



Hastings District Council

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OPEN A G E N D A

FINANCE AND RISK COMMITTEE MEETING

Meeting Date: **Tuesday, 11 September 2018**

Time: **1.00pm**

Venue: **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Committee Members	Chair: Councillor Travers Mayor Hazlehurst Councillors Barber, Dixon, Harvey, Heaps, Kerr (Deputy Chair) Lawson, Lyons, Nixon, O'Keefe, Poulain, Redstone, Schollum and Watkins (<i>Quorum</i> = 8)
Officer Responsible	Chief Financial Officer – Bruce Allan
Committee Secretary	Christine Hilton (Ext 5633)

Finance and Risk Committee

Fields of Activity

Oversight of all the Council's financial management policy and operations (including assets, cash, investment and debt management) including (but not limited to):

- Monitoring compliance with the Long Term Plan/Annual Plan and budget implementation.
- Finance and Ownership
- Audit and other accountability requirements;
- Business units/CCO/CCTO ownership overview;
- Rating matters including rating sale proceedings;
- Taxation.
- Establishing the strategic direction of Council's business units (if any), Council Controlled Organisations (CCOs) and Council Controlled Trading Organisations
- Other matters including:
 - Performance Management
 - Other matters not otherwise within the scope of other Committees

Monitoring compliance with the Long Term Plan/Annual Plan and budget implementation.

Membership (Mayor and 14 Councillors)

Chairman appointed by Council

Deputy Chairman appointed by Council

The Mayor

All Councillors

Quorum – 8 members

DELEGATED POWERS

General Delegations

1. Authority to exercise all of Council powers, functions and authorities (except where prohibited by law or otherwise delegated to another committee in relation to all matters detailed in the Fields of Activity.
2. Authority to re-allocate funding already approved by the Council as part of the Long Term Plan/Annual Plan process, for matters within the Fields of Activity provided that the re-allocation of funds does not increase the overall amount of money committed to the Fields of Activity in the Long Term Plan/Annual Plan.
3. Responsibility to develop policies, and provide financial oversight, for matters within the Fields of Activity to provide assurance that funds are managed efficiently, effectively and with due regard to risk.

Fees and Charges

4. Except where otherwise provided by law, or where delegated to another Committee, the authority to fix fees and charges in respect of Council activities or services.

HASTINGS DISTRICT COUNCIL
FINANCE AND RISK COMMITTEE MEETING
TUESDAY, 11 SEPTEMBER 2018

VENUE: Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings

TIME: 1.00pm

A G E N D A

1. Apologies

Apologies from Councillor Harvey and Councillor Schollum have been received.

At the close of the agenda no requests for leave of absence had been received.

2. Conflict of Interest

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Democratic Support Manager (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

3. Confirmation of Minutes

There are no previous minutes to confirm.

4. Non Financial Performance Report For Year Ended 30 June 2018

5.	Draft Financial Year End Result - 30 June 2018	39
6.	Summary of Recommendations from Risk and Audit Subcommittee Meeting held on 3 September 2018	79
7.	Additional Business Items	
8.	Extraordinary Business Items	

REPORT TO: FINANCE AND RISK COMMITTEE

MEETING DATE: TUESDAY 11 SEPTEMBER 2018

**FROM: STRATEGY MANAGER
LEX VERHOEVEN**

**SUBJECT: NON FINANCIAL PERFORMANCE REPORT FOR YEAR
ENDED 30 JUNE 2018**

1.0 SUMMARY

1.1 The purpose of this report is to update the Committee on achievement against its non-financial performance management framework.

1.2 This issue arises from the legislative requirement to report against Council's performance management framework within its Annual Report.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

This report relates to all elements of the purpose of Local Government as set out in the Local Government Act 2002.

1.3 This report is for information only, and contains unaudited information. The audited version will be incorporated in the Council's Annual Report for Council adoption in October 2017.

2.0 BACKGROUND

2.1 The Council's Performance Management Framework has 3 levels as follows:

- (1) Future Aspirations (what we are trying to achieve over time – trends and shifts)
- (2) Today's Commitments (levels of service we have committed to the community)
- (3) Smart Business (internally focused on continuous improvement)

2.2 The Performance Management Framework forms part of the 2015-2025 Long Term Plan which the Council is legally required to report against annually. This is the third and final year of reporting against the 2015-2025 plan.

2.3 Level Two (Today's Commitments) is the primary focus of this report. It captures the performance information contained within the Long Term Plan and has three separate reporting components as follows:

- 1) Levels of Service

2) Customer Experience

3) Key Actions

- 2.4 The 2015 – 2025 Long Term Plan saw the introduction of “mandatory measures” for some activities which have been standardised across the country. In regard to the Hastings District Council these measures cover the infrastructural activities of Water Supply, Stormwater Disposal, Sewage Disposal and Roads and Footpaths. Some further standardisation of measures across other activities has been signalled and officers will keep Council updated of any developments in the future.

3.0 CURRENT SITUATION

- 3.1 A summary of Council performance is contained at the beginning of **Attachment 1**, and provides a high level overview of performance.
- 3.2 In regard to the 70 levels of service measures within the Long Term Plan, 87% of those able to be measured in 2017/18 were either fully or substantially achieved.
- 3.3 In regard to the 9 customer experience measures 78% were either fully or substantially met.
- 3.4 In regard to the 25 key actions contained in the Long Term Plan these have all either been completed or are substantially advanced.
- 3.5 The remainder of **Attachment 1** contains the full performance framework which is currently being audited, and will form part of the Council’s Annual Report for adoption in due course.

4.0 OPTIONS

- 4.1 This is a year-end report against Council’s adopted performance management framework and an analysis of options is not required.

5.0 SIGNIFICANCE AND ENGAGEMENT

- 5.1 Reporting on achievement against Council’s performance management framework does not trigger and matters of significance or any consultative provisions in the Local Government Act 2002. The Council’s Annual Report (and Annual Report Summary) are the statutory documents that outline annual performance to the community.

