up to standard and that the numbers and bar code washed off. However no such feedback had been received officially and there were only a few replacement tags requested during the previous year.

6 QUESTIONS

Nil.

7 URGENT GENERAL BUSINESS

Nil.

8 MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be), it is moved:

Moved: Councillor Goldsworthy Seconded: Councillor Ward

1. That the public be excluded from the following parts of the proceedings of this meeting:
Item 9.1 Update on Insurance Matters.

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:

Meeting Item No. and subject	Reason for excluding the public	Grounds for excluding the public-
9.1 Update on Insurance Matters	Good reason to withhold exists under section 7	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (LGOIMA s 7(2)(i)).

CARRIED

CLOSED MEETING

The public excluded portion of the meeting commenced at 10.47am and concluded at 11.03am.

OPEN MEETING

Resolution to resume in Open Meeting

Moved: Councillor Goldsworthy

Seconded: Deputy Mayor Atkinson

THAT the open meeting be resumed and the business discussed with the public excluded remained public excluded.

CARRIED

NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Tuesday 10 September 2024 at 9am.

THERE BEING NO FURTHER BUSINESS, THE MEETING CONCLUDED AT 11.07AM.


CONFIRMED

Chairperson
Councillor Goldsworthy




2024



Date

UNCONFIRMED

WAIMAKARIRI DISTRICT COUNCIL**REPORT FOR INFORMATION****FILE NO and TRIM NO:** GOV-01-15 / FIN-06-01 / 240827143868**REPORT TO:** AUDIT AND RISK COMMITTEE**DATE OF MEETING:** 10 September 2024**AUTHOR(S):** Paul Christensen, Finance Manager**SUBJECT:** Financial Report for the period ended 30 June 2024**ENDORSED BY:**
(for Reports to Council,
Committees or Boards)
General Manager
Chief Executive**1. SUMMARY**

- 1.1 This report to advise the Audit and Risk Committee of the financial result for the period ended 30 June 2024.

FINANCIAL STATEMENT MEASURES	
OPERATING COSTS <i>Costs to deliver existing levels of service</i> \$'000 \$155,838  \$13,444 (9.4%) unfavourable	OPERATING REVENUE <i>Includes Rates, Fees and charges, development contributions, earthquake recoveries</i> \$'000 \$205,883  \$44,971 (27.9%) favourable
INTEREST ON DEBT <i>Cost to Service net external debt</i> \$'000 \$8,755  \$569 (7.0%) unfavourable	OPERATING SURPLUS <i>Net Revenue less operating expenses as a percentage of operating costs</i> \$50,045 32.1%  Budget \$18,518 13.1%
EXTERNAL DEBT <i>Total borrowing from external organisations</i> \$'000 \$200,000  \$12,190 favourable	CAPITAL EXPENDITURE <i>to provide new and replacement assets</i> \$'000 \$60,233 62.6%  \$35,924 less than budget

FINANCIAL STATEMENT MEASURES continued	
OPERATING CASHFLOW <i>Net Cash flows from operating activities</i> \$'000 \$27,859  \$15,725 (36.1%) unfavourable	TREASURY <i>Overall compliance with Treasury policy</i> 100% 

1.2 Operating costs were \$13.4 million (9.4%) over budget. The most significant variances include:

- Expenditure of the Parks and Reserves contract (including grass cutting) was more than budget due to cost fluctuations (inflation adjustment) and wet weather \$0.6m over budget
- Costs incurred on maintenance/flood response were \$0.5 million more than budget. The rainfall event in July 23 highlighted the urgent need for drain maintenance.
- Interest rate swaps accounting valuation adjustment \$1.6 million
- Losses on disposals of assets \$4.2 million and
- Expenditure which was budgeted as capital, but that must be accounted for as operating expenditure \$5.7 million

Attachments:

- i. Financial Report for the period ended 30 June 2024 (TRIM 240829146379).

2. **RECOMMENDATION**

THAT the Audit and Risk Committee

- (a) **Receives** Report No. 240827143868.
- (b) **Notes** the preliminary surplus for the year ended 30 June 2024 is \$50.0 million. This is \$31.5 million over budget and reflects the high level of non-cash vested asset revenue.
- (c) **Notes** Significant expenditure variances include losses on disposals of assets \$4.2 million over budget and \$5.7 million costs from expenditure budgeted as capital but that must be accounted for as operating expenditure.
- (d) **Notes** the additional audit fee of \$55,000 incurred on the audit of the Long-Term plan 2024-34, and notes that the Canterbury Mayoral forum is writing to the Local Government Minister regarding increases in audit fees.
- (e) **Notes** that the Annual Report is currently being audited by Audit New Zealand. The Annual Report will be presented to the Council in October for adoption.

3. **BACKGROUND**

- 3.1 The Audit and Risk Committee is provided with the delegation from the Council to monitor the implementation of the Annual Plan. A quarterly update on the progress of the Annual Plan and other activities is provided throughout the year.
- 3.2 The Council is required to adopt a Long Term Plan every three years and an Annual Plan every year. The 2023-24 financial year is the third year of the 2021 – 2031 Long Term Plan cycle that the Council is required to report against.
- 3.3 A full external audit of the annual report is undertaken each year. The audit for the 2023-24 Annual Report by Audit New Zealand started on 12th August. It is expected that the audited accounts will be presented for adoption in October 2024 with an unmodified opinion.

4. **ISSUES AND OPTIONS**

- 4.1. The preliminary operating surplus for the year ended 30 June 2024 for the Council is \$50.0 million against a revised budget of \$18.5 million.
- 4.2. The key variances which contributed to the surplus being less than budgeted are:

\$ million

Unfavourable variances

Subsidies and grants – timing of Better off funding programme		(0.7)
Accounting for assets disposed of as part of renewals work	Non-cash	(4.2)
Expenditure which was budgeted as capital, but must be accounted for as operating expenditure		(5.7)
Interest expense (offset by interest revenue)		(1.0)
Interest rate swaps accounting valuation adjustment – this reflects one year's reduction of the whole of life value of the swaps	Non-cash	(1.6)
Costs incurred on maintenance/flood response were more than budget. The rainfall event in July 23 highlighted the urgent need for drain maintenance.		(0.5)
Expenditure of the Parks and Reserves contract (including grass cutting) was more than budget due to cost fluctuations (inflation adjustment) and wet weather.		(0.6)

Subtotal		(14.3)
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Favourable variances

Interest revenue over budget due to interest paid on interest rate swaps		1.6
Vested assets over budget	Non-cash	43.0
Other favourable variances		1.2

TOTAL VARIANCE FROM BUDGET		31.5
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- 4.3. Revenue received for the year ended 30 June 2024 was \$205.9 million compared with budget \$160.9 million.

Interest revenue was \$1.5 million over budget due to interest received from interest rate swaps.

Subsidies and Grants were \$0.7million under budget, due to the timing of the better off funding program.

Fees and charges revenue was \$22.9 million, which was \$2.2 million over budget, which relates to several different fees and charges including:

- Resource consent revenue over budget due to high work volume \$0.5 million
- Rates penalties over budget \$0.6 million
- Connection fees to infrastructural services over budget \$0.2 million
- Aquatic centres Learn to Swim revenue over budget \$0.2 million
- Landfill levy - the Government has expanded the landfill types which incur the levy over budget \$0.2 million
- Forestry revenue over budget (budget was shown net of costs) \$0.4 million
- Facility hire revenue more than budgeted \$0.1 million

Vested assets revenue was \$60.3 million, \$43.0 million over budget. This is non-cash revenue which recognises the assets that are built by developers and vested to the Council when resource consents are granted.

The vested assets included:

	\$ millions
Land (reserves) vested to Council	9.4
Roading assets	12.4
Greenspace assets	1.1
Water assets	8.7
Sewer assets	13.8
Drainage assets	14.7
Public Toilets vested to Council	0.2
	60.3

- 4.4. Operating Expenditure for the year was \$155.8 million (budget \$142.4 million). The largest variances from budget were as follows:

Over budget

- Roothing \$0.2 million over budget Capital project costs that cannot be capitalised \$1.5 million, depreciation \$1.6 million less than budget as some roading assets fully depreciated.
- Water and Stockwater \$1.7 million over budget Depreciation is \$0.1 million more than budget due to capital additions and vested assets. Asset disposals as part of the capital renewal program were \$1.5 million.
- Sewerage \$1.3 million over budget. Capital projects costs that cannot be capitalised \$0.1 million. Asset disposals as part of the capital renewal program were \$1.2 million.
- Drainage \$2.0 million over budget Costs incurred on maintenance/flood response were more than budget \$0.5 million. The rainfall event in July 23 highlighted the urgent need for drain maintenance. Depreciation is \$0.2 million more than budget due to capital additions and vested assets. Capital projects costs that cannot be capitalised \$0.6 million. Asset disposals as part of the capital renewal program were \$0.8 million.

- Recreation \$2.1 million over budget consists of camping grounds work delayed during COVID and expenditure incurred on operating and sale of Waikuku Beach Holiday Park (legal fees & consultant fees etc). Along with, an increase to cost fluctuations (inflation adjustment) from 3% to 12% and unexpected storm damage within the Parks & Reserves Maintenance Contract and Street & Reserve Trees Contract to the value of \$0.6 million. Depreciation more than budget due to higher than expected new assets from new neighbourhoods and earthquake recovery projects \$0.3 million. Asset disposals and capital project costs expensed were \$0.5 million.
- Non Significant Activities \$5.3 million over budget Costs incurred on the Council enterprise system \$2.9 million. Accounting loss on fair value of interest rate swaps \$1.6 million
- Audit fees on the audit of the Long-Term Plan are over budget \$55,000. This reflects additional time spent on the audit due to factors outside the Auditor's control, including the uncertainty in relation to NZTA funding plus the number of changes made to the Consultation Document and financial model due to the dynamic nature of the LTP process. Audit New Zealand have taken responsibility for their share of the cost of the overrun, which is approximately double that of the Council's.

Under budget

- District Development \$0.3 million under budget. District Plan Review expenditure is less than budgeted due to the delay in hearings \$0.5 million. Costs incurred on resource consent processing more than budget due to high work volume covered by increased revenue \$0.5 million. Town Centre Strategy Programme to start in 2024/25 and there was a delay in the Better Off Funding programme (climate change response programme and natural environment implementation) \$0.6 million

4.5. Balance Sheet

The Council's position remains sound. The Council's measures were all within Policy limits.

Net assets have increased to \$2,620 million at 30 June 2024 from \$2,287 million at 30 June 2023. This increase of \$332.9 million is primarily from increases in the valuation of assets of \$282.8 million and the operating surplus of \$50.0 million.

4.6. Capital works

The Capital work programme is reported separately to the Audit & Risk Committee. (240731126257). The capital expenditure reported to June 2024 was \$56.3 million, which is 62.7% of the 2023-24 budget of \$89.8 million.

Total capital expenditure including property and non-significant activities was \$60.2 million

4.7. Debt

The Council's external debt is \$200.0m as at 30 June 2024 (June 2023: \$180.0m). The 2023-24 Annual Plan forecast external debt to be \$212.2m by 30 June 2024.

External debt is 7.0% of the Council's total assets. The Council's Liability management policy requires debt as a percentage of total assets to be less than 15%.

Interest costs net of hedging were \$8.8 million which is 6.8% (budget 6.4%) of operating revenue (Council Policy requires it must not exceed 12%).

Interest costs net of hedging were 9.9% of Rates revenue (per Annual Plan 9.3%). Interest as a percentage of Rates income must not exceed 25%.

Interest expenses were over budget, but interest revenue was also over budget (\$3.6m actual, budget \$2.0m). Net interest was within budget.

4.8. Hedging profile

Based on current projections, the Council will maintain its hedging arrangements in accordance with policy. Staff are continually reviewing both the cash flow projections and hedging levels to ensure they are maintained at an appropriate level.

As at 30 June 2024, currently 62% of external debt was hedged. Under our Treasury policy the percentage is to be within 50% to 100%. Treasury management advice is sought from Bancorp Treasury Management Services.

The loans and hedging profile are provided on pages 12 & 13 of the financial information.

4.9. The financial results have been discussed with the relevant managers.

The Council's credit rating has been confirmed in January 2024 by Standard & Poor's to be AA with a negative outlook (the negative outlook is due to the uncertainty created by the Government's water services reform programme). Standard & Poor's will review the rating again before the end of the year.

Implications for Community Wellbeing

There are implications on community wellbeing by the issues and options that are the subject matter of this report and these have been included in the report. The report explains the overspends and underspends against the Council's budget for the 2023/24 financial year and these may have an impact on future service delivery and rates requirements.

4.10. The Management Team has reviewed this report and support the recommendations.

5. COMMUNITY VIEWS

5.1. **Mana whenua**

Te Ngāi Tūāhuriri hapū are likely to be affected by or have an interest in the subject matter of this report. We have taken their feedback into account as part of previous engagement opportunities through Annual/Long Term Plan consultations.

5.2. **Groups and Organisations**

There are no groups and organisations likely to have a direct interest in the subject matter of this report but may have a general interest in its content.

5.3. **Wider Community**

The wider community is not likely to be directly affected by the subject matter of this report but may have a general interest in its content.

6. OTHER IMPLICATIONS AND RISK MANAGEMENT

6.1. **Financial Implications**

The Council's surplus of \$50.0 million is \$31.5 million better than budget due to non-cash revenue. There are some areas of overspend that have financial implications and these will be taken into account as costs are monitored through the 2024/25 year and as part of the preparation of the Draft Annual Plan 2025/26. The primary reasons for the overspends are provided in 4.2. Debt is lower than forecast and the Council has remained within debt policy limits.

6.2. **Sustainability and Climate Change Impacts**

The recommendations in this report do not have sustainability and/or climate change impacts not considered through the annual planning process. The capital projects in the

capital programme have a range of effects on both sustainability and climate change, and any delays will impact on the Council's ability to achieve its intended outcomes in the agreed timeframes.

The Council is not currently required to report on any effects.

6.3 Risk Management

There are risks arising from the adoption/implementation of the recommendations in this report.

There is financial risk if the Council does not keep within its budgets and manage debt. This is mitigated through the long-term plan and annual plan processes, and with regular monitoring by managers. It is also mitigated through quarterly reporting to the Audit and Risk committee.

There is a financial risk that interest rates will remain at current levels or increases for an extended time. The Council's Treasury policy requires that interest rate risk is mitigated by hedging arrangements as follows

- Minimum 50% to a Maximum 100% for years 0 – up to 3 years
- Minimum 30% to a Maximum 80% for years 3 – up to 6 years
- Minimum 0% to a Maximum 50% for years 6 – up to 10 years.

The current inflationary pressure and resources available to undertake a number of capital works is likely to be experienced for some time, as forecast by leading economists. These factors will likely have "knock on" effects to the forecasts work and costs being signalled in future Annual Plans.

6.4 Health and Safety

There are not health and safety risks arising from the adoption/implementation of the recommendations in this report.

Contracts and work undertaken have been subject to the Councils Procurement and Contract Management Policy and contain minimum requirements, expectations and controls to ensure the Health and Safety Act is being met.

7. CONTEXT

7.1. Consistency with Policy

This matter is not a matter of significance in terms of the Council's Significance and Engagement Policy.

7.2. Authorising Legislation

This report has been prepared and provided with reference to the financial provisions relating to the Local Government Act 2002 Subpart 3 – Financial Management and Financial Reporting Standards.

7.3. Consistency with Community Outcomes

The Council's community outcomes are relevant to the actions arising from recommendations in this report. This report contributes to the outcome:

"There are wide ranging opportunities for people to contribute to the decision-making by public organisations that affects our District

- Public organisations make information about their plans and activities readily available.
- Public organisations make every effort to accommodate the views of people who contribute to consultations.”

7.4. **Authorising Delegations**

Delegation S-DM 1022 provides that the Audit and Risk Committee has jurisdiction to “Monitor implementation of the Annual Plan quarterly”.

WAIMAKARIRI DISTRICT COUNCIL

FINANCIAL REPORT

FOR THE PERIOD ENDED

30 June 2024

The financial report includes

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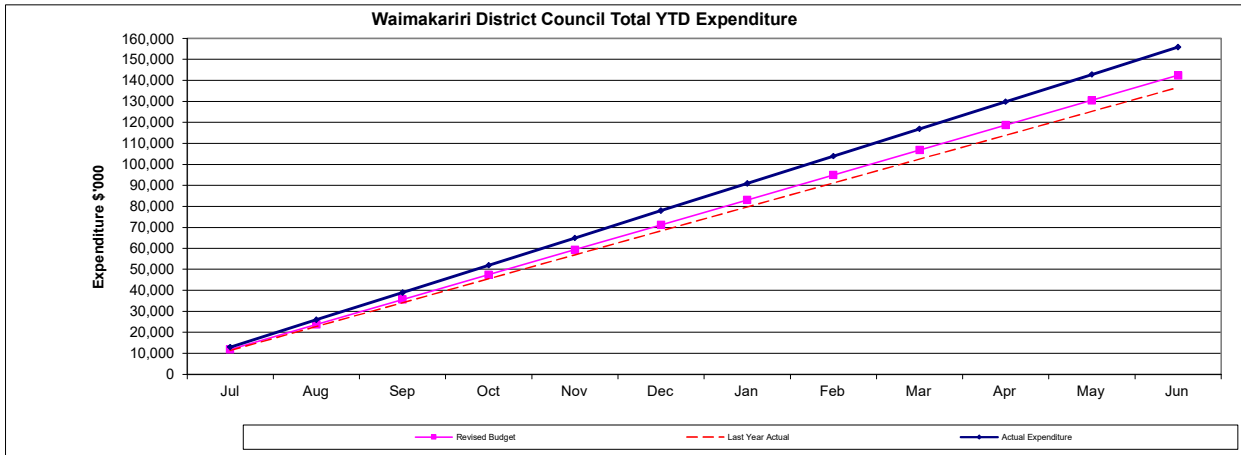
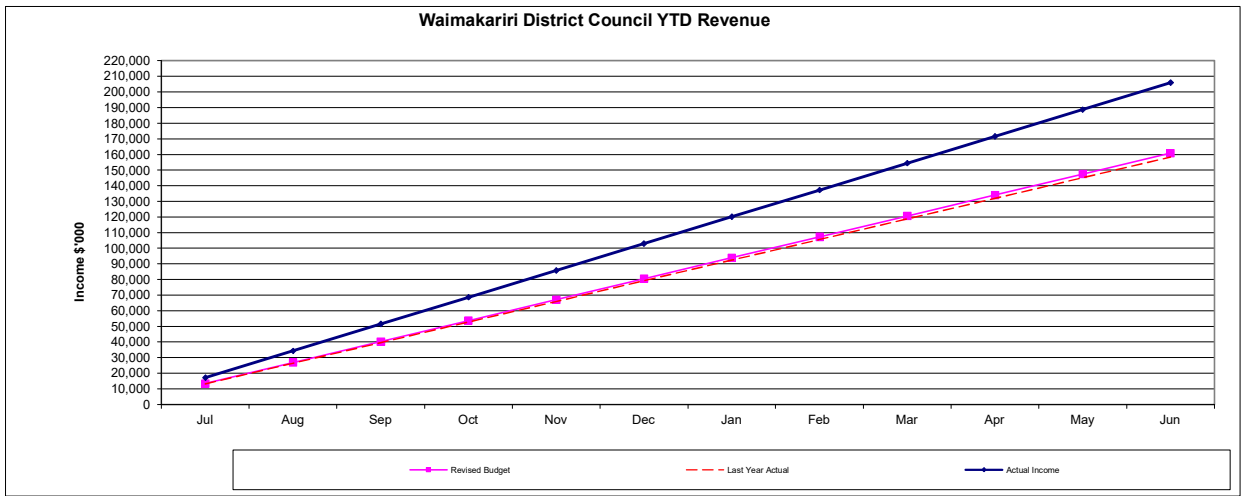
Waimakariri District Council					
Statement of Financial Performance					
for the period ended 30 June 2024					
	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	%
Revenue					
Rates	88,360	88,331	88,031	(300)	(0.3%)
Interest	383	2,024	3,588	1,564	77.3%
Subsidies and Grants	17,437	13,944	13,236	(708)	(5.1%)
Fees and Charges	20,744	20,747	22,915	2,168	10.4%
Petrol Tax	360	360	323	(37)	(10.3%)
Dividends	735	735	444	(291)	(39.6%)
Development and other Contributions	17,320	17,321	16,811	(510)	(2.9%)
Gains	180	179	285	106	59.2%
Vested Assets	17,271	17,271	60,250	42,979	248.85%
Total Revenue	162,790	160,912	205,883	44,971	27.9%
Operating Expenses by Activity					
Governance	3,442	3,442	3,299	(143)	(4.2%)
District Development	10,868	10,352	10,005	(347)	(3.4%)
Roading	25,328	28,527	28,748	221	0.8%
Water and Stockwater	14,277	14,354	16,022	1,668	11.6%
Sewerage	14,398	14,666	15,962	1,296	8.8%
Drainage	7,712	8,797	10,805	2,008	22.8%
Refuse and Recycling	11,916	11,931	11,679	(252)	(2.1%)
Recreation	24,212	24,829	26,893	2,064	8.3%
Libraries and Museums	7,341	7,385	7,353	(32)	(0.4%)
Community Protection	9,568	9,558	9,837	279	2.9%
Community Development	2,991	3,018	3,551	533	17.7%
Property and Forestry	1,434	1,502	2,411	909	60.5%
Earthquake Recovery and regeneration	2,418	3,112	3,035	(77)	(2.5%)
Non Significant Activities	1,026	921	6,238	5,317	577.3%
Total Expenses	136,931	142,394	155,838	13,444	9.4%
Operating Surplus before taxation	25,859	18,518	50,045	31,527	170.3%
Less Taxation expense	-	-	-	-	
Net Surplus/ (deficit)	25,859	18,518	50,045	31,527	170.3%
Variance Explanations (Key items only)					
Revenue					Variance
					()= unfavourable
Total Revenue was more than budget by \$45.0m at the end of this period.					
Rates	Actual rating units were less than what were forecasted. Rates discount of \$183k has offset against rates revenue.				(300)
Interest	Interest received from the interest rate swaps. Offset by increased interest expenditure.				1,564
Subsidies and Grants	Subsidies and grants less than budget due to delay in Better Off Funding Programme. Construction on Woodend to Kaiapoi Cycleway has not started yet. No claim can be made to the Better Off Funding in 23/24 (Funding available for the project \$1m)				(708)
Fees and Charges	Resource consents revenue was greater than budget due to high work volume.				454
	Rates penalties are more than budgeted.				563
	Connection fees received (to connect to Council's infrastructural services) were more than budget.				221
	Learn to Swim revenue more than budgeted.				170
	Landfill Levy is more than budgeted. The Government is expanding the levy to cover all landfill types, including construction and demolition fills.				183
	Forestry revenue is now shown as gross (forestry sale and cost of sale offset with each other in the budget).				370
	Facility hire revenue more than budgeted.				138
Dividends	Dividends received less than budgeted. No special dividend from Transwaste during 23/24.				(291)
Development and other Contributions	Development contributions charges are based on resource consent application date. In some cases, development contributions were charged based on prior year unit prices resulting in less income compared to the budget (budget was set based on current year unit prices). In addition, developments forecasted in some special development areas did not happen.				(510)
Vested assets	Vested assets from developments in Woodend, Rangiora and Kaiapoi.				42,979
	\$'000				
	Land (reserves) vested to Council	9,350			
	Roading assets	12,352			
	Greenspace assets	1,063			
	Water assets	8,724			
	Sewer assets	13,829			
	Drainage assets	14,727			
	Toilets vested to Council	205			
		60,250			
Expenditure					
Operating Expenditure was \$13.4m more than budget at the end of this period.					
District Development	District Plan Review expenditure is less than budgeted due to delay in hearings.				489
	Costs incurred on resource consent processing more than budget due to high work volume covered by increased revenue.				(506)
	Town Centre Strategy Programme to start in 24/25 and there was delay in Better Off Funding programme (climate change response programme and natural environment implementation).				588
Roading	Roading network assets deletions not budgeted.				(338)
	Capital projects costs that cannot be capitalised are expensed. Not budgeted.				(1,481)
	Depreciation expenditure was less than budget due to the year end depreciation adjustment recommended by WSP as some roading assets were fully depreciated during 23/24.				1,631