6.0 RECOMMENDATIONS AND REASONS

- A) That the report of the Strategy Manager titled “Non Financial Performance Report For Year Ended 30 June 2018” dated 11/09/2018 be received.

Attachments:

- 1 Our Reporting Framework Finance and Risk Committee

CP-02-18-318

Item 4



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Our reporting framework

In this section you will find a summary of performance followed by detailed performance statements as follows:

Level One

Future Aspirations

Level Two

Levels of Service

Customer Experience Measures

Key Actions

Level Three

Asset Improvement Plans (currently being updated)

The Council has a **three level reporting** framework.

Level One Future Aspirations – has a future looking focus and measures desired trends over time.

Level Two Today’s Commitments – is about the commitments made in the short term to our community.

Level Three Smart Business – is more internally focused and is about the Council being the best organisation it can be.

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Monitoring progress

Year-end progress report on Council’s Long Term Plan Commitments – As at June 2018



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Summary performance

Introduction

The pages which follow outline in detail how the Council has progressed against its performance management framework within its 2015-2025 Long Term Plan. This report marks the third year of reporting against the 2015-2025 Long Term Plan. A summary of our progress at the end of Year Three is as follows:

Level One: Future Aspirations

The information on progress toward future goals is best measured by shifts over time. These measures are largely on track with the exception of landfill tonnages which are impacted by external influences.

Level Two: Today’s Commitments

Key actions

There are 26 key actions contained within the Long Term Plan 2015-2025. All actions are on track or completed.

Levels of service and customer experience

There are 79 measures focused on the annual promises made to the community. They relate both to the things Council provides (Levels of Service) and to how the customer interacts with Council’s services (Customer Experience). The aim of Council is to fully achieve/substantially achieve these. For reporting purposes we group our activities into the following groups:

- Water & Roads
- Safe, Healthy & Liveable Communities
- Economic & Community Development
- Governance & Support Services

In brief the Council’s achievement is as follows:

Levels of service (70 measures)

Group of activities	Fully achieved	Substantially achieved (98.5%-99%)	Not achieved
Water & Roads (note i)	13 (68%)	2 (11%)	4 (21%)
Safe, Healthy & Liveable Communities (note ii)	22 (88%)		3 (12%)
Economic & Community Development (note iii)	10 (91%)	-	1 (9%)
Governance & Support Services (note iv)	8 100%		-

Notes:

- i. Water loss and fatality/serious crash performance measures could not be measured at the time of this report due to the availability of the data.
- ii. The responsibility for Rural Fire and Emergency Management has transferred to other organisations and is therefore no longer measured by Hastings District Council. The Opera House measure is not applicable at this time due to the closure of the Theatre and Municipal Buildings
- iii. The level of service measure in relation to the Opera House is not applicable at this time due to the closure of the Theatre and Municipal Buildings
- iv. Performance against two public perception measures was not measured in the 2015-2025 three yearly reporting cycle.

Customer experience (9 measures)

Group of Activities	Fully achieved	Substantially achieved (98.5%-99%)	Not achieved
Governance and Support Services	1 (50%)	1 (50%)	
Safe, Healthy & Liveable Communities (Note)	2 (29%)	3 (42%)	2(29%)

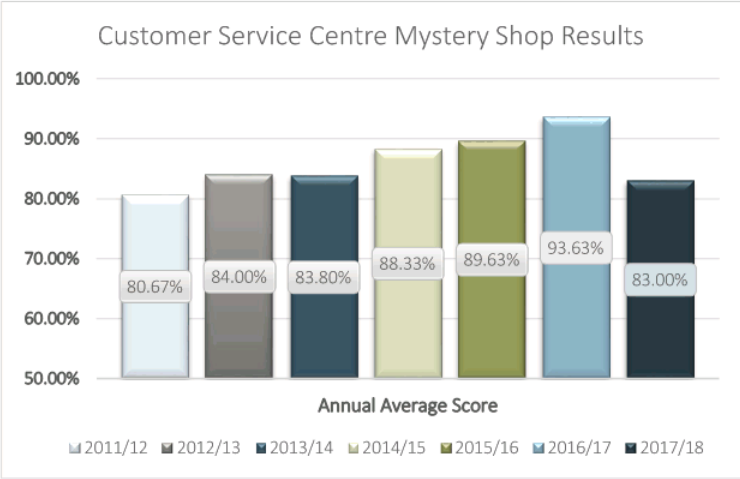
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Customer Service Centre: Mystery Shopping

A mystery shopper program continues with ‘shoppers’ visiting Council to measure the service delivered against a set of pre-determined criteria. The assessment focuses on the surroundings in the centre, wait times, interaction with the customer and subject knowledge. The standards are high, staff strive to create a welcoming environment and ensure all customers are able to easily access the services or information required.

Yearly Comparative Performance – Customer Service Centre Mystery Shopper Results



Contact Centre: Mystery Shopping

The results of mystery ‘shops’ in partnership with the Palmerston North City Council are outlined below. This venture represents an opportunity to share learnings and to benefit from the knowledge of others in the same business, whilst also minimising the on-going survey costs. Topics are focussed on regular enquiries, including rubbish collection, dog registration, direct debits, parking infringements and rate rebates. The annual average scores remain consistently high.

Yearly Comparative Performance - Contact Centre Mystery Shopper Results



Level Three: Smart Business

Asset improvement plans

A significant amount of Council’s expenditure is allocated to maintaining the core assets for the community. Detailed Asset Management Plans set out the optimal management of these assets. As part of these plans the Council has a process of continuous improvement in the collection of asset data, planning and risk management.