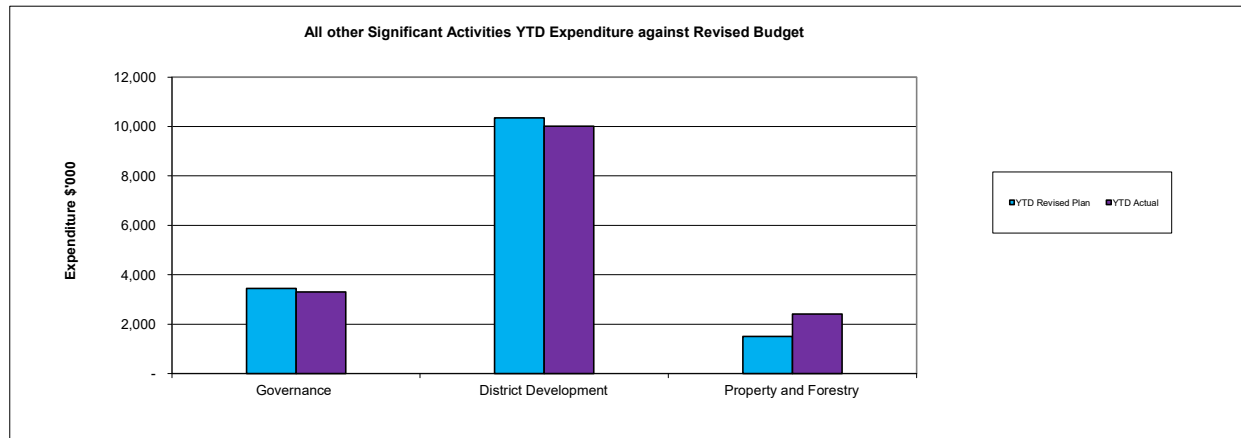
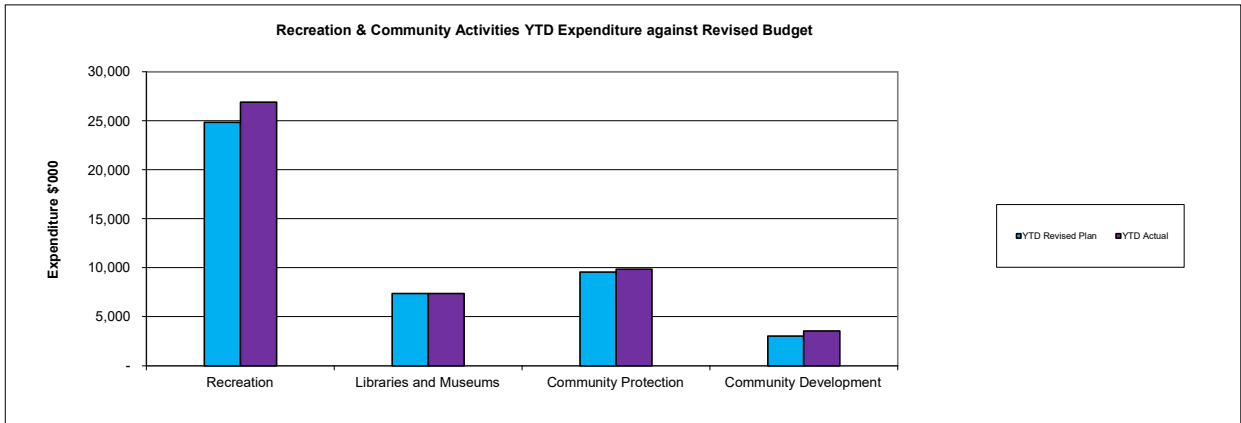
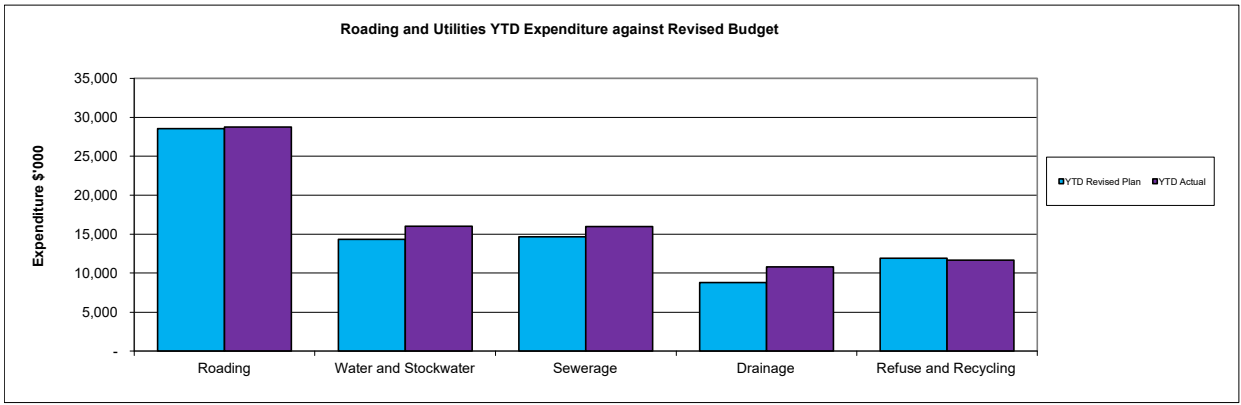
Variance Explanations (Key items only)		
Water and Stockwater	Depreciation more than budget due to capital additions/vested assets. Significant value of assets vested from Ravenswood subdivision.	(94)
	Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(69)
	Loss on asset disposals (not budgeted) as a result of capital renewal programme.	(1,489)
Sewerage	Loss on asset disposals (not budgeted) as a result of capital renewal programme.	(1,152)
	Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(119)
Drainage	Loss on asset disposals (not budgeted) as a result of capital renewal programme.	(756)
	Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(645)
	-\$123k Wiltshire Green Pipework Upgrade (mainpower service relocation);	
	-\$128k Ashley St Pipe upgrades (Charges from PDU/Corde on investigations/feasibility study that cannot be capitalised);	
	-\$173k project set up costs expensed from Shovel Ready Land Acquisition project; and	
-\$82k Waikuku Village SH1 drainage improvements (private assets expensed)		
Depreciation more than budget due to capital additions/vested assets.	(158)	
Costs incurred on maintenance/flood response were more than budget. The rainfall event in July 23 highlighted the urgent need for drain maintenance.	(467)	
Refuse and Recycling	Contract payments on refuse and recycling collections were less than budget as total volume for each collection was still under limit. If the limit is exceeded, a higher charge rate will apply.	252
Recreation	Loss on asset disposals (not budgeted) as a result of capital renewal programme.	(354)
	Depreciation more than budget due to higher than expected new assets from new neighbourhoods and earthquake recovery projects.	(344)
	Rates on Council's own properties more than budget.	(65)
	Costs incurred on pest control are offset by external income funding.	(100)
	Operational expenditure across recreation was more than budgeted due to maintenance contracts incurring increased cost fluctuation costs with a rise from 3% to 12% along with unpredicted storm damage expenditure.	(638)
	Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(113)
	Maintenance required on Woodend Beach camp due to dangerous trees not budgeted.	(71)
	Expenditure incurred on sale of Waikuku Beach Holiday Park (legal fees & consultant fees etc). The income from the sale has offset these costs .	(249)
Community Protection	More call-outs for nuisance & complaints and more roadside dumped material.	(279)
Community Development	Expenditure more than budget mainly due to higher than expected depreciation due to revaluation on building assets (Council's pensioner housing units) performed on 30 June 2022 (significant valuation increase due to high inflation from 2019 to 2022).	(533)
Property and Forestry	Loss on revaluation of Council's investment properties not budgeted.	(108)
	Loss on revaluation of forestry assets not budgeted.	(121)
	Forestry cost of sales now disclosed as gross in expenditure (forestry sale and cost of sale offset with each other in the budget).	(532)
	Legal fees and consultant fees were over budget due to more property transactions.	(187)
Non Significant Activities	The plant account is in deficit. The plant recovery rate is being reviewed to recoup the increased vehicle related costs.	(382)
	Costs incurred on the CES programme had to be expensed as nothing can be capitalised at this stage.	(2,889)
	Other capital costs expensed (from various IT projects).	(174)
	Loss on fair value of interest rate swaps not budgeted.	(1,635)

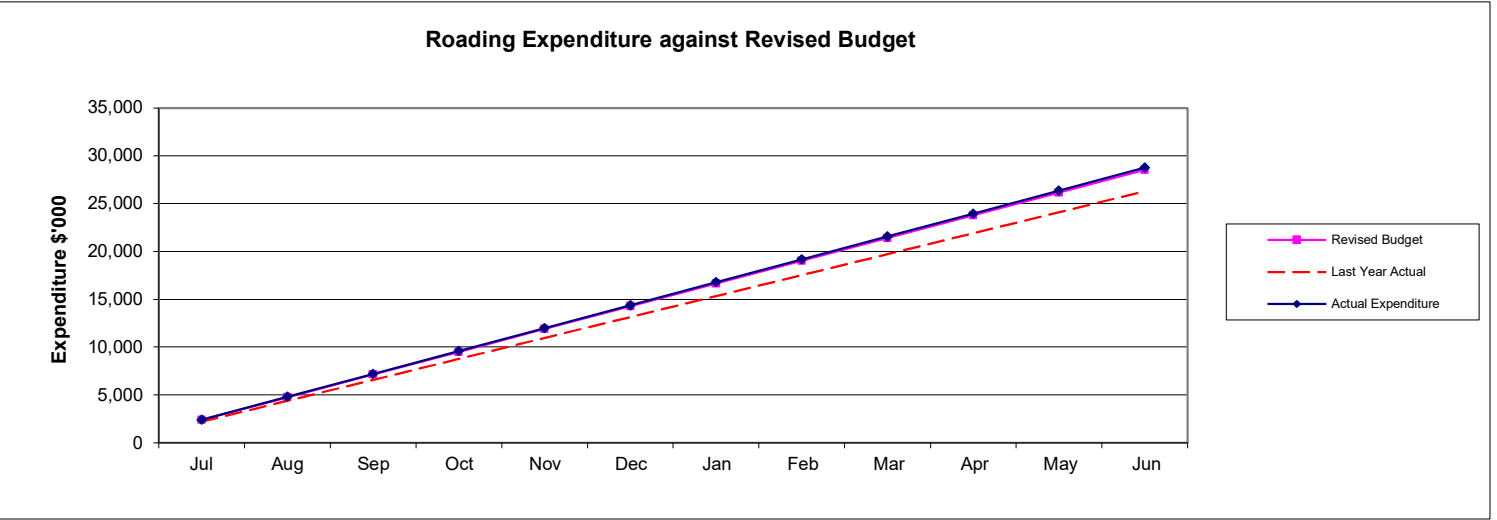
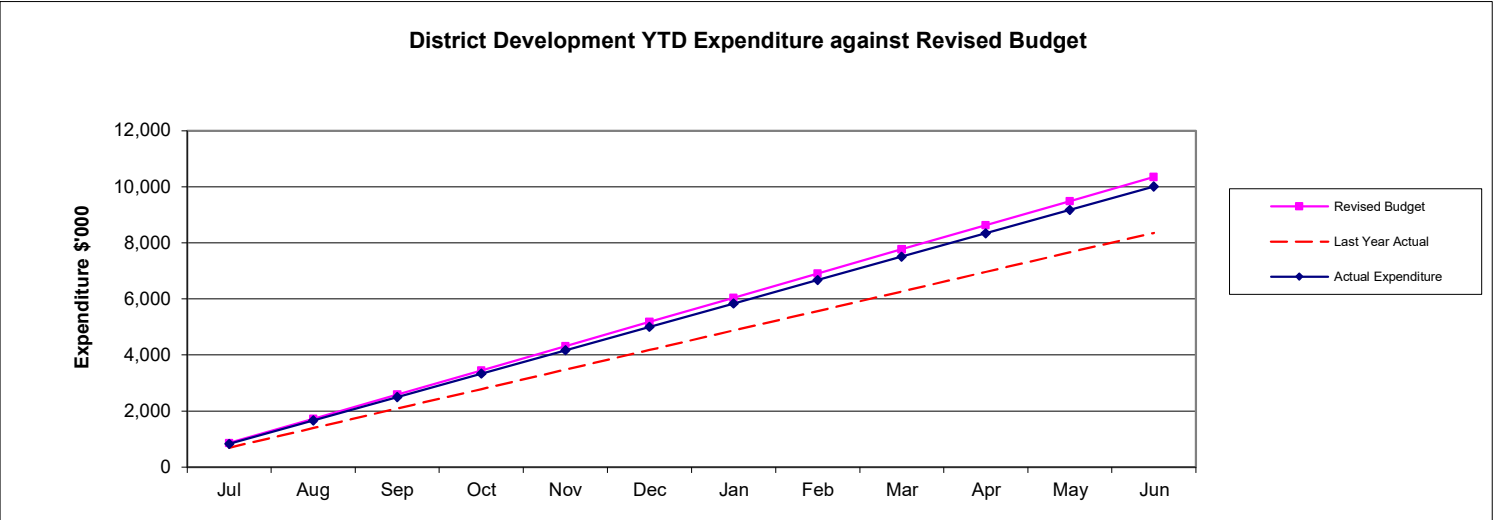
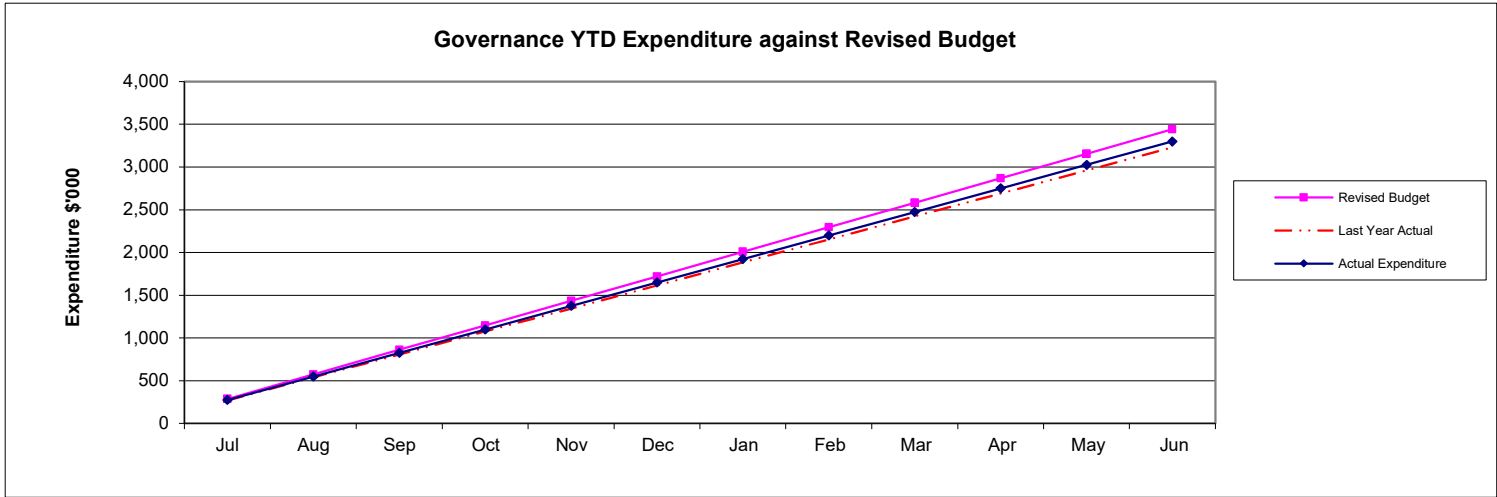
Waimakariri District Council						
Statement of Comprehensive Revenue and Expense						
for the period ended 30 June 2024						
CURRENT YEAR						
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED	
	\$'000	\$'000	\$'000	\$'000	%	
Net Surplus/ (deficit)	25,859	18,518	50,045	31,527	170.25%	
Other Comprehensive Revenue and Expense						
Increase in Asset Revaluation Reserves	30,466	30,466	282,792	252,326	828.22%	
Financial assets at fair value through other comprehensive revenue and expense	-	-	107	107		
Total Other Comprehensive Revenue and Expense	30,466	30,466	282,899	252,433	828.57%	
Total Comprehensive Revenue and Expense	56,326	48,984	332,944	283,960	579.70%	

Comments - Other Comprehensive Revenue and Expense

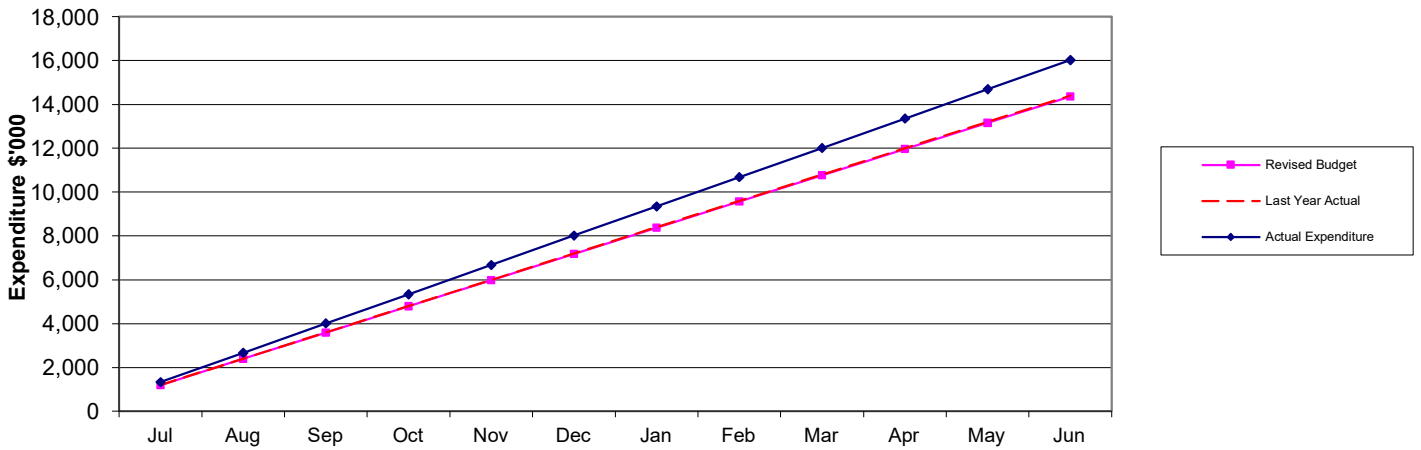
		Variance ()= unfavourable
Increase in Asset Revaluation Reserves	In the annual plan, only roading assets were budgeted to be revalued as at 30 June 24. Due to high inflation from 1 July 22 to 30 June 24, Council was required to revalue its significant asset classes as the fair value movements were significant.	252,326
Normal revaluation cycle	Actual valuation movements - breakdown	Last revalued date
Every year	Roading	23,695 30 June 23
Every three years	Water	110,638 30 June 22
Every three years	Sewer	82,911 30 June 22
Every three years	Drainage	42,632 30 June 22
Every three years	Operational buildings	6,384 30 June 22
Every three years	Infrastructural buildings	16,532 30 June 22
		282,792



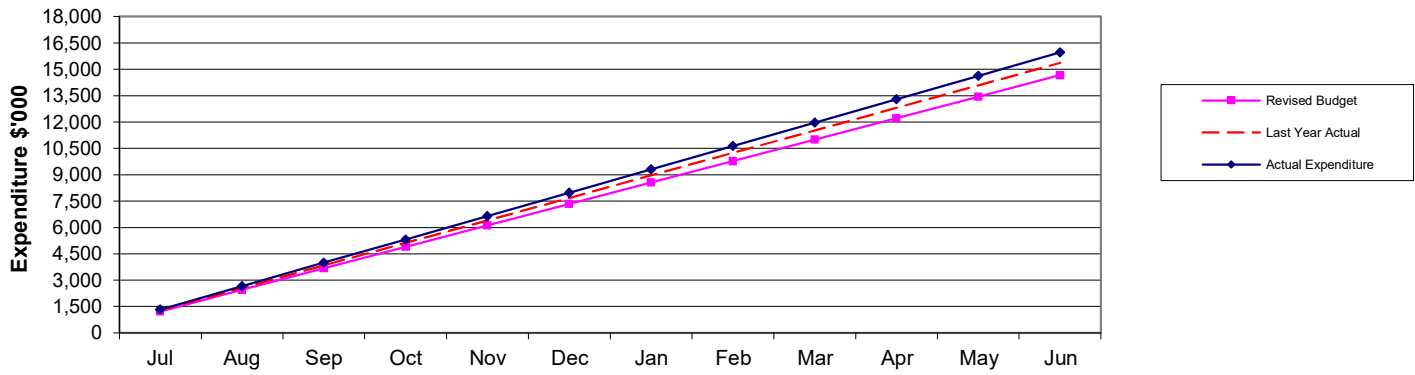




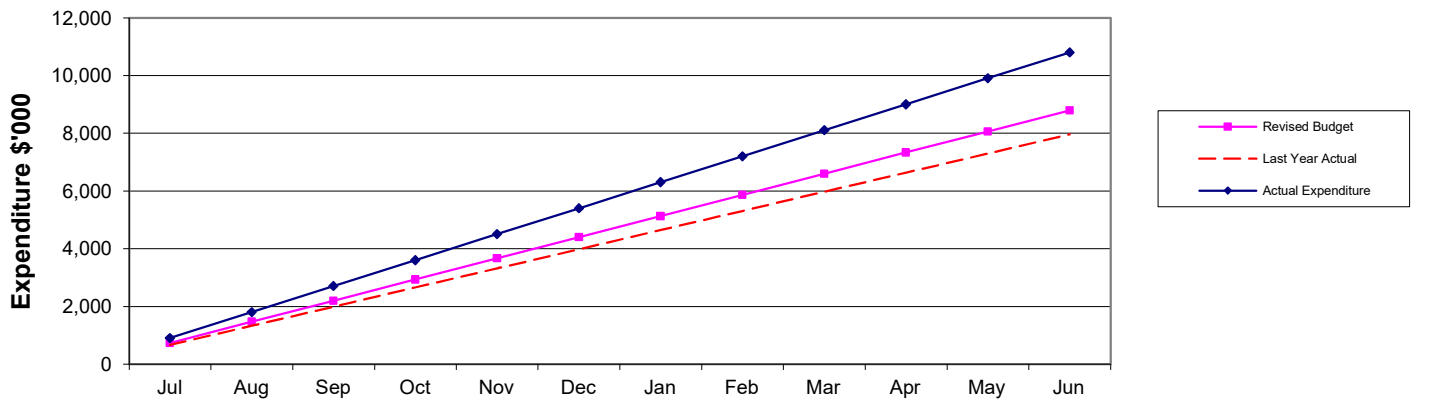
Water YTD Expenditure against Revised Budget



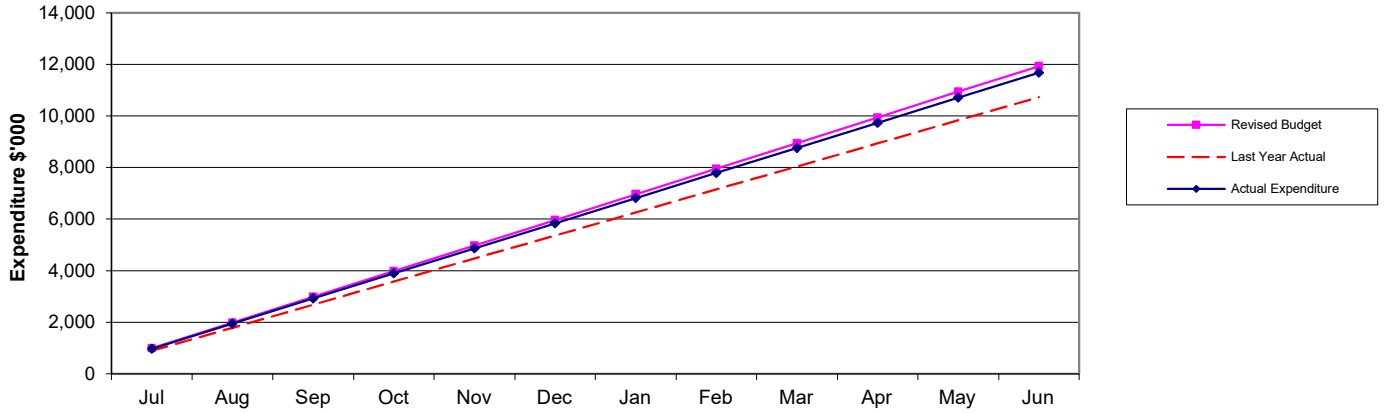
Sewerage YTD Expenditure against Revised Budget



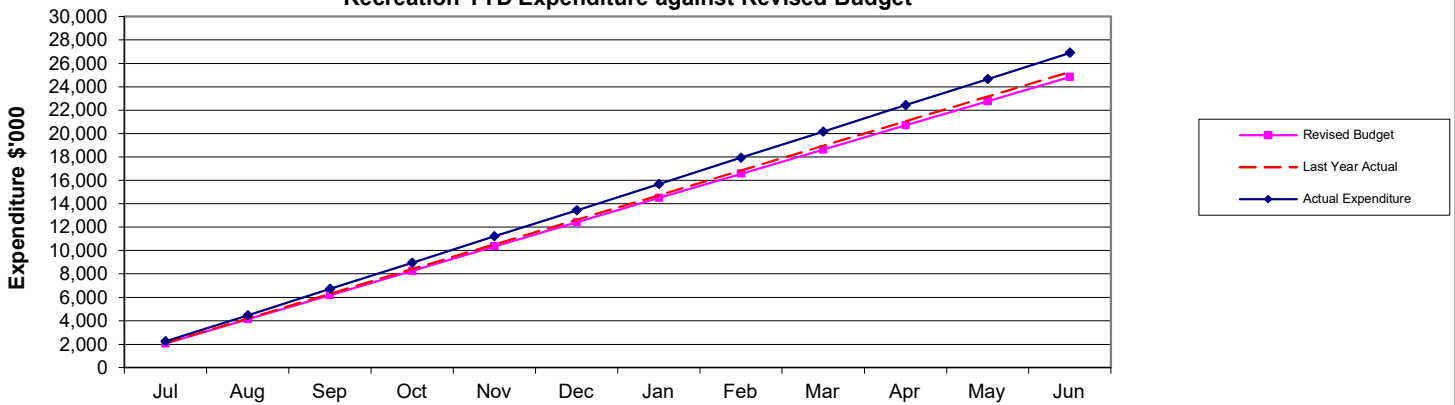
Drainage YTD Expenditure against Revised Budget



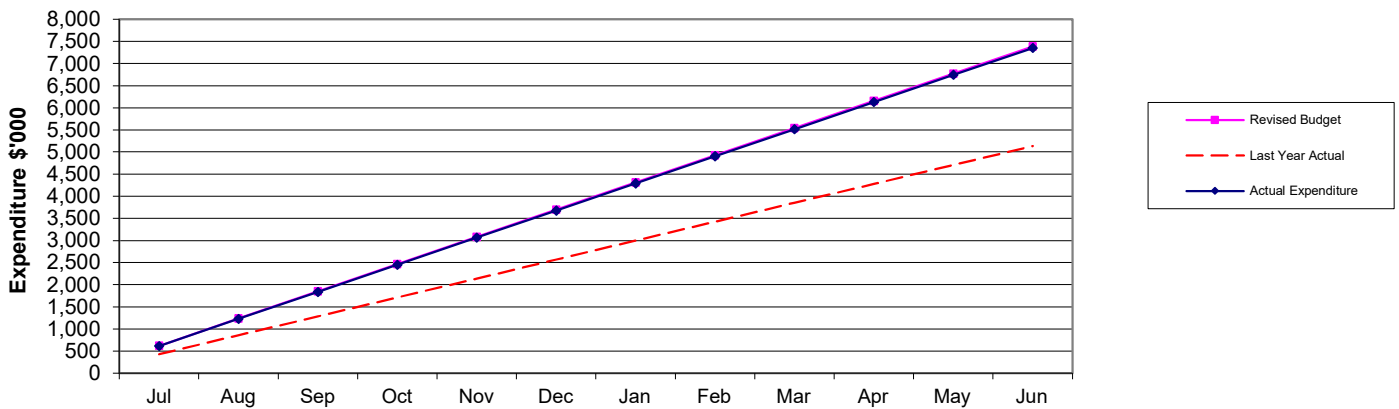
Solid Waste YTD Expenditure against Revised Budget



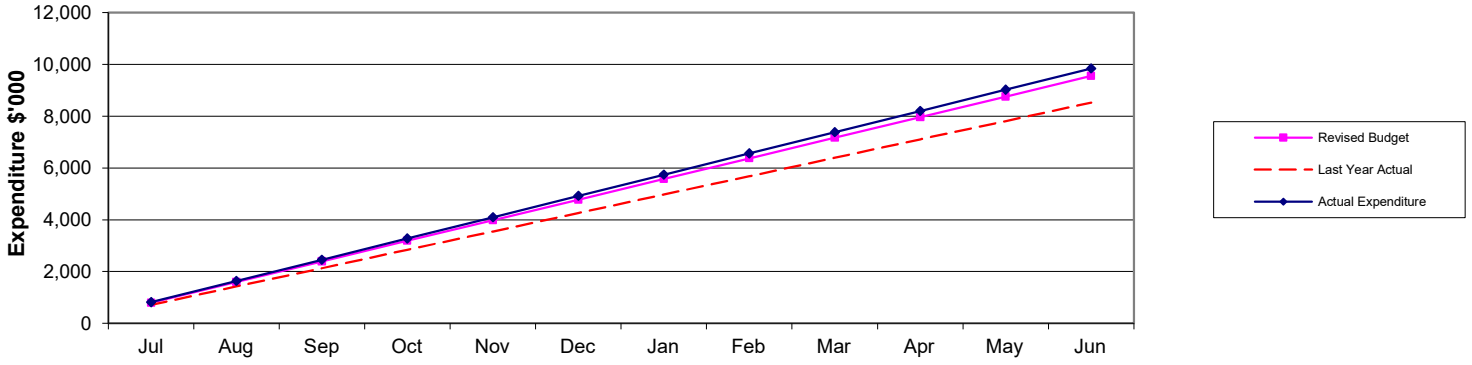
Recreation YTD Expenditure against Revised Budget



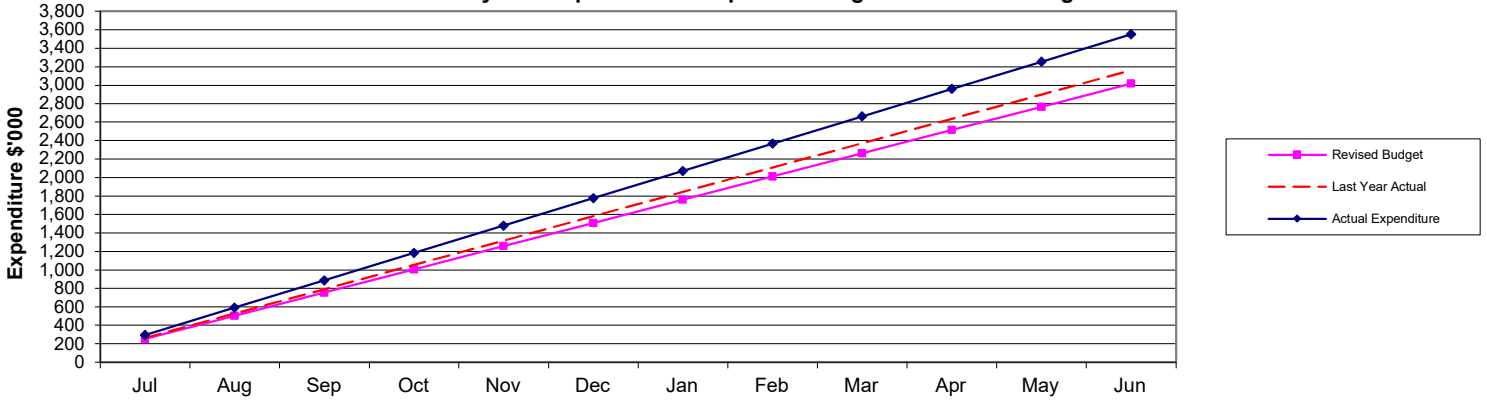
Libraries & Museums YTD Expenditure against Revised Budget



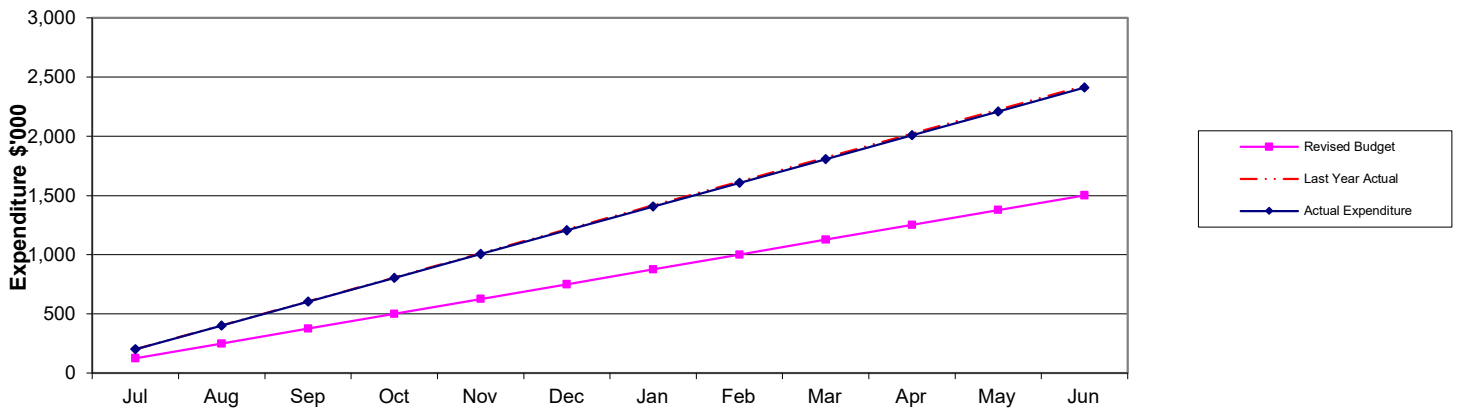
Community Protection YTD Expenditure against Revised Budget



Community Development YTD Expenditure against Revised Budget



Property and Investments YTD Expenditure against Revised Budget



Waimakariri District Council			
Balance Sheet			
Balance Sheet	ACTUAL as at 30 June 24 \$'000	BUDGET as at 30 June 2024 \$'000	ACTUAL as at 30 June 2023 \$'000
Current Assets			
Cash and cash equivalents	17,797	22,439	20,348
Short term deposits	5,000	-	439
Inventories	528	447	425
Derivative financial instruments	637	-	-
Trade and other receivables	15,832	8,995	11,323
Prepayments	1,502	1,065	1,152
Non-current Assets Held for Sale	2,311	-	3,203
Total Current Assets	43,607	32,946	36,890
Non Current Assets			
Other financial assets	6,186	6,033	5,398
Derivative financial instruments	3,338	2,063	5,561
Long term deposits	-	-	47
Forestry assets	2,479	2,459	2,552
Investment property	6,896	7,407	6,880
Property, plant and equipment including intangible	86,722	85,976	83,379
Infrastructural assets	2,700,306	2,416,428	2,353,864
Total Non Current Assets	2,805,927	2,520,366	2,457,681
Total Assets	2,849,534	2,553,312	2,494,571
Current Liabilities			
Trade and other payables	13,045	11,048	12,162
Deposits and Bonds	3,816	3,602	3,659
Employee Benefit liabilities	4,459	4,586	4,383
Revenue Received in advance	4,089	3,407	3,596
Development contributions	1,790	2,160	1,619
Current Portion of borrowings	40,000	30,000	20,000
Accrued Interest on borrowings	2,138	1,300	1,948
Total Current Liabilities	69,337	56,103	47,367
Non Current Liabilities			
Borrowings	160,000	182,190	160,000
Derivative financial instruments	49	-	-
Total Non Current Liabilities	160,049	182,190	160,000
Total Liabilities	229,386	238,293	207,367
Net Assets	2,620,148	2,315,019	2,287,204
Ratepayers Equity	332,944		
Accumulated general equity	1,019,046	991,411	969,001
Special funds	4,474	5,474	4,367
Revaluation reserve	1,596,628	1,318,134	1,313,836
Total Ratepayers Equity	2,620,148	2,315,019	2,287,204