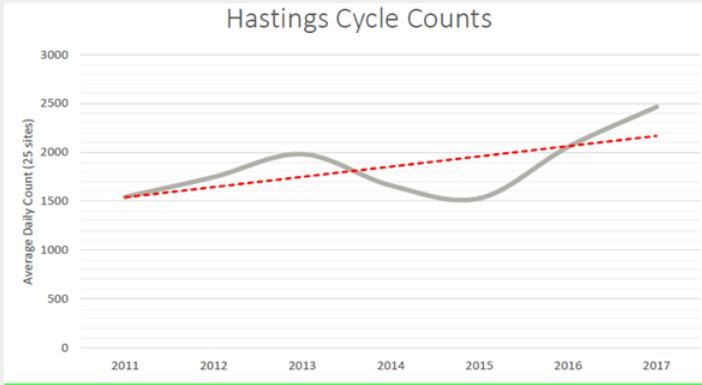
A total of 53 high priority improvement items across the asset areas of Roading, Wastewater, Water Supply, Stormwater, Parks & Reserves, Buildings and Facilities and Solid Waste Services have been either completed, substantially completed or well on track over the last three reporting cycles.

An updated schedule of future improvement items is currently being developed from the various Asset Management Plans for future reporting as part of the 2018 – 28 Long Term Plan development process.

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Level One – Future Aspirations

Water & Roads			
Future goal	Baseline performance	Future target	Progress
FG01 Modal shift to walking/cycling	9% of school and work journeys	20% by 2020	<ul style="list-style-type: none">Measurement Under Review – Mode share is complex and difficult to calculate. Nationally the mode share is currently calculated at 14.6%. The Ministry of Transport (MOT) is conducting continuous surveys which will be able to be broken down to a Hastings area calculation. This measure will be updated once the MOT survey outcomes are made available. A range of education and encouragement projects are being rolled out.
FG02 Annual shift to walking and cycling	8% per annum (school and work journeys)	8% per annum	<ul style="list-style-type: none">Achieved – The data shows that over 25 sites the daily combined walking/cycling volumes have increased by an average of 9% per year between 2011 and 2017 (despite the drop in numbers in 2014/15 which coincided with a fall in fuel prices).



Water & Roads

Future goal	Baseline performance	Future target	Progress
FG03 Street lighting efficiency	Installed wattage (2.6kw/km).	20% reduction by 2022	<ul style="list-style-type: none"> On Track – LED replacement programme is ongoing with the installation of V cat lights to commence during the third quarter of 2018. Consultation on the conversion of decorative lights to commence in the next three months. With 90% of residential streetlights already converted to LED the average installed wattage on the converted parts of the network is at 0.8kw/km.

Safe, Healthy & Liveable Communities

Future goal	Baseline performance	Future target	Progress
FG04 Public buildings meet earthquake standards	At project commencement 55.4% meet current standards Note: 2015 LTP referenced 90% as the baseline performance in error	100% meeting future legislative standards.	<ul style="list-style-type: none"> On Track – 58.7 % New legislation captures 1,484 buildings in the District that need profiling against the new EPB methodology 994 buildings have so far been profiled; 268 are within scope of methodology 120 buildings have been identified as potentially earthquake prone; building owners are required to have seismic assessments completed. 3 buildings have been confirmed as earthquake-prone; 1 is being strengthened and 2 have planned strengthening works being scheduled 145 buildings are excluded from scope 483 buildings are to be profiled over the next 2-3 years
FG05 Waste diversion rates	% of waste diversion / total waste (Baseline 20% waste diversion rate)	Improvement over baseline	<ul style="list-style-type: none"> On Track – A diversion percentage of 18.96% *has been calculated, based on 8,159 tonnes being actively diverted during 2017/18 from all council waste services and facilities. * this percentage has been calculated on the basis of Hastings waste being 50% of total waste to Omarunui Landfill.
FG06 Declining tonnages to landfill	72,000 tonnes	68,000 tonnes by 2016	<ul style="list-style-type: none"> Not Achieved – The tonnage increased from 84,000 2016/2017 to 86,000 tonnes during 2017/18. This reflects a national trend and increased economic activity.

Level Two – Today's Commitments

(A) LEVELS OF SERVICE

Water Services

Detailed Mandatory Non-Financial Performance Measures (Department of Internal Affairs)

The performance measures in the tables below are required to be reported in accordance with section 261B of the Local Government Act 2002.

These are new measures. The baseline performance is based on 2013/14 actual information (unless otherwise stated).

The Council will review the performance targets which have been set in future versions of the Council Long Term Plan.

Stormwater

Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
LOCAL INFRASTRUCTURE To provide local infrastructure which contributes to public health and safety, supports growth, connects communities, activates communities and helps protect the natural environment.	Council will provide a safe and reliable stormwater service and ensure that service interruptions are kept to a minimum.	DIA Non-Financial Performance Measure 1: System Adequacy The number of flooding events that occur in the Council's district. For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the Council network)	0 (zero)	0 (zero) floors affected per 1000 connections up to a 1 in 50 year ARI storm event.	Achieved – 0 (zero) numbers of habitable floors affected, however 53 general surface flooding events
		DIA Non-Financial Performance Measure 2: Discharge Compliance Compliance with Council's resource consents for discharge from its stormwater system measured by the number of: a) Abatement notices b) Infringement notices c) Enforcement orders d) Convictions	0 (zero)	a) 0 (Zero) Abatement notices b) 0 (Zero) Infringement notices c) 0 (Zero) Enforcement orders d) 0 (Zero) Convictions	Not-Achieved – 1 (one), infringement notice No abatement notices, enforcement notices, or convictions

Stormwater

Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
		DIA Non-Financial Performance Measure 3: Response Times The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site	1 hour	1 hour	Achieved – no ‘flooding events’ recorded, so no response required. However, the response time to general surface flooding events was 67 minutes
		DIA Non-Financial Performance Measure 4: Customer Satisfaction The number of complaints received by Council about the performance of its stormwater system, expressed per 1,000 properties connected to the Councils stormwater system	15	15 Complaints per 1,000 connections NB: This is a baseline figure for stormwater related complaints received in the past 8 years.	Achieved – 12.7 Complaints per 1,000 connections