Variance to full year budget		Variance ()= unfavourable \$'000
Trade and other receivables	Some receivables were under-budgeted in the annual plan (i.e. rates receivables and GST refund). Some items were not budgeted (i.e. receivable from Better Off Funding programme and development contributions accrued for subdivisions completed around the year end).	6,837
Non-current Assets Held for Sale	Identified land and building assets to be sold in 2024/25.	2,311
Derivative financial instruments	The fair value of Council's interest rate swaps as at 30 June 24 was more than what was forecasted as interest rates did not drop during 23/24.	1,863
Infrastructural assets	As at 30 June 24, Council revalued its 3 waters assets/building assets in addition to the roading assets as required by accounting standard. The unplanned valuation movement (roading assets are revalued each year) was \$259m. Assets vested to Council this year were significantly more than budget by \$43m due to developments in the district. This was partially offset by delay in capital programme.	283,878
Trade and other payables	Land purchase invoice not budgeted.	(1,997)
Borrowings	Actual borrowings less than budgeted due to delay in capital programme.	12,190

**Waimakariri District Council
Cash Flow Statement
for the period ended 30 June 2024**

Cash Flow Statement	Actual 30 June 24	Actual 30 June 23	Budget 30 June 24
	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Cash was provided from:</i>			
Receipts from Ratepayers	87,511	79,119	88,360
Receipts from subsidies (excluding earthquake subsidies)	12,957	16,577	16,437
Receipts from Fees and Charges	22,373	20,284	21,503
Development Contributions	15,853	7,563	17,320
Interest Received	3,286	1,683	383
Dividends Received	444	687	735
Receipt of Canterbury Regional Council Rates	15,891	14,722	13,984
GST Refund	-	396	-
	158,315	141,031	158,722
<i>Cash was disbursed to:</i>			
Payments to Suppliers	(65,774)	(59,538)	(58,008)
Payments to Employees	(37,107)	(32,223)	(34,958)
Payments to Canterbury Regional Council	(15,799)	(14,453)	(13,984)
Income tax Paid	-	-	-
Interest paid	(10,623)	(7,247)	(8,187)
GST Payment	(1,153)	-	-
	(130,456)	(113,461)	(115,137)
Net Cash Flows from Operating Activities	27,859	27,570	43,584
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Cash was provided from:</i>			
Proceeds from Sale of Fixed Assets	2,519	3,629	457
Proceeds from Community loans repaid & Investments	331	500	-
	2,850	4,129	457
<i>Cash was disbursed to:</i>			
Purchase of Fixed Assets and Infrastructural Assets	(47,224)	(48,677)	(76,171)
Community Loans & Investments	(6,035)	(1,053)	(515)
	(53,259)	(49,730)	(76,685)
Net Cash Flows from Investing Activities	(50,409)	(45,601)	(76,228)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Cash was provided from:</i>			
Proceeds from Borrowings	40,000	40,000	41,268
	40,000	40,000	41,268
<i>Cash was applied to:</i>			
Settlement of Borrowings	(20,000)	(30,000)	(9,097)
	(20,000)	(30,000)	(9,097)
Net Cash Flows from Financing Activities	20,000	10,000	32,171
Net Increase (Decrease) in Cash Held	(2,550)	(8,032)	(473)
Add Opening Bank Brought Forward	20,348	28,380	22,911
Ending Cash	17,797	20,348	22,439

The employee cost disclosed in the prospective cash flow statement in the Annual Plan 2023/24 is incorrect due to a calculation error. This is a disclosure matter and does not affect the total budgeted expenditure of the Council. The 2023/24 payments to employees budget should have been \$38.5m, and payments to suppliers should have been \$54.5m.

Waimakariri District Council
Internal Loan Repayment
For the period ended 30 June 2024

Loan Repayments	Annual Plan Budget \$'000	Full Year Revised Budget \$'000	Actual \$'000
Loan Repayments			
District Development	310	310	563
Community Development	135	135	135
Community Protection	35	35	41
Stormwater Drainage	1,373	1,373	1,436
Earthquake Recovery and regeneration	2,888	2,888	1,885
Libraries and Museums	25	25	25
Non Significant Activities	586	586	799
Property Management	90	90	127
Recreation	1,321	1,321	1,926
Roads and Footpaths	1,012	1,012	2,409
Sewerage and the Treatment and Disposal of Sewage	503	503	7,749
Refuse and Recycling	52	52	61
Water Supply	770	770	977
	9,100	9,100	18,133

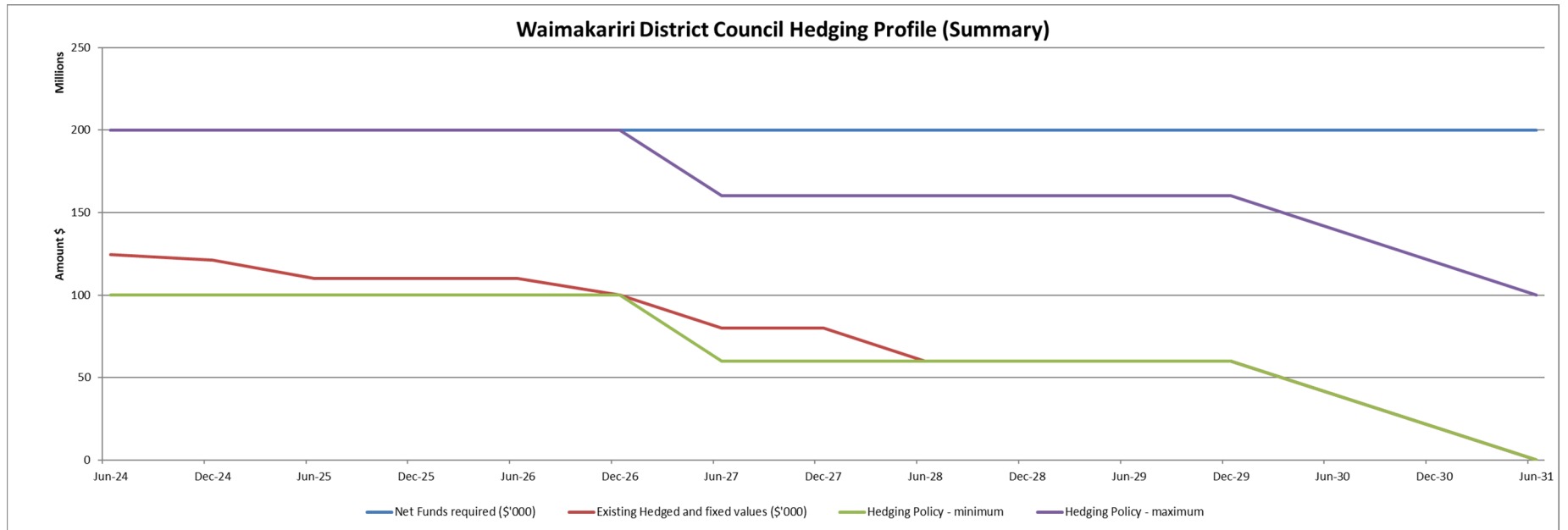
Variance explanations - Loan Repayments

	Variance \$'000 ()= unfavourable
Earthquake Recovery and regeneration	1,003
EQ rates were set to increase progressively over years thus less cash is available to repay the loan. Loan repayment will increase in later years.	
Recreation	(605)
Loans required for Greenspace and Aquatic Centres were more than budgeted as at 30 June 2023. Thus loan repayments are more than budgeted.	
Roads and Footpaths	(1,397)
Additional loan repayment to reduce loans made from accumulated funds.	
Sewerage and the Treatment and Disposal of Sewage	(7,246)
Additional loan repayment to reduce loans made from accumulated funds.	

Liability Management Policy

Key Measures	Actual 30 June 24		Year End Estimated Level	Per Policy
External term debt to total assets	7.0%	✓	8.3%	15% maximum
Interest expense (net of hedging) to gross operating revenue	6.8%	✓	6.4%	15% maximum
Interest expense (net of hedging) to rates Revenue	9.9%	✓	9.3%	25% maximum
Net cash inflow from operating activities exceeds gross annual interest expense by two times	2.6	✓	5.3	2.0 minimum
Liquidity ratio of not less than 1.1:1	1.5	✓	1.3	1.1 minimum

SUMMARY OF LOANS HELD - as at		30 June 24		
Bonds	Classification	Maturity Date	Value (\$)	
BOND ISSUED \$10M 15/08/22 FOR FOUR AND HALF YEARS	Non Current	15-Apr-27	10,000,000	
BOND ISSUED \$10M 17/05/21 FOR EIGHT YEARS	Non Current	20-Apr-29	10,000,000	
BOND ISSUED \$10M 15/05/17 FOR NINE YEARS	Non Current	15-May-26	10,000,000	
BOND ISSUED \$10M 28/08/17 FOR 7 YEARS	Current	15-Aug-24	10,000,000	
BOND ISSUED \$10M 17/05/21 FOR SEVEN YEARS	Non Current	20-Apr-29	15,000,000	
BOND ISSUED \$10M 14/04/22 FOR FOUR YEARS	Non Current	15-May-26	10,000,000	
BOND ISSUED \$10M 27/08/18 FOR SIX AND HALF YEARS	Current	15-Apr-25	10,000,000	
BOND ISSUED \$5M 16/03/2015 FOR TWELVE YEARS	Non Current	15-Apr-27	5,000,000	
BOND ISSUED \$10M 03/06/2015 FOR TWELVE YEARS	Non Current	15-Apr-27	10,000,000	
BOND ISSUED \$10M 24/08/2015 FOR TEN YEARS	Non Current	15-Aug-25	10,000,000	
BOND ISSUED \$10M 14/04/22 FOR SIX YEARS	Non Current	15-May-28	10,000,000	
BOND ISSUED \$10M 10/06/2020 FOR SEVEN AND HALF YEARS	Non Current	10-Oct-27	10,000,000	
BOND ISSUED \$10M 17/05/2021 FOR EIGHT YEARS	Non Current	20-Apr-29	10,000,000	
BOND ISSUED \$10M 17/4/2023 FOR SIX YEARS	Non Current	20-Apr-29	10,000,000	
BOND ISSUED \$10M 17/4/2023 FOR TWO YEARS	Current	15-Apr-25	10,000,000	
BOND ISSUED \$10M 17/4/2023 FOR THREE YEARS	Non Current	15-Apr-26	10,000,000	
BOND ISSUED \$10M 15/10/2023 FOR ONE YEAR	Current	15-Oct-24	10,000,000	
BOND ISSUED \$15M 15/04/2024 FOR FOUR YEARS	Non Current	15-May-28	15,000,000	
BOND ISSUED \$15M 15/04/2024 FOR TWO YEARS	Non Current	15-Apr-26	15,000,000	
Total External Borrowing			200,000,000	✓
Year End Budget - External Borrowing			212,190,000	



Period end	Jun-24	Dec-24	Jun-25	Dec-25	Jun-26	Dec-26	Jun-27	Dec-27	Jun-28	Dec-28	Jun-29	Dec-29	Jun-30	Dec-30	Jun-31
Net Funds required (\$'000)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Hedged and fixed values (\$'000)	124,500	121,000	110,000	110,000	110,000	100,000	80,000	80,000	60,000	60,000	60,000	60,000	20,000	20,000	0
Hedging Policy - minimum	50%	50%	50%	50%	50%	50%	30%	30%	30%	30%	30%	30%	30%	0%	0%
Hedging Policy - maximum	100%	100%	100%	100%	100%	100%	80%	80%	80%	80%	80%	80%	80%	50%	50%
Actual	62%	61%	55%	55%	55%	50%	40%	40%	30%	30%	30%	30%	10%	10%	0%

The Hedging and fixed interest loans are those currently in place.

The Council will adjust its hedging levels over time as necessary depending on external debt levels.

Governance
for the period ended 30 June 2024

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
General Rates	2,745	2,285	2,284	(1)	(0%)
Targeted Rates	681	681	680	(1)	(0%)
Subsidies and grants	-	-	9	9	
Fees and Charges	14	14	53	39	279%
TOTAL REVENUE	3,440	2,980	3,026	46	2%
OPERATING EXPENDITURE					
Council	2,759	2,759	2,699	(60)	(2%)
Community Boards, Ward Advisory Board	683	683	600	(83)	(12%)
Internal Interest Elimination					
TOTAL OPERATING EXPENDITURE	3,442	3,442	3,299	(143)	(4%)
OPERATING SURPLUS (DEFICIT)	(1)	(462)	(273)	189	(41%)

Significant Variances - Operating

Variance
\$'000

() = unfavourable

Revenue

No significant variances identified.

NOTE: Revised Rates figure reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to table A below.

Expenditure

No significant variances identified.

Please be aware the deficit incurred is covered by the rates transfer as shown in table A.

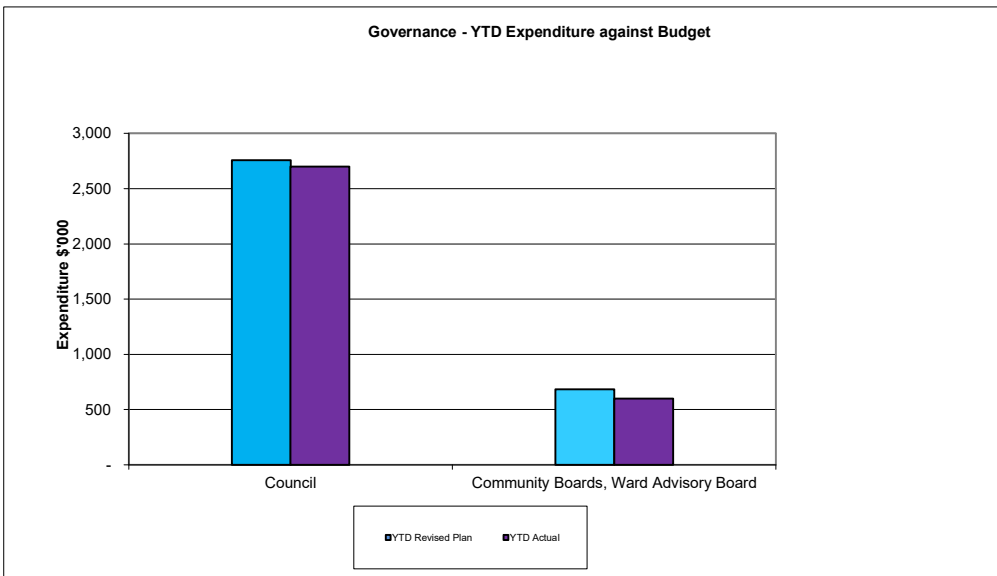


Table A

Activity	Revised Rates Levied \$	Revised Transfer from Reserves \$	Total Including transfer 2023/24 \$	Budget General Rates 2023/24 \$
Governance	2,284	461	2,745	2,745
District Development	4,368	882	5,250	5,250
Water	26	5	31	31
Drainage	943	191	1,134	1,134
Recreation	948	192	1,140	1,140
Community Protection	1,998	403	2,401	2,401
Community Development	850	172	1,022	1,022
Covid 19 loan (Non significant activity)	193	39	232	232
Solid Waste	898	181	1,079	1,079
	12,508	2,526	15,034	15,034

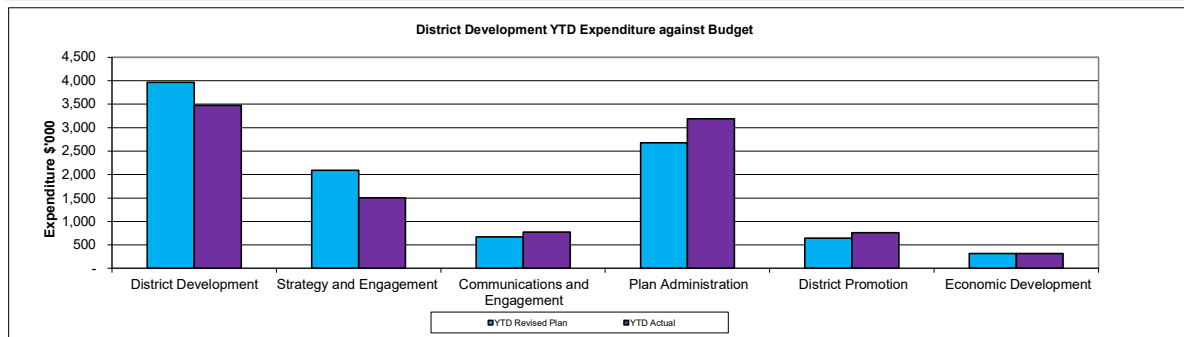
District Development

for the period ended 30 June 2024

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
General Rates	5,250	4,371	4,368	(3)	(0%)
Targeted Rates	180	180	189	9	5%
Subsidies	1,190	510	112	(398)	(78%)
Fees and Charges	1,381	1,381	1,865	484	35%
TOTAL REVENUE	8,001	6,442	6,534	92	1%
OPERATING EXPENDITURE					
District Development	3,965	3,965	3,476	(489)	(12%)
Strategy and Engagement	2,680	2,092	1,504	(588)	(28%)
Communications and Engagement	673	673	775	102	15%
Plan Administration	2,681	2,681	3,187	506	19%
District Promotion	644	644	761	117	18%
Economic Development	318	318	317	(1)	(0%)
	10,961	10,373	10,020	(353)	(3%)
Internal Interest Elimination	93	21	15	(6)	(29%)
TOTAL OPERATING EXPENDITURE	10,868	10,352	10,005	(347)	(3%)
OPERATING SURPLUS (DEFICIT)	(2,867)	(3,910)	(3,471)	439	(11%)

Significant Variances - Operating

		Variance \$'000 () = unfavourable
<u>Revenue</u>		
Subsidies	Projects in relation to Better Off Funding (climate change response programme and natural environment implementation) had a late start in 23/24 resulting in less subsidies recognised comparing to the budget.	(398)
Fees and charges	Resource consents revenue was greater than budget due to high work volume.	484
NOTE: Revised General Rates budget reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to Table A - Governance.		
<u>Expenditure</u>		
District Development	District Plan Review expenditure is less than budgeted due to delay in hearings.	489
Strategy and Engagement	Town Centre Strategy Programme to start in 24/25 and there was delay in Better Off Funding programme as mentioned above.	588
Plan Administration	Higher expenditure compared to budget driven by an increased workload, covered through an increase in resource consent revenue. Additional costs were incurred due to employment of external consultants.	(506)
District Promotion	Enterprise North Canterbury had made progress on the contract with Council resulting in additional grants revenue recognised by them. From our end, we have released more grants from prepayment to grant expenditure.	(117)



	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE
	\$'000	\$'000	\$'000	\$'000
CAPITAL EXPENDITURE				
Loan Repayments				
Policy and Strategy	19	19	6	(13)
Development Planning Unit	262	262	514	252
Plan Administration	29	29	43	14
	310	310	563	253
TOTAL CAPITAL EXPENDITURE	310	310	563	253

Significant Variances - Capital

		Variance \$'000 () = unfavourable
<u>Variances against full year revised budget:</u>		
Loan Repayments		
Development Planning Unit	Loans are repaid in a shorter timeframe thus requiring more loan repayments.	(252)