Sewerage and the Treatment and Disposal of Sewage

Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
LOCAL INFRASTRUCTURE Council Objectives to which the wastewater activity relates: <ul style="list-style-type: none">Healthy drinking water and sanitary servicesSustainable use of water resources	Council will provide a safe and reliable wastewater service and ensure that service interruptions are kept to a minimum.	DIA Non-Financial Performance Measure 1: Number of dry weather sewerage overflows from the Council’s wastewater system, expressed per 1000 sewerage connections to that sewerage system	5	5 per 1,000 connections per annum	Achieved – 0.84 overflows per 1000 connections per annum
		DIA Non-Financial Performance Measure 2: Compliance with Council’s resource consents for discharge from its sewerage system measured by the number of: (a) Abatement notices (b) Infringement notices (c) Enforcement orders (d) Convictions	0 (zero)	(a) 0 (Zero) Abatement notices (b) 0 (Zero) Infringement notices (c) 0 (Zero) Enforcement orders (d) 0 (Zero) Convictions	Achieved – 0 (zero) abatement, infringement, and enforcement notices, and no convictions

Sewerage and the Treatment and Disposal of Sewage

Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
<ul style="list-style-type: none"> Infrastructure supporting economic growth Resilience to hazards and shocks 		DIA Non-Financial Performance Measure 3:			
		Where the Council attends to sewerage overflows resulting from a blockage or fault in the Council's sewerage system, the following median response times are measured:			Achieved:
		(a) Attendance time: From the time that the Council receives notification to the time that service personnel reach the site, and	1 hour	(a) 1 hour response time to site (attendance time)	(a) 30 minutes response
		(b) Resolution time: From the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault reach the site	1 day	(b) 1 day Permanent Repair Completed (resolution time)	(b) 2.25 hour resolution time
		DIA Non-Financial Performance Measure 4:	61	Count expressed per 1,000 connections per annum	Achieved – 12.8
		Total Number of complaints received by the Council about any of the following:		(Baseline target of 61 complaints to be reviewed to align with current achievement in 2015/16)	complaints per 1,000 connections per annum
		(a) Sewage odour			
		(b) Sewerage system faults			
		(c) Sewerage system blockages			
		(d) The Council's response to issues with its sewerage system			
		Expressed per 1,000 connections to the Council's sewerage system			

Water Supply

Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
LOCAL INFRASTRUCTURE Council Objectives to which the Water Supply activity relates: <ul style="list-style-type: none"> • Sustainable use of land and water resources • Healthy drinking water and sanitary services • Infrastructure supporting economic growth • Resilience to hazards and shocks • Serviced land for industrial development 	Water Supply – Ensuring Healthy drinking water through the provision and effective management of water services	DIA Non-financial performance Measure 1: (safety of drinking water/) The extent to which the local authority's drinking water supply complies with: <ul style="list-style-type: none"> (a) part 4 of the drinking-water standards (bacteria compliance criteria), and (b) part 5 of the drinking-water standards (protozoal compliance criteria) 	100%	Percentage Compliance Target 100%	Achieved. NZ drinking water bacteria standards A – Part 4 Bacteria compliance criteria: All HDC water supplies were assessed as compliant with Section 4 (bacteriological compliance criteria) in the DWSNZ 2005(2008). The following transgressions occurred which were appropriately actioned and investigated. 5/12/17 at Parkhill bore – low level <i>e.coli</i> detection with all subsequent tests clear. Protozoa testing and chlorination implemented. 12/2/18 at Frimley bore 2 – low level <i>e.coli</i> detection with all subsequent tests (<i>e.coli</i> , protozoa and total coliforms) all clear. Suspected sampling error. 3/7/17 at Whirinaki – low level <i>e.coli</i> detection with all subsequent tests clear. Chlorination implemented and backflow investigation undertaken. B- Part 5 Protozoa compliance criteria Further investigations and risk assessments have resulted in the

Water Supply

Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
					<p>reclassification of many of HDC's water sources to non-secure which now necessitates treatment to fully meet the protozoal compliance criteria in the DWSNZ. The secure status is still in place for bore supplies to Whakatu, Clive and Haumoana/Te Awanga.</p> <p>Current compliant treatment plants include Omahu, Brookvale Rd (Hav.Nth) and Portsmouth Rd (Flaxmere). The Wilson Rd (Flaxmere) bore supply and treatment plant upgrade is substantially complete and will be operational by the end of August 2018.</p> <p>The Water Strategy will deliver new compliant treatment systems to all supplies within the next 3 years.</p>
		DIA Non-Financial performance Measure 2: (maintenance of the reticulation network) The percentage of real water loss from the local authority's networked reticulation system (Including a description of the methodology used to calculate this)	20%	20% Percentage Real Losses or other recognised industry standard as specified in the HDC's 'Water Conservation and Demand Management Strategy'	Not Measured in 2018 – The June 2016 MWH Water Loss Assessment Report has not been updated in 2017 (That report identified 21% water loss). Further work on water loss studies is underway in 2018 to inform the next steps in reducing water losses via network leakage.
		DIA Non-Financial performance Measure 3: (fault response times) Where the local authority attends a call-out in response to a fault or unplanned		95% Achievement Rate.	Note i: Response times for urgent and non-urgent callouts below are made up of instances (a) where contractors physically arrive at a callout

Water Supply					
Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
		interruption to its networked reticulation system, the following median response times measured:			(b) where the contractor identifies an issue themselves and resolves it instantly on site
		(a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and	1 hour	Urgent – 1 Hour response time to site (note i)	Achieved – 43 minute response time
		(b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	2 hour	Urgent – 2 Hour Restoration of Service	Not Achieved – restoration time was 3 hours. The number of water leaks remains at an elevated level and has impacted on the contractor being able to meet the expected response time for all urgent restoration repairs.
		(c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site, and	3 days	Non-urgent – 3 days response time to site (note i)	Achieved – 2 day response time
		(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	7 days	Non-urgent – 7 days call resolution	Achieved – 3 day resolution
		DIA Non-Financial performance Measure 4: (customer satisfaction) The total number of complaints received by the local authority about any of the following: (a) drinking water clarity (b) drinking water taste (c) drinking water odour	1	Count expressed per 1000 connections per annum (Current Baseline = 1 complaint per 1,000 connections)	Not Achieved – 9.24 complaints per 1,000 connections. The addition of chlorine to all HDC water supplies resulted in a significant number of complaints and queries that were in relation to the introduction of chlorine and instances of taste, odour and water quality issues.