Roading for the period ended 30 June 2024

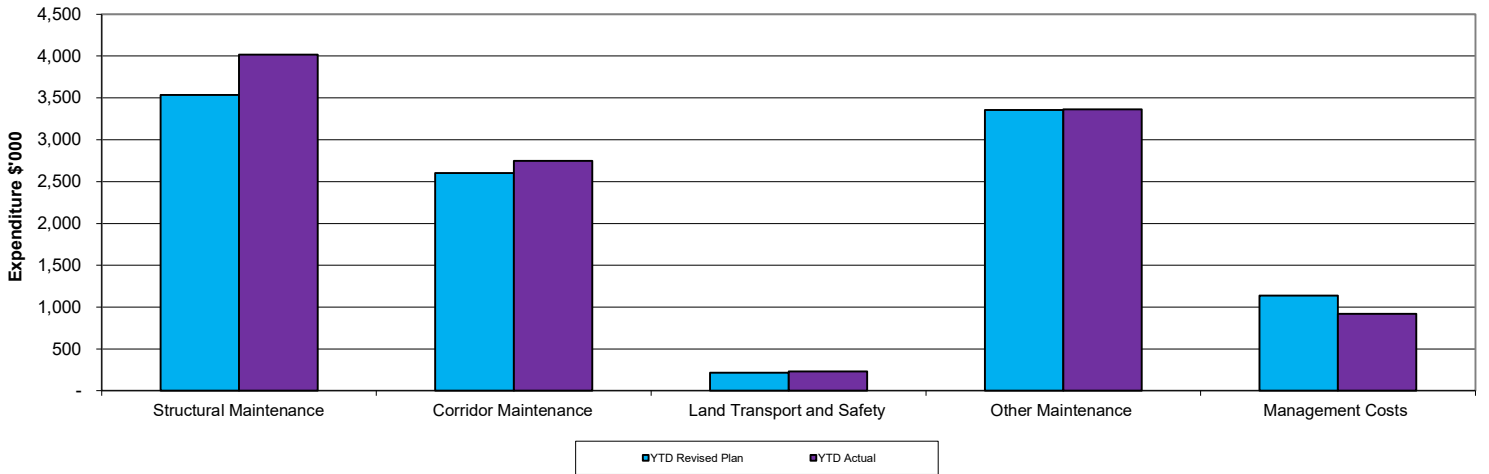
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/ REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
Roading Rates	14,959	14,941	15,001	60	0%
Fees and Charges	652	652	811	159	24%
Petrol Tax	360	360	323	(37)	(10%)
Subsidies	14,077	11,698	10,968	(730)	(6%)
Interest	22	22	62	40	182%
Development Contributions	7,328	7,328	6,026	(1,302)	(18%)
TOTAL REVENUE	37,398	35,001	33,191	(1,810)	(5%)
OPERATING EXPENDITURE					
Subsidised Maintenance					
Structural Maintenance	2,616	3,536	4,015	479	14%
Corridor Maintenance	2,029	2,602	2,747	145	6%
Land Transport and Safety	239	214	230	16	7%
Other Maintenance	1,562	3,357	3,366	9	0%
Unsubsidised Expenditure					
General Maintenance	2,155	1,835	1,314	(521)	(28%)
Management Costs	1,137	1,137	919	(218)	(19%)
Interest	1,126	1,126	1,258	132	12%
Depreciation	12,673	12,673	11,042	(1,631)	(13%)
Capital expended	-	-	1,481	1,481	0%
Indirect Expenditure	2,122	2,122	2,460	338	16%
	25,659	28,602	28,832	230	(0)
Internal Interest Elimination	331	75	84	9	12%
TOTAL OPERATING EXPENDITURE	25,328	28,527	28,748	221	1%
OPERATING SURPLUS (DEFICIT)	12,070	6,474	4,443	(2,031)	(31%)

Significant Variances - Operating

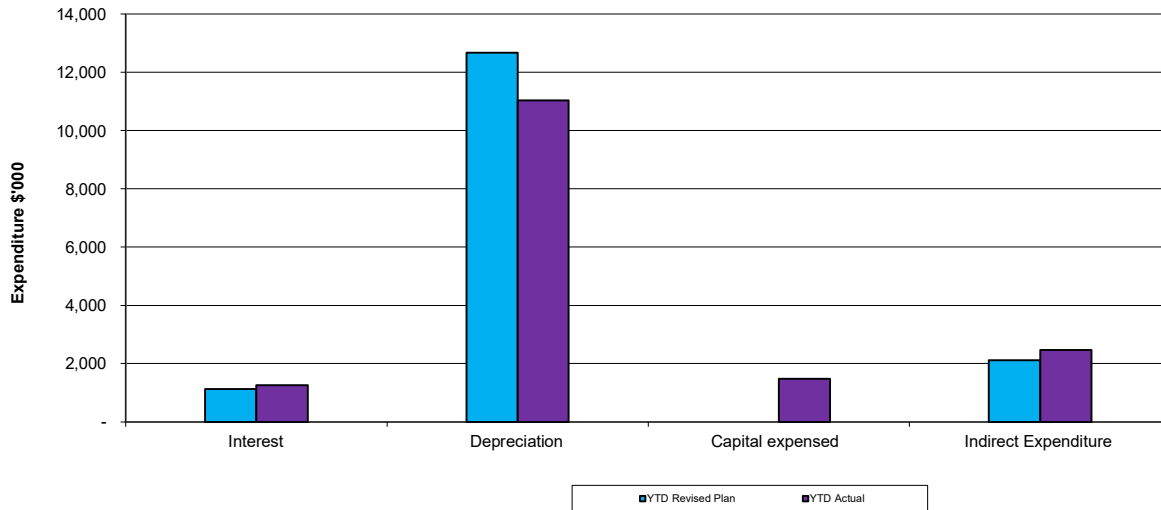
		Variance \$'000 ()= unfavourable
Revenue		
Fees and Charges	Rates penalties were more than budget. Annual sales from gravel pits more than budget.	107 27
Subsidies	Construction on Woodend to Kaiapoi Cycleway has not started yet. No claim can be made to the Better Off Funding in 23/24 (Funding available for the project \$1m).	(730)
Development Contributions	Development contributions charges are based on resource consent application date. In some cases, development contributions were charged based on prior year unit prices resulting in less income compared to the budget (budget was set based on current year unit prices). In addition, developments forecasted in some special development areas did not happen.	(1,302)
Expenditure		
Structural Maintenance	Sealed pavement more than budget due to ongoing effects from a saturated network following the last 3 years of flood events. Cost savings from unsubsidised road works (including capital projects) to achieve an overall break-even.	(479)
Corridor Maintenance	Costs incurred on pavement marking, vegetation control, traffic services management and detritus removal were more than budget due to contract cost fluctuations (inflation adjustment) and wet weather.	(145)
General maintenance	Budget underspent on carriage way lighting to balance the overspending in structural maintenance. Delay in Greater Christchurch Partnership transport work. No costs incurred on Town Centre Strategy Programme (Cenotaph Corner & Town Centre to North East). Both projects were carried over to 24/25.	160 100 401
	Costs incurred on road opening notices were more than budget. Council expects to recover these costs from contractors from 24/25.	(56)
Management costs	Internal charges were more than budget due to more chargeable hours lodged by staff on roading projects.	218
Depreciation	Depreciation expenditure was less than budget due to the year end depreciation adjustment recommended by WSP as some roading assets were fully depreciated during 23/24.	1,631

Capital expended	Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(1,481)
Indirect expenditure	Roading network assets deletions not budgeted.	(338)

Roading YTD Direct Expenditure against Budget



Roding YTD Interest, Depreciation and Indirect Expenditure against Budget



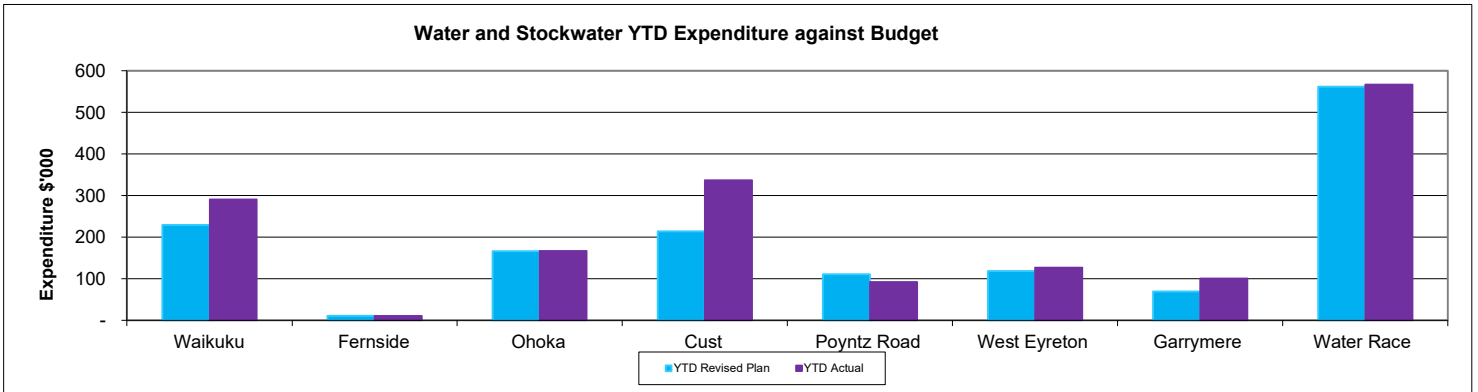
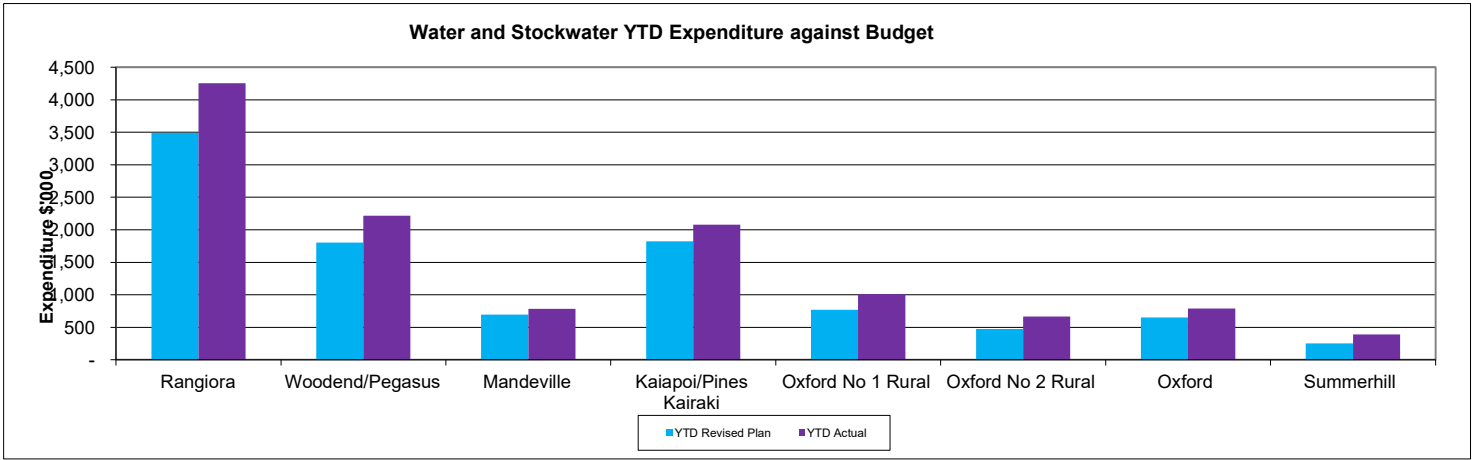
**Water and Stockwater
for the period ended 30 June 2024**

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/ REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
General Rates	31	26	26	-	0%
Targeted Rates	11,791	11,791	11,691	(100)	(1%)
Fees and Charges	153	153	376	223	146%
Interest	68	68	385	317	466%
Subsidies	900	711	285	(426)	(60%)
Development Contributions	2,595	2,595	3,000	405	16%
TOTAL REVENUE	15,538	15,344	15,763	419	3%
OPERATING EXPENDITURE					
Rangiora	3,492	3,492	4,252	760	22%
3 Waters Reform Water Investigation	909	720	46	(674)	(94%)
Woodend/Pegasus	1,802	1,802	2,213	411	23%
Waikuku	229	229	291	62	27%
Fernside	11	11	11	-	0%
Ohoka	166	166	167	1	1%
Mandeville	695	695	784	89	13%
Kaiapoi/Pines Kairaki	1,824	1,824	2,080	256	14%
West Kaiapoi Structure Plan Area	27	27	33	6	22%
Oxford No 1 Rural	773	773	1,012	239	31%
Oxford No 2 Rural	473	473	666	193	41%
Oxford	652	652	790	138	21%
Summerhill	254	254	391	137	54%
Cust	214	214	337	123	57%
Poyntz Road	111	111	93	(18)	(16%)
West Eyreton	119	119	127	8	7%
Garrymere	70	70	101	31	44%
District Water	763	763	669	(94)	(12%)
Ashley Rural Water	1,476	1,476	1,471	(5)	(0%)
Water Race	562	562	567	5	1%
	14,622	14,433	16,101	1,668	12%
Internal Interest Elimination	345	79	79	-	0%
TOTAL OPERATING EXPENDITURE	14,277	14,354	16,022	1,668	12%
OPERATING SURPLUS (DEFICIT)	1,261	990	(259)	(1,249)	(126%)

Significant Variances - Operating

		Variance \$'000 ()= unfavourable
Revenue		
Fees and Charges	Fees and charges are more than budgeted as connection fees received (to connect to Council's infrastructural services) were more than budget.	223
Interest	Interest received was greater than budget due to higher interest rates and renewal funds built up.	317
Subsidies	Total funding available on 3 Waters Transitional Fund is \$711k. Council started relevant work last year. This year we have claimed \$285k based on costs incurred. Last year the claim was \$94k.	(426)
Development contributions	Development contributions were greater than budget largely due to developments in Woodend and Southbrook.	405
Expenditure		
Rangiora	Costs incurred on inspection and maintenance were more than budget. There are a few reasons behind this: - Additional work associated with chlorination of water; - Major surface pump repairs at South Belt Water Treatment Plant; and - New water quality monitoring station inspections. Asset deletions due to capital renewal programme were not budgeted. Power costs less than budgeted.	(441) 71
3 Waters Reform Water Investigation	Work continue in 24/25. Staff costs incurred were kept in home cost centres.	(674)
Woodend/Pegasus	Asset deletions due to capital renewal programme were not budgeted. Depreciation more than budget due to capital additions/vested assets. Significant value of assets vested from Ravenswood subdivision. The EQ2 well pump failed. Costs were incurred on investigation, repairs of the variable speed drive and ha	(232) (120) (51)
Kaiapoi/Pines Kairaki	Asset deletions due to capital renewal programme were not budgeted.	(256)

Significant Variances - Operating		Variance \$'000 ()= unfavourable
Oxford No 1 Rural	Headworks maintenance more than budget. This is due to: - Additional works associated with reservoir repair at View Hill, air locking issues with Chalk Hill pumps; and - Deep Well water treatment plant site chlorine dosing works.	(113)
	Asset deletions due to capital renewal programme were not budgeted.	(101)
Oxford No 2 Rural	Expenditure more than budget mainly due to Asset deletions due to capital renewal programme were not budgeted.	(193)
Oxford	Costs incurred on inspection/maintenance more than budget. This is due to: -Additional works associated with chlorination of the urban water supply; -Issues with pump at Gammans water treatment plant; -Issues with Domain Well 1; and -Additional water quality monitoring.	(73)
	Asset deletions due to capital renewal programme were not budgeted.	(29)
Summerhill	Asset deletions due to capital renewal programme were not budgeted.	(84)
	Headworks maintenance more than budgeted due to costs of fixing the pump at David Rd pump station.	(30)
Cust	Costs on maintenance more than budgeted. This is due to: -Relocation of electrical kiosk at Springbank Well 2 due to health and safety issues; and -significant water leak to 1479 Cust Rd that required a lot of work to address.	(50)
	Depreciation was more than budget.	(21)
	Asset deletions due to capital renewal programme were not budgeted.	(10)
	Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(9)
Garrymere	Depreciation more than budgeted.	(17)
	Asset deletions due to capital renewal programme were not budgeted.	(6)

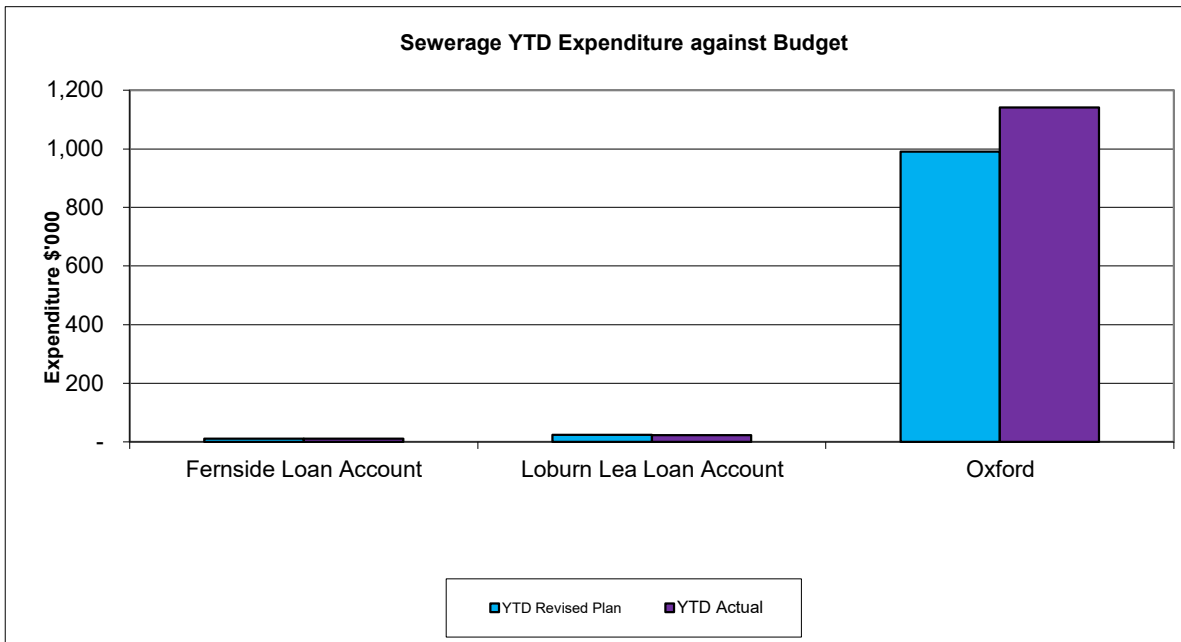
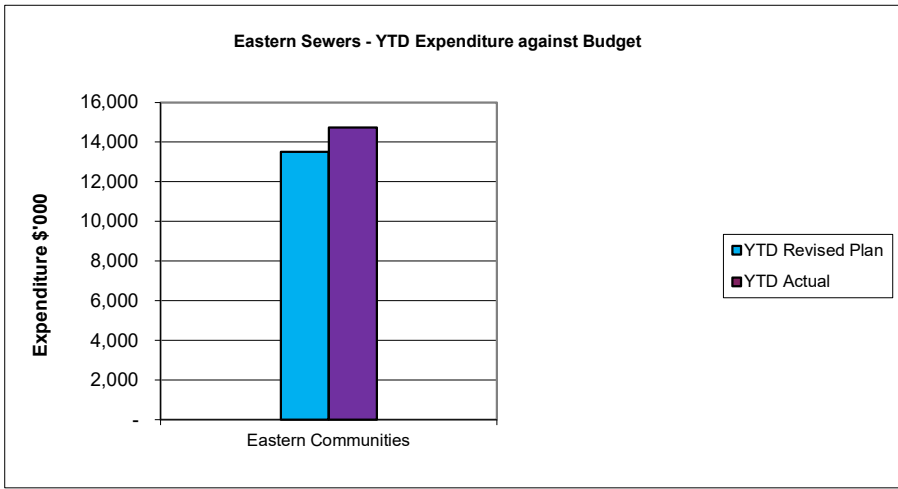


Sewerage**for the period ended 30 June 2024**

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$' 000	\$' 000	\$' 000	\$'000	%
REVENUE					
Targeted Rates	10,974	10,974	11,086	112	1%
Government Subsidies	270	270	456	186	69%
Fees and Charges	495	495	316	(179)	(36%)
Gains	-	-	13	13	0%
Interest	39	39	1,258	1,219	3126%
Development contributions	3,847	3,847	4,750	903	23%
TOTAL REVENUE	15,625	15,625	17,879	2,254	14%
OPERATING EXPENDITURE					
Stimulus Funding	-	-	1	1	0%
Eastern Communities	13,426	13,511	14,734	1,223	9%
Southbrook	7	7	2	(5)	(71%)
East Rangiora	44	44	28	(16)	(36%)
Ohoka Utilities	4	4	3	(1)	(25%)
East Woodend	-	-	-	-	0%
West Rangiora Structure Plan Area	122	122	77	(45)	(37%)
West Kaiapoi Structure Plan Area	4	4	4	-	0%
North Kaiapoi Area A	2	2	2	-	0%
Fernside Loan Account	11	11	11	-	0%
Loburn Lea Loan Account	24	24	23	(1)	(4%)
Oxford	991	991	1,141	150	15%
	14,635	14,720	16,026	1,306	9%
Internal Interest Elimination	237	54	64	10	19%
TOTAL OPERATING EXPENDITURE	14,398	14,666	15,962	1,296	9%
OPERATING SURPLUS (DEFICIT)	1,227	959	1,917	958	100%

Significant Variances - Operating

		Variance \$'000 () = unfavourable
<u>Revenue</u>		
Subsidies	Council claimed subsidies from Infrastructural Acceleration Fund on the Kippenberger wastewater pump station project.	186
Fees and Charges	Septage Facility has not yet been built. No revenue in 23/24.	(179)
Interest	Interest received was greater than budget due to higher interest rates and renewal funds built up.	1,219
Development contributions	Development contributions were greater than budget largely due to developments in Woodend and Southbrook.	903
<u>Expenditure</u>		
Eastern Communities	Asset deletions due to capital renewal programme and asset validation process were not budgeted. Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(1,151) (69)
Oxford	Due to issues stabilising the sludge production. Upgrade is planned to rectify the issue. Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(80) (50)

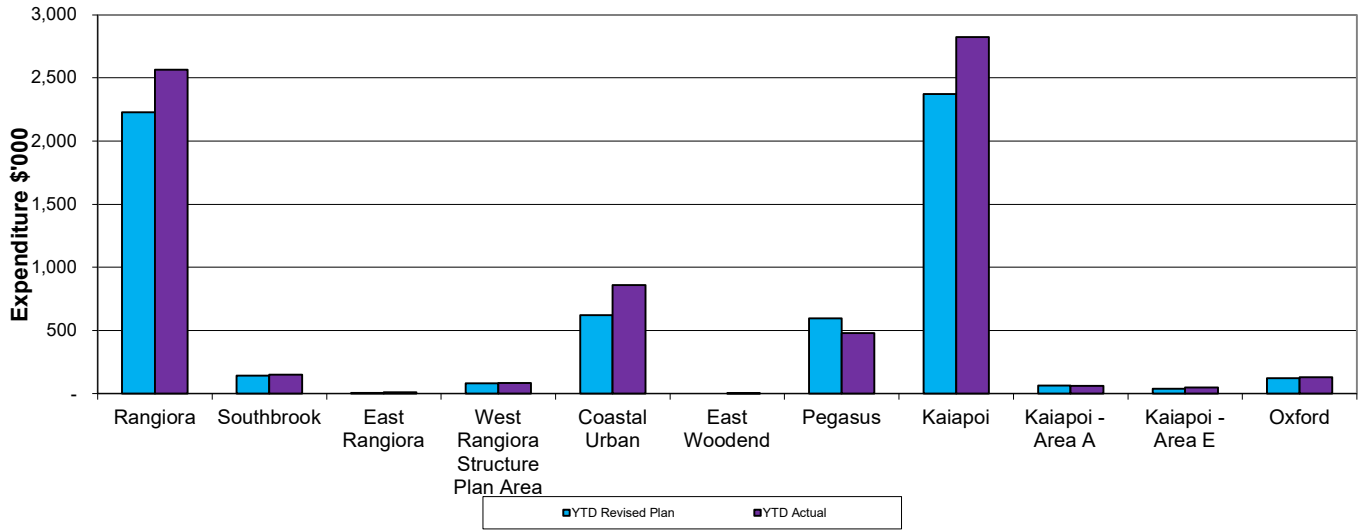


Drainage						
for the period ended 30 June 2024						
	CURRENT YEAR					
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED	
	\$ 000	\$ 000	\$ 000	\$ 000	%	%
REVENUE						
General Rates	1,134	944	943	(1)		(0%)
Targeted Rates	5,717	5,717	5,757	40		1%
Government Subsidies	350	715	695	(20)		(3%)
Fees and Charges	22	22	84	62		282%
Interest	65	65	483	418		643%
Development Contributions	997	997	1,122	125		13%
TOTAL REVENUE	8,285	8,460	9,084	624		7%
OPERATING EXPENDITURE						
Shovel Ready Funding	-	-	415	415		0%
District Drainage	907	1,497	1,931	434		29%
Water Zone	266	266	141	(125)		(47%)
Rangiora	2,218	2,228	2,566	338		15%
Southbrook	143	143	149	6		4%
East Rangiora	4	4	10	6		150%
West Rangiora Structure Plan Area	81	81	83	2		2%
Coastal Urban	581	621	860	239		38%
East Woodend	-	-	2	2		0%
Pegasus	596	596	478	(118)		(20%)
Kaiapoi	2,314	2,374	2,824	450		19%
Kaiapoi - Area A	63	63	60	(3)		(5%)
Kaiapoi - Area E	39	39	48	9		23%
Oxford	121	121	129	8		7%
Ohoka Rural	374	374	451	77		21%
Mill Rd ODP	24	24	22	(2)		(8%)
Loburn Lea	32	32	26	(6)		(19%)
Oxford Rural	64	64	125	61		95%
Clarkville	52	52	80	28		54%
Coastal Rural	165	165	185	20		12%
Central Rural	156	156	326	170		109%
Cust	11	11	12	1		9%
	8,211	8,911	10,923	2,012		23%
Internal Interest Elimination	499	114	118	4		4%
TOTAL OPERATING EXPENDITURE	7,712	8,797	10,805	2,008		23%
OPERATING SURPLUS (DEFICIT)	573	(337)	(1,721)	(1,384)		411%

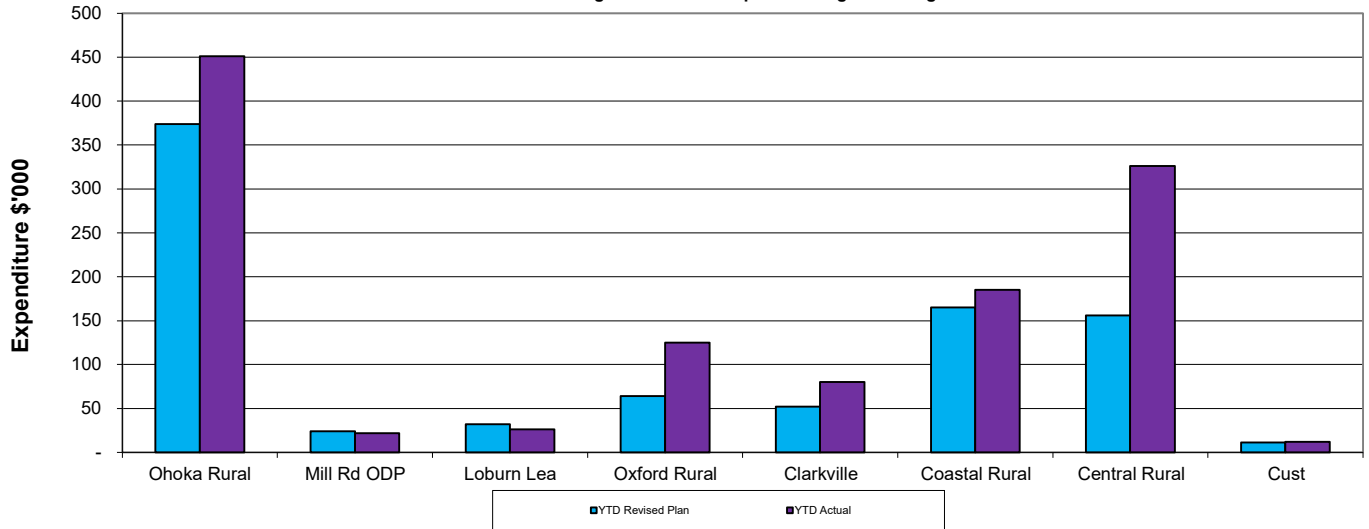
Significant Variances - Operating		Variance
		\$'000
		() = unfavourable
<u>Revenue</u>		
Interest	Interest received was greater than budget due to higher interest rates and renewal funds built up.	418
Development Contributions	Development contributions were greater than budget due to developments in Woodend and Southbrook.	125
NOTE: Revised General Rates budget reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to Table A - Governance.		
<u>Expenditure</u>		
Shovel Ready Funding	Loss on disposal of 67 & 94 Otaki Street, Kaiapoi not budgeted. Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(238) (177)
District Drainage	Capital projects costs that cannot be capitalised are expensed. Not budgeted. Costs incurred on flood response were more than budget. Costs incurred on building climate change resilience were more than budget (Upper Cam River Maintenance & Heavy Rural Drain Maintenance).	(143) (172) (149)
Water Zone	Budget on ZIPA (Zone Implementation Program Addendum) underspent.	125
Rangiora	Capital projects costs that cannot be capitalised are expensed. Not budgeted. -\$123k Wiltshire Green Pipework Upgrade (mainpower service relocation); -\$128k Ashley St Pipe upgrades (Charges from PDU/Corde on investigations/feasibility study that cannot be capitalised); and -\$173k project set up costs expensed from Shovel Ready Land Acquisition project. Asset deletions due to capital renewal programme were not budgeted.	(307) (73)
Coastal Urban	Depreciation more than budget due to capital additions/vested assets in Ravenswood. Capital projects costs that cannot be capitalised are expensed. Not budgeted. Asset deletions due to capital renewal programme were not budgeted. Costs incurred on flood response more than budget. Maintenance - Drains more than budget. The rainfall event in July 23 highlighted the urgent need for drain maintenance.	(64) (70) (39) (13) (35)

Kaiapoi	Depreciation more than budgeted due to capital additions/vested assets in Kaiapoi (Beach Grove) Asset deletions due to capital renewal programme were not budgeted.	(92) (371)
Pegasus	Maintenance expenditure is less than budgeted as the drainage network is relatively new. Pegasus Main St Overflow Pipe operational project is work in progress.	64 48
Ohoka Rural	Maintenance - Drains more than budget. The rainfall event in July 23 highlighted the urgent need for drain maintenance.	(77)
Oxford Rural	Maintenance more than budgeted due to rainfall event in July 23 and increasing expectations in terms of levels of service.	(61)
Central Rural	Maintenance more than budgeted due to rainfall event in July 23 and increasing expectations in terms of levels of service.	(170)

Drainage - Urban YTD Expenditure against Budget



Drainage - Rural YTD Expenditure against Budget



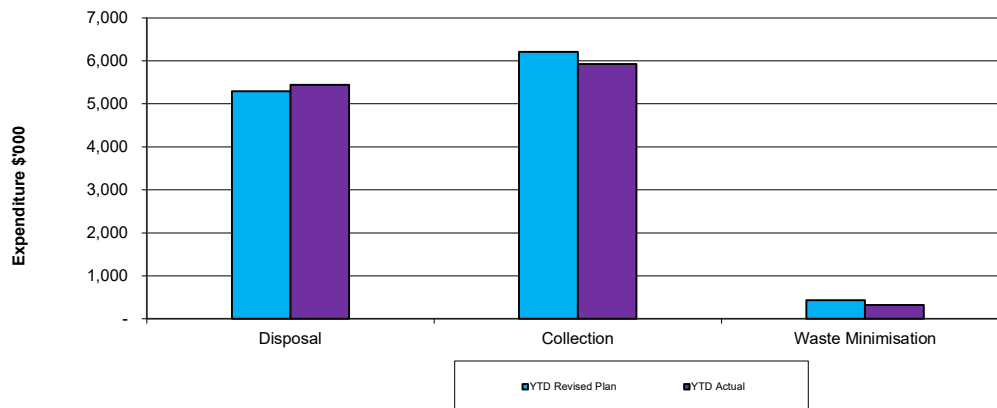
Refuse and Recycling for the period ended 30 June 2024

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
General Rates	1,079	898	898	-	0%
Targeted Rates	5,383	5,383	5,379	(4)	(0%)
Fees and Charges	4,811	4,811	4,688	(123)	(3%)
Interest	6	6	260	254	4233%
Waste Minimisation Charges	965	965	1,148	183	19%
TOTAL REVENUE	12,244	12,063	12,373	310	3%
OPERATING EXPENDITURE					
Disposal	5,292	5,292	5,441	149	3%
Collection	6,213	6,213	5,926	(287)	(5%)
Waste Minimisation	430	430	315	(115)	(27%)
	11,935	11,935	11,682	(253)	(2%)
Internal Interest Elimination	19	4	3	(1)	(25%)
TOTAL OPERATING EXPENDITURE	11,916	11,931	11,679	(252)	(2%)
OPERATING SURPLUS (DEFICIT)	328	132	694	562	426%

Significant Variances - Operating

		Variance \$'000 ()= unfavourable
<u>Revenue</u>		
Interest	Interest received is more than budget due to higher interest rates and reserves built up.	254
Fees and Charges	Revenue from rubbish bag sale less than budget as more residents have joined the 3 bins programme.	(123)
Waste Minimisation Charges	Landfill Levy is more than budgeted. The Government is expanding the levy to cover all landfill types, including construction and demolition fills.	183
NOTE: Revised General Rates budget reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to Table A - Governance.		
<u>Expenditure</u>		
Disposal	More refuse going to landfill than budgeted. Costs incurred on transfer stations maintenance more than budget. Asset deletions not budgeted.	(78) (41) (24)
Collection	Contract payments on organics collection were more than budget as a higher charge rate has been applied to organics collection as the total volume has reached a level that Waste Management has to deploy more resources to carry out the collection. Contract payments on refuse and recycling were less than budget as total volume was still under limit.	(77) 195
	Disposal charges on Organics were less than the budget due to the winter season.	96
Waste Minimisation	Waste Management Implementation expenditure is less than budgeted. School education to expand in the new year. Work budgeted on waste management plan is work in progress.	59 19

Refuse and Recycling YTD Expenditure against Budget



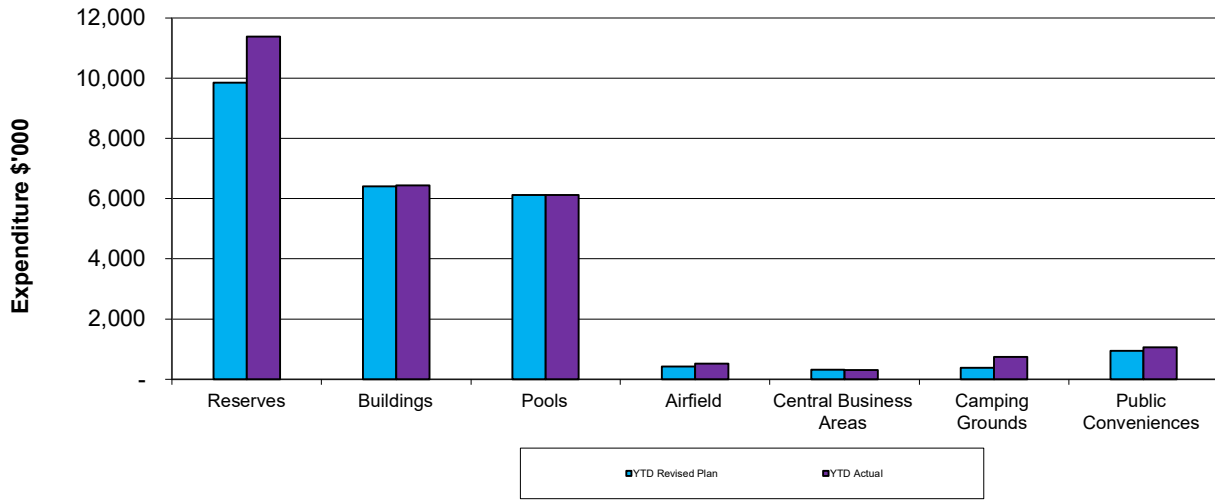
Recreation**for the period ended 30 June 2024**

			CURRENT YEAR			PERCENT ACTUAL/ REVISED
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE		
	\$' 000	\$' 000	\$' 000	\$'000	%	
REVENUE						
General Rates	1,140	949	948	(1)	(0%)	
Targeted Community Services Rates	17,144	17,137	16,860	(277)	(2%)	
Targeted Rates	63	63	64	1	2%	
Revaluation gain on investment properties (airfield properties)	-	-	89	89	0%	
Fees and Charges	2,716	2,716	2,991	275	10%	
Subsidies and Grants	-	-	265	265		
Gain on sale of property (Kairaki Beach Camp)	-	-	95	95		
Development Contributions	2,553	2,553	1,913	(640)	(25%)	
TOTAL REVENUE	23,616	23,418	23,225	(193)	(1%)	
OPERATING EXPENDITURE						
Reserves	9,781	9,853	11,387	1,534	16%	
Airfield	415	415	514	99	24%	
Buildings	6,410	6,410	6,438	28	0%	
Pools	6,119	6,119	6,120	1	0%	
Central Business Areas	317	317	296	(21)	(7%)	
Camping Grounds	376	376	736	360	96%	
Community Grants	558	558	510	(48)	(9%)	
Public Conveniences	942	942	1,059	117	12%	
	24,918	24,990	27,060	2,070	8%	
Internal Interest Elimination	706	161	167	6	4%	
TOTAL OPERATING EXPENDITURE	24,212	24,829	26,893	2,064	8%	
OPERATING SURPLUS (DEFICIT)	(596)	(1,411)	(3,668)	(2,257)	160%	

Significant Variances - Operating

		Variance \$'000 () = unfavourable
<u>Revenue</u>		
Targeted Community Services Rates	Rating units budgeted were less than actual by around 200 rating units	(277)
Fees and Charges	Learn to Swim revenue more than budgeted. Facility hire revenue more than budgeted.	170 138
Subsidies and Grants	\$198k from Tourism Infrastructural Fund (DIA) for the Woodend Town Centre Toilet project. Other funding individually not material.	265
Development Contributions	Development contribution charges refer to resource consent application date. Some charges were based on prior year unit prices resulting in less development contributions income compared to the budget (budget was set based on new unit prices). In addition, developer can choose to vest land to Council and in that case no development contribution is assessed.	(640)
NOTE: Revised General Rates budget reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to Table A - Governance.		
<u>Expenditure</u>		
Reserves	Loss on asset disposals (not budgeted) as a result of capital renewal programme. Depreciation more than budget due to higher than expected new assets from new neighbourhoods and earthquake recovery projects. Operational expenditure across recreation was more than budgeted due to maintenance contracts incurring increased cost fluctuation costs with a rise from 3% to 12% along with unpredicted storm damage expenditure.	(326) (287) (638)
	Legal fees not budgeted. Capital projects costs that cannot be capitalised are expensed. Not budgeted. Rates on Council's properties more than budget.	(82) (68) (42)
Camping Grounds	Expenditure incurred on sale of Waikuku Beach Holiday Park (legal fees & consultant fees etc). The income from the sale has offset these costs . Maintenance required on Woodend Beach camp due to dangerous trees not budgeted.	(249) (71)
Public Conveniences	Loss on asset disposals (no budgeted) as a result of capital renewal programme. Capital projects costs that cannot be capitalised are expensed. Not budgeted.	(25) (29)

Recreation YTD Expenditure against Budget



**Libraries and Museums
for the period ended 30 June 2024**

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$' 000	\$' 000	\$' 000	\$'000	%
REVENUE					
Targeted Community Services Rates	4,601	4,596	4,526	(70)	(2%)
Targeted Rates	905	905	892	(13)	(1%)
Fees and Charges	94	94	108	14	15%
Subsidies and Grants	200	100	70	(30)	(30%)
Interest	9	9	66	57	633%
TOTAL REVENUE	5,809	5,704	5,662	(42)	(1%)
OPERATING EXPENDITURE					
Library	5,565	5,607	5,058	(549)	(10%)
Canterbury Museum Operational Levy	726	726	700	(26)	(4%)
Canterbury Museum Redevelopment Levy	1,045	1,045	1,582	537	51%
Local Museums	9	9	14	5	56%
	7,345	7,386	7,354	(33)	(0%)
Internal Interest Elimination	4	1	1	-	0%
TOTAL OPERATING EXPENDITURE	7,341	7,385	7,353	(32)	(0%)
OPERATING SURPLUS (DEFICIT)	(1,532)	(1,681)	(1,691)	(10)	1%

Significant Variances

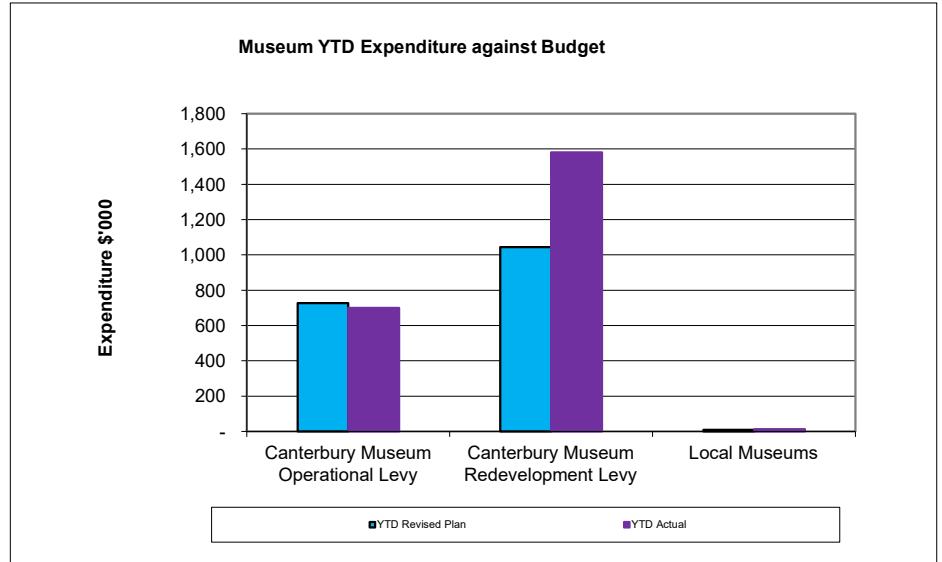
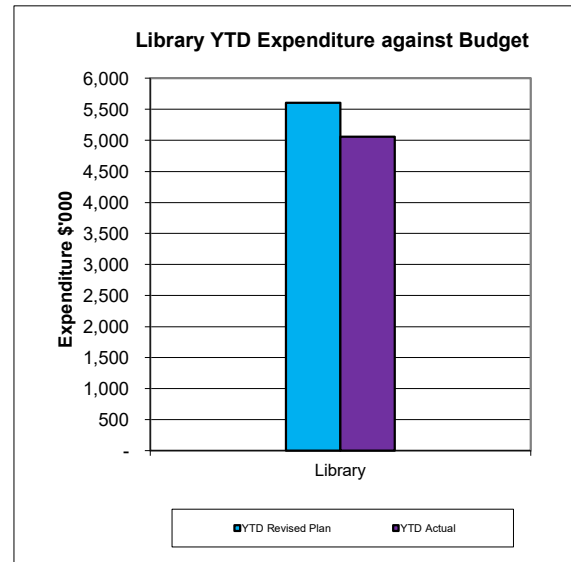
Variance
\$'000
() = unfavourable

Revenue

No significant variances identified.