Water Supply					
Community Outcomes	Level of Service Statement	Performance Measure	Baseline Performance	2017/18 Target	2017/18 Achievement
		(d) drinking water pressure or flow (e) continuity of supply, and (f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system.			
		DIA Non-performance Measure 5: (demand management) The average consumption of drinking water per day per resident within the territorial authority district.	400	400 Litre/p/day per resident	Not Achieved – 479 Litre/p/day per resident.

Roads and Footpaths

Detailed Mandatory Non-Financial Performance Measures (Department of Internal Affairs)

The performance measures in the tables below are required to be reported in accordance with section 261B of the Local Government Act 2002.

These are new measures. The baseline performance is based on a combination of 2013/14 actual information and an assessment of performance data year to date for the 2014/15 year.

The Council will review the performance targets which have been set in future versions of the Council Long Term Plan.

Community Outcomes	Performance Measure	Baseline Performance	2017/18 Target	Achievement 2017/18
LOCAL INFRASTRUCTURE Council Objectives to which the transportation activity relates: <ul style="list-style-type: none"> • Accessible range of safe transport options • Safe walking and cycling facilities • Infrastructure supporting economic growth • Efficient movement of goods 	DIA Non-Financial Performance Measure 1: Road safety The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	32	Reducing trend of fatality and serious injury from previous year (Base level for 2013/14 - 4 fatalities and 28 serious injuries) on the local road network	Unable to report for current period due to NZTA CAS data unavailability —In 2016/17 there were 47* serious injury and fatalities crashes. 2017/18 to date – data currently not available for reporting
	DIA Non-Financial Performance Measure 2: Condition of the sealed road network The average quality of ride on a sealed local road network, measured by smooth travel exposure	90%	90% smooth travel exposure (Average quality of ride)	Substantially Achieved – 89% of the road network has been measured as smooth
	DIA Non-Financial Performance Measure 3: Maintenance of a sealed local road network The percentage of the sealed local road network that is resurfaced	5.5%	5.5% of sealed local road network is resurfaced per annum	Achieved – 7.1% of the network was resurfaced in 2017/18.
	DIA Non-Financial Performance Measure 4: Condition of footpaths within the local road network The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works programme or Long Term Plan)	1.5%	No more than 1.5% of footpaths classified poor or worse as measured by Council's condition rating system	Achieved – Only 0.63% of footpaths were classified as poor or worse in 2017/18
	DIA Non-Financial Performance Measure 5: Response to Service Requests	98%	98% of customer service requests relating to roads and footpaths responded to within 28 days	Substantially Achieved – 96% of customer requests were answered within 28 days

Community Outcomes	Performance Measure	Baseline Performance	2017/18 Target	Achievement 2017/18
	The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the timeframe specified in the long term plan			
Safe, Healthy and Liveable Communities				
Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
COUNCIL OBJECTIVE: Reducing public nuisance and threats to public safety	Hours of operation at refuse transfer station	7 days per week	7 days per week	Achieved – Facility only closed on Christmas Day, New Year’s Day and Easter Sunday
	Hours of operation at recycling depots	7 days per week (24 hour operation at Martin Place)	7 days per week (24 hour operation at Martin Place)	Achieved with the addition of 24 hour sites at Pukehomoa, Tutira, Poukawa, Waimarama, Maraekakaho 3 day a week operation provided at Blackbridge Transfer Station (Sat, Sun, Mon)
	Hours of operation at landfill	1 landfill (5 days per week) (limited weekend opening)	1 landfill (5 days per week) (limited weekend opening)	Achieved – The Omarunui Landfill was open and operational five days a week (Monday to Friday) and a limited number of Saturdays The facility does not open on Christmas Day, New Year’s Day and Good Friday
	% of urban dwellings serviced by kerbside refuse and recycling services	Weekly collection to 92% of urban dwellings	Weekly collection to 92% of urban dwellings	Achieved – All urban dwellings within the collection zones received a weekly refuse and recycling service. The extension of collection zones is now being considered and reviewed.
	% compliance with landfill conditions	100%	100%	Achieved – No abatement notices were issued. HBRC and HDC have reached formal agreement on

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
				groundwater trigger levels for the site. In this regard a change in the conditions of consent has been made <u>Omarunui Landfill</u> – Revised surface water trigger levels have now been approved by the HBRC. Groundwater and tell-tale trigger levels have been approved by the HBRC. Two more testing bores have been located in strategic location on neighbouring property to get better understanding of ground water flow in area.
	% of food premises having an excellent or very good grading	100%	95%	Achieved – 100% of food premises have an excellent or very good grading
	% compliance with swimming pool fencing regulations	99%	98%	Achieved – 99.7% compliance with swimming pool fencing regulations
	Number of public cemeteries	4 cemeteries at Hastings, Havelock North, Puketapu, Mangaroa	4	Achieved – Mangaroa to be expanded increasing the site to accommodate approximately 2000 more plots and the Eco Burial site has been opened. The removal of the trees at Hastings cemetery will add approximately 100 new plots to the cemetery in 2-3 years time.
	Compliance level with crematorium consent conditions	All conditions met	All conditions met	Achieved - Currently 31 of the 34 conditions have been met. 1 of the 3 consent conditions will be met by 20 July 2018. (Updating operations manual with additional

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
COUNCIL OBJECTIVE: Reduce public nuisance and threats to public safety				information and supplying of cremations details for the past year). The remaining 2 conditions can only be met once approval has been received from HBRC regarding a method statement from the testing company, which will allow them to do the testing.
	% of public buildings with current warrant of fitness	100%	95%	Achieved – 100% of Council buildings with current warrant of fitness.
	Dog pound capacity	34 dogs	27 dogs	Achieved – Construction has been completed. We now have capacity to impound 40 dogs.
	% of dog registrations of known dogs	100%	99%	Not Achieved – 95.5% of dogs registered.
	% release rate of impounded dogs suitable for adoption	New	85%	Achieved – 100% of all suitable dogs were adopted however this only equates to 76% of total impounded dogs.
	Pass grade for National Rural Fire audits (PMEF)	Satisfactory	Satisfactory	Not Measured – No audit occurred in 2017/18. The last audit was in 2014/15 financial year where the Hastings District Council retained a <i>Satisfactory</i> rating following a review of the National Rural Fire Authority Performance Evaluation. Rural Fire responsibility transferred to Fire & Emergency New Zealand on 30 June 2017.
	Response time to national emergency warning	15 minutes	15 minutes	Achieved – changes in the organisational structure with HB

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
				CDEM Group mean this will no longer be measured
	Number of night time compliance operations on licensed premises per year	12	4	Achieved – 16 night time operations undertaken.
	Number of CCTV cameras	22	22	Achieved – As at 30 June we have 36 CCTV camera locations. Technological adjustment has increased the number of camera feeds into the monitoring room to 133 individual. There has been new cameras installed in the current locations which increased visibility and reach.
COUNCIL OBJECTIVE: <ul style="list-style-type: none"> • Sustainable use of land and water resources • A more compact urban form 	A District Plan current at all times within statutory timeframes	Achieved	Achieved	Achieved – 46 appeals lodged to Proposed District Plan. 44 appeals settled, 1 appeal with the High Court, and 1 awaiting mediation. . Variations 1 and 2 to bring in additional industrial land are operative. Variation 3 to rezone land at Howard has been appealed and is being mediated. Submissions on Variation 4 at Iona have been heard and recommendations from Independent Commissioners are being awaited. The Variations will ensure a sustainable supply of industrial and residential land. Heretaunga Plains Urban Development Strategy Review adopted 31 May 2017 followed by a Medium Density Housing Strategy

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
				adopted in November 2017 to encourage intensification.
COUNCIL OBJECTIVE:	Number of public swimming pools that meet Pool Safe water quality standards	4	4	Achieved – All pools meet Pool Safe water quality standards
• Places and spaces for recreation	Days of operation of public libraries	3 public libraries (6 day service Flaxmere / Havelock Nth, 7 days Hastings)	3 public libraries (6 day service Flaxmere / Havelock Nth, 7 days Hastings)	Achieved – Libraries are open a combined total of 155 hours each week, with 6 day service at the Havelock North and Flaxmere Libraries and 7 day service at the Hastings Library.
• Places and spaces for arts, culture, learning				
• Fostering recreational participation				
• Fostering the arts and cultural experience	% of urban properties within 500m radius (walking distance) of a park	93.8%	94%	Not Achieved – 86% of urban properties within a 500m radius of a local park. Reduction has occurred as effect of connector reserves now not included. New parks acquisitions in Lyndhurst and Northwood will reverse trend in 2018/19.
	% of urban properties within 500m radius (walking distance of a playground)	55.6%	56%	Not Achieved – 53.2% of urban properties within a 500m radius of a playground. New playgrounds planned for growth areas will help improve goal.
	Number of elderly housing units and average occupancy	220 units with occupancy of 93.3%	90% average occupancy	Achieved – 220 units with 98.87% average occupancy.
	Number of Art Gallery exhibitions per annum	14	12	Achieved – Hastings City Art Gallery hosted 15 exhibitions across its' four exhibition spaces in the 2017/18 Financial year and received 28,603 visitors.
	Opera House Qualmark Rating (subject to current review)	Five star	Five star	Not Measured – Opera House, Theatre, Municipal Building and

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
				Plaza is currently closed to the public due to earthquake strengthening requirements.
	% of Indoor Sports Centre available booking hours booked	50%	40%	Achieved – 64.3% of available hours booked in 2017/18.
	Days of operation of Splash Planet	Mid November to Waitangi Day (7 days a week)	Mid November to Waitangi Day (7 days a week)	Achieved – Mid November to Waitangi Day (7 days a week)
Economic and Community Development				
Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
COUNCIL OBJECTIVE:	% of vacant industrial land	20.3%	A minimum of 20% of industrial land is vacant	Achieved – In the previous annual report it was reported that 65 ha of industrial land has been added at Omaha and 91 ha at Irongate, with a further 8.7 ha in the Tomoana Food Hub. This resulted in the level of vacant industrial land being over 30% of the total. While there has been a positive uptake of this land it is estimated that the percentage of vacant land still remains around 30% of the total.
<ul style="list-style-type: none"> Residential development opportunities Industrial development opportunities 				
	Number of hectares of vacant greenfield land	68.8 hectares	A minimum of 20 hectares vacant greenfield land	Achieved – 32.8 hectares of vacant greenfield land and the Variation for Howard Street will provide a further 21.2 hectares once the appeal is settled.
	Number of significant strategies completed 1 per annum		1	Achieved – A Medium Density Housing Strategy (a sub-strategy of HPUDS) was adopted by Council on 30 th November.