Expenditure

Library	Maintenance works required on library buildings (Rangiora and Kaiapoi) are yet to be started.	281
	Staff costs are under budget due to various staff positions being vacant.	252
Canterbury Museum Redevelopment Levy	This year Council has paid 3 instalments of Museum Redevelopment Capital Levy as required.	(537)



CAPITAL EXPENDITURE	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE
	\$'000	\$'000	\$'000	\$'000
Capital Projects				
Resource Purchases	926	721	348	(373)
Misc purchases (computer, plant and equipment)	-	-	2	2
Lost Book Purchases	32	32	-	(32)
Rangiora Library Fan Installation	20	20	-	(20)
Libraries Kiosk Renewals	105	105	99	(6)
Kaiapoi Library Furniture & Fittings Renewals	24	33	13	(20)
Makerspace Fitout	-	34	17	(17)
Rangiora Library Furniture & Fittings Renewals	105	253	10	(243)
	1,212	1,198	489	(709)
Loan repayments				
Library	25	25	25	-
	25	25	25	-
TOTAL CAPITAL EXPENDITURE	1,237	1,223	514	(709)

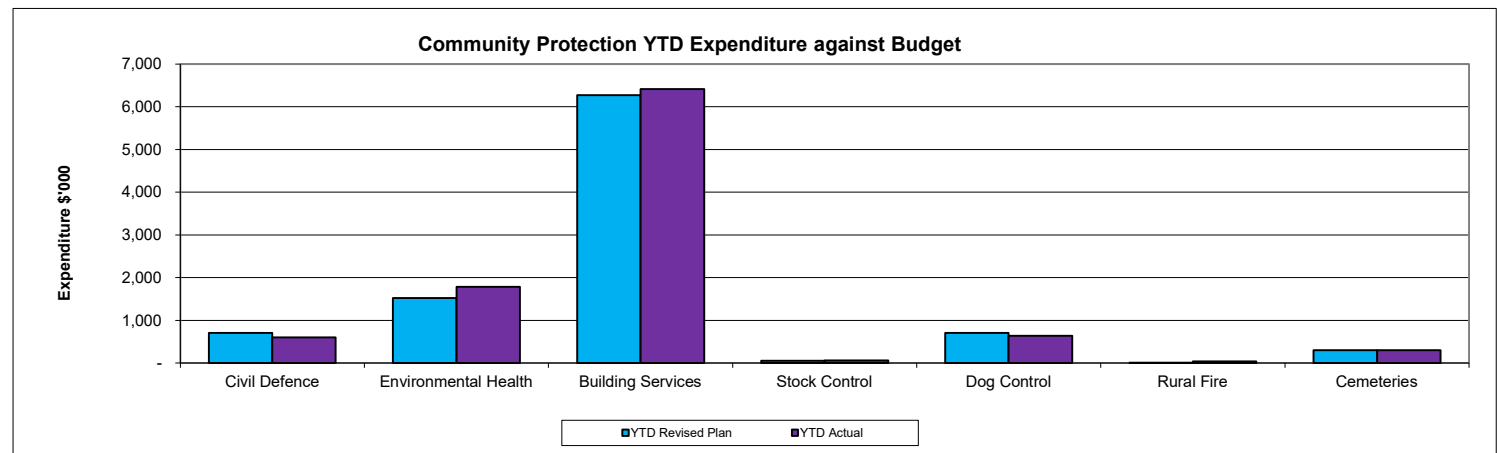
Significant Variances - Capital		Variance
		\$'000
Variances against full year revised budget:		() = unfavourable
Resource Purchases	Unspent budget will be carried over to the new financial year.	373
Rangiora Library Furniture & Fittings Renewals	Project is work in progress at year end.	243

Community Protection
for the period ended 30 June 2024

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
General Rates	2,401	1,999	1,998	(1)	(0%)
Targeted Rates	57	57	63	6	11%
Subsidies	-	-	-	-	0%
Gain on sale	-	-	-	-	0%
Fees and Charges	7,368	7,368	7,603	235	3%
TOTAL REVENUE	9,826	9,424	9,664	240	3%
OPERATING EXPENDITURE					
Civil Defence	700	700	601	(99)	(14%)
Environmental Health	1,521	1,521	1,786	265	17%
Building Services	6,270	6,270	6,413	143	2%
Stock Control	58	58	59	1	2%
Dog Control	715	703	638	(65)	(9%)
Rural Fire	5	5	36	31	620%
Cemeteries	302	302	305	3	1%
	9,571	9,559	9,838	279	3%
Internal Interest Elimination	3	1	1	-	0%
TOTAL OPERATING EXPENDITURE	9,568	9,558	9,837	279	3%
OPERATING SURPLUS (DEFICIT)	258	(134)	(173)	(39)	29%

Significant Variances - Operating

	Variance \$'000
() = unfavourable	
Revenue	
Fees and charges	92
Rural Fire Leases to Fire and Emergency New Zealand not budgeted.	
Fines (parking) and penalties were more than budget.	146
NOTE: Revised General Rates budget reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to Table A - Governance.	
Expenditure	
Civil Defence	99
Environmental Health	(265)
Building Services	(143)
Various budgets overspent (training, legal fees, IT costs).	



CAPITAL EXPENDITURE	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE
	\$'000	\$'000	\$'000	\$'000
Capital Projects (Cemeteries capital projects showed on Recreation Capital Report)				
Civil Defence				
Replace Civil Defence centre signage	11	11	-	(11)
Generator Wiring of C/D Centres	8	8	-	(8)
Warning Sirens	216	216	-	(216)
Digital Radio Upgrade	61	61	19	(42)
Repair Mt Grey Radio	7	3	-	(3)
Replacement Flood Sandbags	12	19	-	(19)
CDEM Garage	-	2	4	2
Flood barrier Upgrade	28	28	-	(28)
Flood Barrier Pump Replacement	11	11	-	(11)
	354	359	23	(336)
Building Services				
Tablets - Inspections	-	-	4	4
	-	-	4	4
Environmental Services				
Cellphones	-	-	15	15
	-	-	15	15
Dog Control				
Dog Pound Alterations and Gate Motor Replacement	-	-	16	16
	-	-	16	16
	354	359	58	(301)
Loan Repayments				
Rural Fire	3	3	30	27
Civil Defence	32	32	11	(21)
	35	35	41	6
TOTAL CAPITAL EXPENDITURE	389	394	99	(295)

Significant Variances - Capital		Variance \$'000
<u>Variances against full year revised budget:</u>		() = unfavourable
Warning Sirens	Project on hold pending Council decision.	216

**Community Development
for the period ended 30 June 2024**

	CURRENT YEAR					
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	\$'000	%
REVENUE						
General Rates	1,022	851	851	850	(1)	(0%)
Interest	5	5	5	7	2	40%
Fees and Charges	1,218	1,218	1,218	1,165	(53)	(4%)
Gain on sale	-	-	-	-	-	0%
Subsidies	350	350	350	292	(58)	(17%)
TOTAL REVENUE	2,595	2,424	2,424	2,314	(110)	(5%)
OPERATING EXPENDITURE						
Community Development	989	989	989	859	(130)	(13%)
Safe Communities	308	308	308	213	(95)	(31%)
Youth Development	269	259	259	275	16	6%
Housing for the Elderly	1,473	1,473	1,473	2,215	742	50%
	3,039	3,029	3,029	3,562	533	18%
Internal Interest Elimination	48	11	11	11	-	0%
TOTAL OPERATING EXPENDITURE	2,991	3,018	3,018	3,551	533	18%
OPERATING SURPLUS (DEFICIT)	(396)	(594)	(594)	(1,237)	(643)	108%

Significant Variances - Operating

Variance
\$'000
() = unfavourable

Revenue

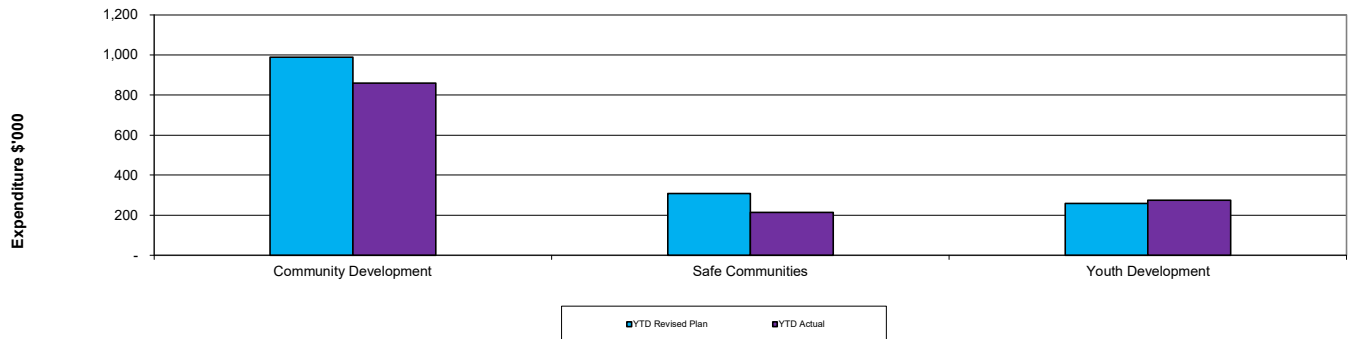
No significant variances identified.

NOTE: Revised General Rates budget reflects that Rates are raised net of investment revenue. The budget is shown excluding any investment revenue. Refer to Table A - Governance.

Expenditure

Community Development/Safe Communities	Some externally funded community projects were delayed.	130
Housing for the Elderly	Expenditure more than budget mainly due to higher than expected depreciation due to revaluation on building assets (Council's pensioner housing units) performed on 30 June 2022 (significant valuation increase due to high inflation from 2019 to 2022).	(742)

Community Development YTD Expenditure against Budget



	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE
CAPITAL EXPENDITURE	\$'000	\$'000	\$'000	\$'000	\$'000
Capital Projects					
Community Development					
Cellphones	-	-	-	7	7
Community Van Response Vehicle	-	-	-	41	41
	-	-	-	48	48
Housing for the Elderly Units Improvement					
Unit Refurbishment Programme	286	286	286	570	284
Capital - Asset Management Plan	286	283	283	73	(210)
	572	569	569	643	74
Loan Repayments					
Housing For the Elderly	135	135	135	135	-
	135	135	135	135	-
TOTAL CAPITAL EXPENDITURE	707	704	704	826	122

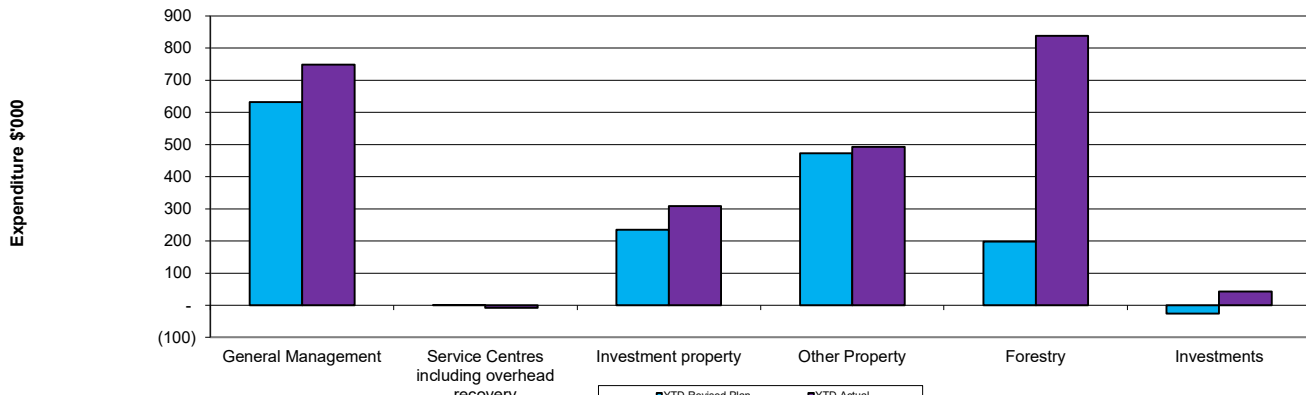
Significant Variances - Capital		Variance \$'000 () = unfavourable
<u>Variances against full year revised budget:</u>		
Housing for the Elderly Units Improvement	Refurbishment works have halted until new budget is available next financial year.	(74)

**Property, Forestry and Investments
for the period ended 30 June 2024**

			CURRENT YEAR		
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/ REVISED
	\$' 000	\$' 000	\$' 000	\$'000	%
REVENUE					
Forestry revenue	25	25	395	370	1480%
Investment property revenue	30	30	78	48	160%
Other revenue	65	65	325	260	400%
Interest	104	104	725	621	597%
Subsidies	-	-	11	11	0%
Dividends	735	735	444	(291)	(40%)
Gain on sale/Revaluation	143	143	-	(143)	(100%)
TOTAL REVENUE	1,102	1,102	1,978	876	79%
OPERATING EXPENDITURE					
General Management	602	632	748	116	18%
Service Centres including overhead recovery	1	1	(8)	(9)	(900%)
Investment property	235	235	308	73	31%
Other Property	473	473	493	20	4%
Forestry	198	198	838	640	323%
Investments	(26)	(26)	43	69	(265%)
	1,483	1,513	2,422	909	60%
Internal Interest Elimination	49	11	11	-	0%
TOTAL OPERATING EXPENDITURE	1,434	1,502	2,411	909	61%
Less Taxation expense	-	-	-	-	0%
OPERATING SURPLUS (DEFICIT)	(332)	(400)	(433)	(33)	8%

Significant Variances - Operating

		Variance \$'000 ()= unfavourable
<u>Revenue</u>		
Forestry revenue	Forestry sale and cost of sale offset with each other in the budget. In the actual column, forestry revenue is shown as gross (same as forestry cost of sale). This year forestry sale was from trees damaged at the Pegasus Beach fire.	370
Other Revenue	New property leases commenced from 8 Oct 23 and 14 Feb 24 were not budgeted. Fees received by Project Delivery Unit on water model builds and finished floor level not budgeted.	80 145
Interest	Interest received on surplus funds was greater than budget due to higher interest rates.	621
Dividends	Dividends received less than budgeted. No special dividend from Transwaste during 23/24.	(291)
<u>Expenditure</u>		
General Management	Various budgets overspent (legal fees and consultant fees) due to more property transactions.	(116)
Investment property	Loss on revaluation of Council's investment properties of \$108k not budgeted.	(73)
Forestry	Forestry cost of sale is now disclosed in expenditure. Previously the costs offset with the revenue and the net amount was disclosed as a net gain/(loss). This change was required by Audit NZ. This year Council sold the trees damaged in the fire incident at Pegasus Beach. As a result, the milling costs plus cost of trees sold of \$532k is greater than the revenue of \$395k. An insurance claim has been made for the damaged trees, and any income received will be credited to the Forestry account. As at 30 June 24, a revaluation was performed on Council's forestry assets. The forestry value was down by \$121k compared to last year.	(640)

Property and Investment YTD Expenditure against Budget


CAPITAL EXPENDITURE	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE
	\$'000	\$'000	\$'000	\$'000
Capital Projects				
Service Centres				
Computer Equipment	-	-		
Rga Service Centre Refurbishment	-	-	16	16
Site Security	160	160	-	(160)
Durham Street Fitout	-	-	46	46
Council Enterprise Software Project Fitout	-	-	12	12
Rangiora Service Centre Renewals	76	76	62	(14)
	236	236	136	(100)
Commercial Properties				
Subway - Seismic Strengthening	200	200	-	(200)
	200	200	-	(200)
Water Unit				
Water Unit Buildings/Capital acquisitions	-	-	70	70
	-	-	70	70
Forestry capital establishment costs				
Native Forest Planting	-	-	69	69
Forestry capital establishment costs	24	24	36	12
	24	24	105	81
Project Delivery Unit				
GPS total station	44	44	17	(27)
	44	44	17	(27)
	504	504	328	(176)
Loan Repayments				
Service Centres	76	76	97	21
Civic Buildings (Commercial Properties)	14	14	30	16
	90	90	127	37
TOTAL CAPITAL EXPENDITURE	594	594	455	(139)

Significant Variances - Capital		Variance
		\$'000
<u>Variances against full year revised budget:</u>		()= unfavourable
Site security	Project carried over to next year.	(160)
Subway - Seismic Strengthening	Project carried over to next year.	(200)

Earthquake Recovery and regeneration

for the period ended 30 June 2024

	CURRENT YEAR				
	ANNUAL PLAN BUDGET	FULL YEAR REVISED BUDGET	ACTUAL	VARIANCE	PERCENT ACTUAL/REVISED
	\$'000	\$'000	\$'000	\$'000	%
REVENUE					
Rates	3,390	3,390	3,335	(55)	(2%)
Grants/Subsidies	100	100	45	(55)	(55%)
TOTAL REVENUE	3,490	3,490	3,380	(110)	(3%)
OPERATING EXPENDITURE					
General response and recovery	19	22	54	32	145%
District Regeneration	244	244	261	17	7%
Interest	3,051	3,051	2,915	(136)	(4%)
	3,314	3,317	3,230	(87)	(3%)
Internal Interest Elimination	896	205	195	(10)	(5%)
TOTAL OPERATING EXPENDITURE	2,418	3,112	3,035	(77)	(2%)
OPERATING SURPLUS (DEFICIT)	1,072	378	345	(33)	(9%)

Significant Variances - Operating

Variance
\$'000
()= unfavourable

Revenue

No significant variances identified.

Expenditure

Interest Earthquake Recovery and Regeneration loan is less than budgeted.

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WAIMAKARIRI DISTRICT COUNCIL**REPORT FOR INFORMATION**

FILE NO and TRIM NO: GOV-32 / 240828145041

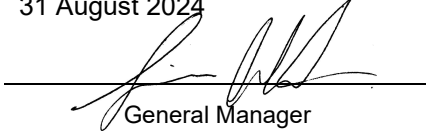
REPORT TO: AUDIT AND RISK COMMITTEE


DATE OF MEETING: 10 September 2024

AUTHOR(S): Thea Kunkel, Governance Team Leader

SUBJECT: Reporting on LGOIMA Requests for the period 1 June 2024 to 31 August 2024

ENDORSED BY:
(for Reports to Council, Committees or Boards)


 General Manager


 Chief Executive

1. SUMMARY

- 1.1 This report provides an update to the Audit and Risk Committee on the requests for information made under the Local Government Official Information and Meetings Act 1987 (LGOIMA).
- 1.2 From 1 June 2024 to 31 August 2024, the Council received 64 official requests, 7 less than for the same period in 2022/23. Also, the Council responded to 61 official requests during the period under review, 13 less than the official requests responded to in the same period in 2022/23. The official requests were mostly for information regarding noise complaints, the District Plan, resource consents, proposed solar farms, 5G Towers, and CCTV footage.