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
	Number of structure plans completed per annum	0	1	Achieved – A structure plan for Iona was completed in August 2017 and formed part of the Iona Variation.
COUNCIL OBJECTIVE: Appealing visitor destination	Opera House Qualmark Rating (subject to current review)	Five Star	Five Star	Not Measured – Opera House, Theatre, Municipal Building and Plaza is currently closed to the public due to earthquake strengthening requirements.
	Number of visitors to i-Site visitor centres per annum	76,990	84,000	Not Achieved – A total of 60,000 visitors including both i-sites. Decline in foot traffic is in line with national trends.
	Total financial support to events	\$75,000	\$75,000	Achieved – The event fund was fully allocated and combined with other funding streams such as annual plan, contestable grants over 70 events were supported through funding and or other support during the 2017/18 year.
	Total visitors to Splash Planet	103,046 total 48,685 from Hastings (47.1%)	94,000 total 45% from Hastings	Achieved – 111,258 total, 50,487 Hastings (45.4%)
COUNCIL OBJECTIVE: Supporting and attracting business	Total financial support to Business Hawke's Bay	\$100,000	\$100,000 per annum funding support to Business Hawke's Bay	Achieved – Delivered as part of contract agreement with Business Hawke's Bay
COUNCIL OBJECTIVE: <ul style="list-style-type: none"> Putting people at the centre of planning and service 	Number of completed Place Based Plans	3	1 Place Based plan completed per annum	Achieved <ol style="list-style-type: none"> Flaxmere West Community Plan under development. New plans under construction <ul style="list-style-type: none"> Waipatu

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
<ul style="list-style-type: none"> Effective working relationships with mana whenua 	Number of social development reviews completed	1	1 social development review completed per annum	- Bridge Pa Achieved – Hastings Sports Centre, Camberley Community Centre and Flaxmere Community Centre Reviews completed.
	Total financial support for Hapu Development Plans	\$40,000	\$40,000 per annum for Hapu development planning	<ul style="list-style-type: none"> Achieved – Funding included in Long Term Plan 2015 -2025 and 2017/18 Annual Plan. During 2017/18 Council has entered into relationships with the Waipatu and Bridge Pā hapū communities and is embarking on a journey with the Maungaharuru Tangitū Trust in regard to a hapū environmental management.
Governance and Support Services				
Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
COUNCIL OBJECTIVE:	Level of community confidence in decision making (measured as some confidence to complete confidence)	new	75%	Not Measured as part of 3 year 2015/25 Long Term Plan cycle.
<ul style="list-style-type: none"> Putting people at the centre of planning and service 	Level of community satisfaction in involvement in decision making (measured as (satisfied to very satisfied)	new	75%	Not Measured as part of 3 year 2015/25 Long Term Plan cycle.
<ul style="list-style-type: none"> (Make open, inclusive and effective decisions) 	% Compliance with statutory planning processes	100%	100%	Achieved – No breaches of statutory planning processes during 2017/18.
	Council and Committee agendas are available within statutory timeframes	100%	100%	Achieved – 100% compliance with required timeframes

COUNCIL OBJECTIVE: <ul style="list-style-type: none"> Ensure prudent financial management 	Complete Annual Report and audit within statutory timeframes	Achieved	Achieved	Achieved – An unmodified audit opinion was issued within statutory timeframes
	Budgets are set within Financial Strategy limits	Achieved	Achieved	Achieved – The 2017/18 Annual Plan was completed and approved by Council and set within the Financial Strategy limits
COUNCIL OBJECTIVE: Putting people at the centre of planning and service (Ensure easy access to Council knowledge and services)	Calls to Council's main number are always answered by a person rather than an answer phone service	Achieved (92% of calls answered within 60 seconds)	Achieved	Achieved – 90% of calls answered within 60 seconds
	Customer service centre open from Monday to Friday 8am to 5pm	Achieved	Achieved	Achieved – Customer service centre opens weekday from 8am-5pm throughout the year
	% of calls to Council's main number answered within 20 seconds	87.8%	80%	Achieved – 83% of calls answered within 20 seconds.
	Usage of Council website	10,700 unique visitors per month	9,500 unique visitors per month	Achieved – 19,068 unique visitors per month

(B) CUSTOMER EXPERIENCE**Customer Experience – Safe, Healthy and Liveable Communities**

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
COUNCIL OBJECTIVE: <ul style="list-style-type: none"> Reduce public nuisance and threats to public safety Putting people at the centre of planning and service 	Time taken to process a building consent	99.86% within 20 working days	100% within 20 working days	Substantially Achieved – 99.98% within 20 working days
	Time taken to process code of compliance	97.6% within 10 days	100% within 10 days	Substantially Achieved – 99.97% within 10 days
	Time taken to process a resource consent	95% within statutory timeframe (20 working days)	97% within statutory timeframe (20 working days)	Not Achieved – 88% within statutory timeframe, and 97% within 26 working days.
	Time taken to respond to noise complaints	Zone 1 (20-30 minutes) – 96.5%	Zone 1 (20-30 minutes) – 100%	Substantially Achieved – Zone 1 (20-30 minutes) – 99.66%

	Zone 2 (< 45 minutes) – 98%	Zone 2 (< 45 minutes) – 100%	Achieved – Zone 2 (< 45 minutes) – 100%
Parks user satisfaction	97%	97%	Not Achieved – 92% - park user satisfaction rating in Parkcheck Survey
Customer satisfaction with services	Various by facility (new)	Better than baseline	Achieved – See customer feedback section

Customer Experience – Governance and Support Services

Council Outcomes	Performance Measure	Baseline Performance 2013/14	Target 2017/18	Achievement 2017/18
COUNCIL OBJECTIVE:	Quality of customer service (contact centre)	Average score of 85% in mystery shopper phone calls	85%	Achieved – 85%
<ul style="list-style-type: none">Putting people at the centre of planning and service	Quality of customer service (customer service centre)	Average score of 85% in mystery shopper visits and phone calls	85%	Substantially Achieved – 83%
<ul style="list-style-type: none">(Ensure easy access to Council knowledge and services)				

Level Two – Today’s Commitments

(C) KEY ACTIONS

Water & Roads

Key action		Achievement
Water Services		
KA01	Complete enhancement works to Havelock North sewage system	• Completed – The Havelock North wastewater relief sewer was successfully completed during 2016/17.
KA02	Complete Heretaunga Street trunk main renewal	• On Track – Project substantially completed during 2017/18.
KA03	Detention dam security investigations	• On Track – A number of technical non-compliances have been identified related to outstanding maintenance of the Havelock North and Te Awanga dams. The majority of the maintenance items identified have now been resolved. Further detailed dam work is ongoing in both Te Awanga and Havelock North.
Roads and Footpaths		
KA04	Strengthen some key bridges to allow continued heavy vehicle access	• On Track – HPMV Bridge strengthening work on Blacks and Tois bridges on Taihape road is complete. Work is continuing on Kuripapongo bridge and on specific freight routes to improve HPMV access. Four bridges are also being investigated for VDAM strengthening.