Attachments:

- i. Table of requests from 1 June 2024 to 31 August 2024 (Trim 240828145616).

2. RECOMMENDATION

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 240828145041 for information.
- (b) **Notes** that the Council received 64 requests and responded to 61 official requests of information from 1 June 2023 to 31 August 2024, 13 less than the 74 official requests responded to in the same period in 2022/23.

3. BACKGROUND

- 3.1 Any member of the public may request official information from the Council, and the LGOIMA prescribes how these requests are to be managed, the statutory timeframes for dealing with requests and the basis of decision-making on the release of information. The LGOIMA is the local government version of the Official Information Act, 1982, which people may be more familiar with, which applies to central government agencies.
- 3.2 Decisions on the release of information are delegated to the Chief Executive under the LGOIMA and are sub-delegated to the Governance Manager.
- 3.3 LGOIMA information is provided weekly to the Management Team and quarterly to the Audit and Risk Committee. The previous report covered the period of 1 March 2024 to 31 May 2024. This report, therefore, covers the period of 1 June 2024 to 31 August 2024.

4. **ISSUES AND OPTIONS**

- 4.1 The Council processes requests for information in accordance with the LGOIMA and the Privacy Act 2020. The aim is to balance transparency and public interest issues with limits on disclosing personal information.
- 4.2 All information will be provided unless there is a good reason under the provisions of the LGOIMA for not releasing it. The Council is entitled to consider not releasing information if it would:
- prejudice the maintenance of the law.
 - endanger the safety of any person.
 - breach the privacy of any person.
 - disclose confidential or commercially sensitive information.
 - cause serious offence to Tikanga Māori or disclose the location of Waahi Tapu.
 - breach an obligation of confidence.
 - prejudice: public health or safety; the Council's right to legal professional privilege; the commercial activities of the Council; or negotiations being carried out by the Council.
- 4.3 Below in Table 1 is a summary of the number of official requests the Council responded to from 1 August 2023 to 31 August 2024. The Council took an average of 13 days to respond to official requests. In most cases, if the Council was unable to meet the statutory requirements of 20 working days, the applicant was advised of the Council's decision to provide the information and that an extension of time would be required per the provisions of Section 13(1) of the LGOIMA.

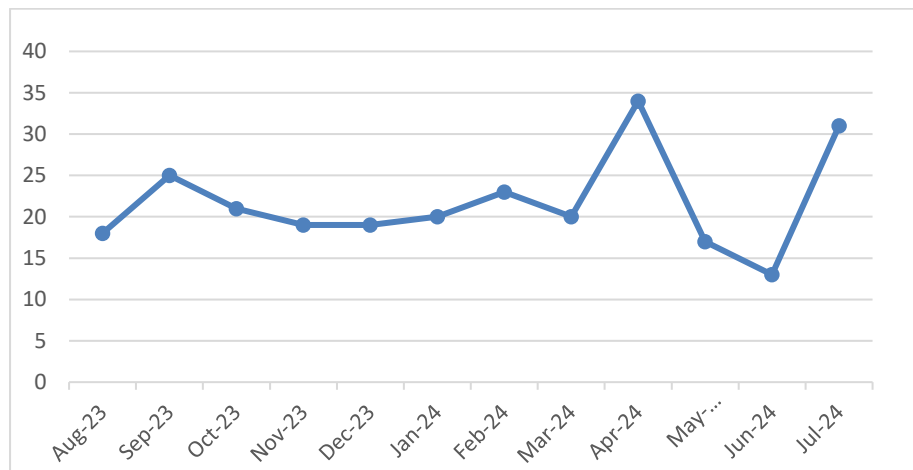
Month	Number of applications responded to	Number of responses not meeting the statutory requirements
August 2023	16	Two (delay in accumulating the information).
September 2023	25	Two (delay in accumulating the information).
October 2023	25	One (delay in accumulating the information). One (large volumes of information requested).
November 2023	23	One (delay in accumulating the information).
December 2023	21	One (delay in accumulating the information).
January 2024	11	None
February 2024	24	Three (delay in accumulating the information).
March 2024	19	One (applicant requested additional information).
April 2024	32	One (waiting for legal advice).
May 2024	29	Two (advice from the Ombudsman, since released). Two (delay in accumulating the information).
June 2024	14	One (delay in accumulating the information).
July 2024	27	None
August 2024	16	None
Total	282	18

Table 1: Summary of the number of Official Requests responded to from August 2023 to August 2024.

- 4.4 Graph 1 below outlines the number of requests for information received monthly during the financial year. Staff spent approximately 137 hours responding to requests from 1 June 2024 to 31 August 2024. An internal process involves several staff and managers checking content before releasing information. Whilst there is an option to charge under section 13(1A) of the LGOIMA, the Council currently does not generally charge for the requested information, and the first hour associated with the request is not chargeable. To date, the Council has not charged for any requests. However, the following request was considered substantial, and the Council, therefore, decided to seek payment for the time involved in processing it, as it would have significantly impacted the Council's ability to resource its other operations:
- Consent application and acceptance information for various event venues in the Waimakariri District—staff would have to collate several years of information to provide the required information. The initial estimated time required to do this was six hours.

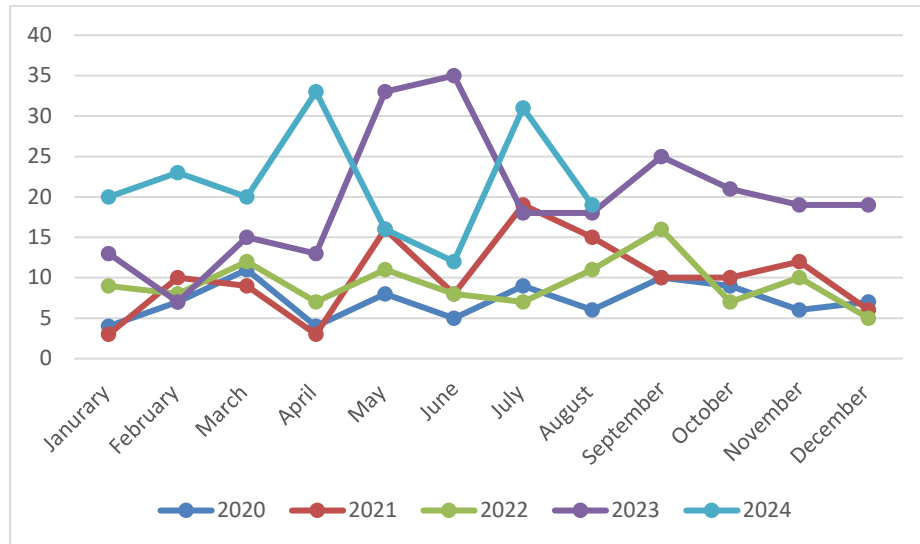
The Council is awaiting feedback from the requester before starting the information collation. The requester may refine their request, thus requiring less time, or decline the charge, in which case the request will not progress. The Council is not declining the request but will not continue until a deposit is received or the request is amended.

- 4.5 The Council has authorised charging for LGOIMA requests by officially adopting these fees into its charging schedule on 25 June 2024, when it adopted its 2024-34 Long Term Plan. The aim of the fees is not total cost recovery, as the Ombudsman deems full cost recovery as inconsistent with the purpose of the legislation, which is to increase the availability of official information to the public progressively. The fees were based on the Ministry of Justice Charging Guidelines and endorsed by the Office of the Ombudsman. The guidelines provide for staff time to be charged \$76 per chargeable hour (including GST), irrespective of the seniority or grading of the staff member who deals with the request. Since adopting the LGOIMA fees, the Council has held a non-decision workshop to discuss the formulation of a charging policy that would include a threshold of hours at which charging would be implemented. The Council indicated that the first two hours of processing of LGOIMA requests would be considered free in the future. It awaits a report and proposed policy to consider at its October 2024 Council meeting. Staff will only implement a more regular charging process after the Council adopts the policy. Based on the Ministry of Justice Charging Guidelines, it is estimated that the cost to the Council to respond to LGOIMA requests from 1 June 2024 to 31 August 2024 was approximately \$10,412.
- 4.6 Graph 1 indicates the number of requests received since August 2023. Although the number of requests decreased in the latter part of 2023, there was a spike in April 2024 due to the number of requests increasing regarding the Council's 2024/34 Long-Term Plan. The Council only received 11 LGOIMA requests in June 2024; the reason for the decrease in requests is unclear. It should be noted that although there may have been a decrease in the number of requests received in June 2024, it does not, however, mean that the level of work required to respond to the requests has also decreased. The nature of the LGOIMA requests themselves contributes to the resources and time needed to respond. A single request may contain multiple questions or require substantial research and collation.



Graph 1: Summary of the number of Official Requests received – from August 2023 to July 2024

- 4.7 Graph 2 below illustrates the increase in LGOIMA requests received by the Council during the last five years. The requests increased by 63% from 87 in 2020 to 236 in 2023. The Council has already received 177 requests in 2024.



Graph 2: Summary of the number of Official Requests received – from 2020 to 2024

- 4.8 To promote transparency and accountability, the Council publishes a list of all the Requests for Information received on its website at <https://www.waimakariri.govt.nz/services/online-services/request-it>. However, releasing the requested information will still be subject to the provisions of LGOIMA and the Privacy Act 2020. In addition, the Council will consider any potential civil or criminal liability that might result from the publication.
- 4.9 The Ombudsman publishes a standard report six monthly of the data regarding the national LGOIMA complaints his office receives from 1 January 2024 to 30 June 2024. The latest Ombudsman's report contained two complaints about the Waimakariri District Council:
- a delay in decision-making, an incomplete or inadequate response and refusal in part – Information provided and reasons for the delay was supplied to the Office of the Ombudsman and feedback is yet to be received.
 - an incomplete or inadequate response – The Ombudsman did not investigate as the matter was withdrawn, so no further action is required.
 - Privacy Act 2020 request - The matter has been referred to the Privacy Commissioner. The Council has responded to the Office and is waiting feedback.
- 4.10 This Audit and Risk Committee report serves as an accountability tool to show that the Council is meeting its statutory obligations; it also highlights the number of requests being received and what general information is being sought, which may have a public interest element.
- 4.11 **Implications for Community Wellbeing**
The issues and options in this report have no social and cultural implications for community well-being. Local Government Official Information and Meetings Act (LGOIMA) requests provide the community with an official pathway for accessing public information and learning about and/or participating in local democracy and Council activities.
- 4.12 The Management Team has reviewed this report and supports the recommendations.

5. **COMMUNITY VIEWS**

5.1 **Mana Whenua**

Te Ngāi Tūāhuriri hapū is not likely to be affected by or have an interest in the subject matter of this report.

5.2 **Groups and Organisations**

No other groups and organisations besides those who requested information are likely to be affected by or interested in this report's subject matter.

5.3 **Wider Community**

The wider community was consulted on the proposed charging for LGOIMA requests as part of the draft 2024-34 Long Term Plan process. A total of 17 persons commented that they did not consent to the fees being proposed to charge for official information requests. After considering all the submissions, the Council authorised charging for LGOIMA requests by officially adopting these fees into its charging schedule on 25 June 2024. The proposed policy will not hinder the right to seek information.

6. **OTHER IMPLICATIONS AND RISK MANAGEMENT**

6.1 **Financial Implications**

There are no financial implications sought from this report.

Currently, the Council does not charge for LGOIMA requests. However, occasionally, if a request is received for a significant amount of information or requires substantial collation and research, or the Council receives a large number of requests from the same person in a short timeframe, which taken together require a large amount of staff resource to respond to, the Council may consider imposing a charge. In these rare instances, the applicant is advised before the work is undertaken, and options to refine the request are explored. Any charges that may be imposed align with the guidelines set by the Ministry of Justice and the Office of the Ombudsman.

Staff will only implement a more regular charging process after the Council adopts a policy. It should be reiterated that the proposed policy will be based on both the Ombudsman and Ministry of Justice guidelines. Charging for LGOIMA requests will not be about full-cost recovery or dissuading the broader community from seeking information. It is to protect ratepayers from the costs of excessive requests for information, some of which may be considered vexatious or frivolous.

6.2 **Sustainability and Climate Change Impacts**

The recommendations in this report do not have sustainability or climate change impacts.

6.3 **Risk Management**

There are no risks arising from adopting the recommendations in this report.

6.4 **Health and Safety**

None.

7. **CONTEXT**

7.1 **Consistency with Policy**

These matters are not matters of significance in terms of the Council's Significance and Engagement Policy.

7.2 **Authorising Legislation**

- Local Government Official Information and Meetings Act 1987 (LGOIMA).
- Privacy Act, 2020

7.3 Consistency with Community Outcomes

People have wide-ranging opportunities for learning and being informed, and our people can easily obtain the information they need.

There are wide-ranging opportunities for people to contribute to the decision-making that affects our District.

7.4 Authorising Delegations

Decisions on releasing information is delegated to the Chief Executive under the LGOIMA and is sub-delegated to the Governance Manager.

LGOIMA REQUESTS RECEIVED FROM 1 JUNE 2024 TO 31 AUGUST 2024.

DATE RECEIVED	REQUESTER	SUBJECT	DATE OF OFFICIAL RESPONSE	TIME FRAME OF RESPONSE (DAYS)
5/06/2024	Private Individual	Correspondence regarding 2023/24 Annual Plan Submissions	19/06/2024	10
5/06/2024	Private Individual	5G Towers installed in the Waimakariri District and LED lighting	27/06/2024	16
7/06/2024	Private Individual	Barwells Road, Loburn	21/06/2024	10
11/06/2024 26/06/2024	Private Individual	All LGOIMA requests and responses for the last eight weeks	25/06/2024	19
14/06/2024	Researcher	List of all camping grounds to which the Council has issued a camping ground licence in the past three years	2/07/2024	11
17/06/2024	Private Individual	Any tariffs or charges paid to the Council by power companies	27/06/2024	8
17/06/2024	Private Individual	Native plating along Gladstone Road	3/07/2024	12
18/06/2024	Private Individual	Information about Council-owned land leased for EV charging stations	5/07/2024	12
19/06/2024	Private Individual	Copy of Resource Consent 145309	27/06/2024	6
21/06/2024	Researcher	Rates, capacity and acceptance criteria for landfill sites	15/07/2024	16
26/06/2024	Private Individual	2024-34 Long Term Plan and the associated budgets	10/07/2024	10
27/06/2024	Private Individual	Emails and correspondence from elected members about Council Efficiency	17/07/2024	14
1/07/2024	Private Individual	CCTV footage of an accident along Southbrook Road, Rangiora	5/07/2024	4
1/07/2024	Private Individual	Consent application and acceptance information for the event venues on Old North Moodys, Swannanoa and Whites Roads.	22/07/2024	15
1/07/2024	Private Individual	Impact Assessment for the Council's 10-year Plan	8/07/2024	6

DATE RECEIVED	REQUESTER	SUBJECT	DATE OF OFFICIAL RESPONSE	TIME FRAME OF RESPONSE (DAYS)
1/07/2024	Private Individual	Impact Assessment for the 2024/25 rates increase	8/07/2024	6
2/07/2024	Members of Parliament	Council spent on Emergency Management Capability	9/07/2024	6
3/07/2024	Private Individual	Copy of the Resource Consent RC245156	9/07/2024	5
3/07/2024	Private Individual	Copies of any correspondence related to requests for meetings regarding 'efficiencies'	17/07/2024	9
4/07/2024	Private Individual	Property information Bramleys Road, Rangiora	17/07/2024	11
5/07/2024	Private Individual	Resource Consent applications for solar farms	22/07/2024	1
8/07/2024	Private Individual	Copy of the Resource Consent RC245156	9/07/2024	7
8/07/2024	Private Individual	The type of government entity the Council is and a list of all the corporate entities the Council invests in	17/07/2024	16
8/07/2024	Private Individual	Copy of the Resource Consent RC235299	30/07/2024	12
9/07/2024	Private Individual	Type of fluoride added to the Council's water supply	25/07/2024	9
10/07/2024	Private Individual	Copies of resource consent applications for existing dog daycare/boarding facilities in the District	30/07/2024	14
10/07/2024	Private Individual	Lease of Cust Domain to the Cust Equestrian Group	29/07/2024	13
10/07/2024	Private Individual	Flooding on Mount Thomas Road, Fernside	1/08/2024	16
11/07/2024	Private Individual	Copy of the Resource Consent RC245156	16/07/2024	3
12/07/2024	Private Individual	Copy of the Resource Consent RC245156	16/07/2024	2
12/07/2024	Private Individual	Copy of the Resource Consent RC245156	16/07/2024	2

DATE RECEIVED	REQUESTER	SUBJECT	DATE OF OFFICIAL RESPONSE	TIME FRAME OF RESPONSE (DAYS)
12/07/2024	Researcher	All consents Transpower holds with the Council	1/08/2024	14
15/07/2024	Private Individual	Any correspondence received to the failure of the XTherm Blue Insulated Facade System	1/08/2024	13
15/07/2024	Private Individual	Complaint regarding building on Mission Downs Lane, Loburn	26/07/2024	24
17/07/2024	Private Individual	Cell Tower Extension in Pegasus	1/08/2024	11
29/07/2024	Researcher	Ways for the Council to save money	16/08/2024	14
29/07/2024	Private Individual	Purchase of old Rangiora Police Station	9/08/2024	9
30/07/2024	Private Individual	Council's Rates Rebates application procedure	16/08/2024	13
31/07/2024	Private Individual	The relationship between the Council and the Crown	7/08/2024	5
31/07/2024	Private Individual	Dog incident in Oxford	20/08/2024	14
31/07/2024	Private Individual	Resource Consent RC005447	16/08/2024	12
5/08/2024	Private Individual	Minutes and agenda of the Arohatia te Awa Working Group	23/08/2024	14
6/08/2024	Kāinga Ora	Dog incident at Kāinga Ora housing	20/08/2024	7
6/08/2024	Researcher	Council spent in the 2023/2024 with electrical companies	22/08/2024	12
9/08/2024	Private Individual	Residential addresses for privately owned swimming pools and spas in the Waimakariri region	23/08/2024	11
9/08/2024	Researcher	Code of Conduct complaints	23/08/2024	11
14/08/2024	Researcher	Copy of Waimakariri Earthquake Social Recovery Services Paper	23/08/2024	7

DATE RECEIVED	REQUESTER	SUBJECT	DATE OF OFFICIAL RESPONSE	TIME FRAME OF RESPONSE (DAYS)
14/082024	Private Individual	CCTV footage of an accident along Southbrook Road, Rangiora	4/09/2024	15
15/082024	Private Individual	Staff numbers	3/09/2024	13
19/08/2024	Private Individual	Appointment of Arts Strategy Co-ordinator	4/09/2024	12
19/08/2024	Private Individual	Resource Consent RC005447 Documentation	Must respond by 19/09/2024	
22/08/2024	Private Individual	License to occupy Millton Reserve by the Equine Trust	Must respond by 19/09/2024	
22/08/2024	Private Individual	The intention to build a Waste-to-Energy Plant	4/09/2024	9
26/08/2024	Private Individual	Attendance and costs associated with elected members and staff attending the LGNZ Conference in Wellington	Must respond by 23/09/2024	
26/08/2024	Private Individual	Attendance of elected members and staff of the Urban95 Conference	Must respond by 23/09/2024	
27/08/2024	Researcher	Number of food service outlets registered in the District	Must respond by 23/09/2024	
28/08/2024	Private Individual	State of the Cam River	Must respond by 25/09/2024	
28/08/2024	Private Individual	Attendance of elected members and staff of the Urban95 Conference	Must respond by 25/09/2024	
29/08/2024	Private Individual	Original row of way easements and paperwork for property in Cust	Must respond by 26/09/2024	
29/08/2024	Private Individual	Zone 5 Chair for the Local Government NZ	Must respond by 26/09/2024	