KA05	Completion of approved walking and cycling projects	<p>ENGINEERING PROJECTS</p> <ul style="list-style-type: none"> ➤ Pakowhai Rd Cycleway – on-road cycle lanes between St Aubyn St and Ruahapia Rd completed May 2018. ➤ Haumoana School – provision of safer crossing points, 680 metres of existing path improvements on Parkhill Rd, and construction of a new 700 metre two-way shared lime sand path on East Rd completed August 2017. ➤ Railway Rd Shared Path – between Lyndon Rd and Southampton St providing a safer link for a high number of school children within this vicinity completed August 2017. ➤ Sylvan Rd Shared Path – along Windsor Park frontage completed April 2018. ➤ St Georges Rd Shared Path – Stage I between Havelock Rd and Howard St completed April 2018. Stage II between Howard St and Crosses Rd (in conjunction with Water Main construction) substantially complete July 2018. ➤ Havelock Rd Cycleway – on-road cycle lanes between Karanema Dr and Porter Dr (in conjunction with carriageway resurfacing) completed January 2018. ➤ Parkvale School – Kea crossing relocated in Windsor Ave and footpath widening in Howard St completed February 2018. ➤ Havelock North Primary School – footpath widening in Campbell St between the school frontage and Joll Rd completed April 2018. <p>EDUCATION AND ENCOURAGEMENT PROJECTS</p> <ul style="list-style-type: none"> ➤ Cycle Skills Training programme – For Level 1 & 2 of the Education and Encouragement Projects HDC has reached 10 schools and 84 sessions, 1100 students completed level 1 and 459 students completed level 2 from July 2017 to June 2018. These were partially funded by ACC and a similar training programme will continue over the next financial year. ➤ Scooter Safety programme – Based on NZ Transport Agency guidelines and tailored for year 4 students, HDC has reached 6 schools from July 2017 to June 2018, delivering 54 sessions to a total of 962 year 4 students. A similar training programme will continue over the next financial year. ➤ MoveIt encouragement programme – Haumoana School completed in Term 1 2018. Havelock North Primary School had a “Dress up your shoes and walk to school” promotion, 250 out of 590 students participated, four times normal number of pupils coming to school by active modes. Interschool “MoveIt” competition involving 8 Travel Plan schools with over 2800 pupils proposed for Term 4 2018. ➤ iWay Bike Spring Check-up – 6 week campaign involved 4 bike shop partners and 74 free bike checks in September 2017. ➤ School Travel Plans – travel plans have been developed for Havelock North Primary, Parkvale, Central, St Mathews, Frimley, Clive, Haumoana, Irongate, Karamu High and Hastings Girls High. Eight have been adopted as of June 2018. ➤ Be Safe, Be Seen programme successfully rolled out in May 2018, reaching 169 cyclists and walkers/runners. ➤ Bike Breakfast – over 250 mainly school aged children accompanied by teachers, parents, police and councillors.
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Water & Roads

Key action		Achievement
		<ul style="list-style-type: none"> ➤ Share with Care – promotion in conjunction with Big Easy, Easter 2018. Contact with many participants promoting path-user etiquette.
KA06	Implement safety improvements on high risk rural routes and urban intersections	<ul style="list-style-type: none"> • On Track – • Realignment of Ocean Beach / Waimarama intersection. Contribution to realignment of SH50 and upgrades to Kereru / SH50 and Whakapirau / SH50 intersections. Installation of pedestrian crossings at Bridge Pa School and in Clifton. Improved signage on Middle Rd. New guardrails on Blacks and Tois Bridges. Abutment strengthening of Vista Bridge. • Conversion of Nelson / Eastbourne intersection to a roundabout. Changes to Whakatu / Farndon / Pakowhai intersection as part of Whakatu Arterial works. Upgrade and reprogramming of signals at Karamu / Grove / Frederick intersection. Installation of Kea crossing near Howard / Windsor intersection. Designed crossings on Karamu and Maraekakaho roads, to be installed 2018/19. • Speed Limits Review. Purchased 3 Mobile Speed Devices.
KA07	Road pavement renewals in both urban and rural areas	<ul style="list-style-type: none"> • On Track – 7.2km of pavement renewals completed during 2017/18.
KA08	Complete Whakatu Arterial Road	<ul style="list-style-type: none"> • On Track – The project is being constructed with an expected completion date of December 2018.

Safe, Healthy & Liveable Communities

Key action		Achievement
KA09	Rollout of additional emergency centres and community response plans	<ul style="list-style-type: none"> • No Longer Measured - Due to changes in the organisational structure, Community Resilience Plans and Civil Defence Centres are no longer within HDC's remit, but are now the responsibility of HB CDEM Group
KA10	Advancing Hastings Central City Plan	<ul style="list-style-type: none"> • On Track - The Hastings City centre Strategy is being given effect to via a number of Council plans, strategies, and programmes. Council continue to work in partnership with a range of city centre stakeholders to enable the delivery of activities that bring vibrancy to our CBD. A programme of CBD vibrancy initiatives were consulted on as part of the LTP including the establishment of the Eastside hospitality precinct, improvement to the CBD Mall area and Civic Square. Council is also scheduled to complete the 5 year review of the Hastings City Centre Strategy in second half of 2018. This review will result in update of this strategy and resulting masterplan for the CBD. This work is anticipated to be completed by the end of 2018.
KA11	Advance new cemetery site	<ul style="list-style-type: none"> • On Track – Although Council has allocated funding for the purchase of new land to develop a cemetery, (\$1M) a working group/project team has been developed to explore whether in fact this is necessary, now that the undeveloped land

Safe, Healthy & Liveable Communities

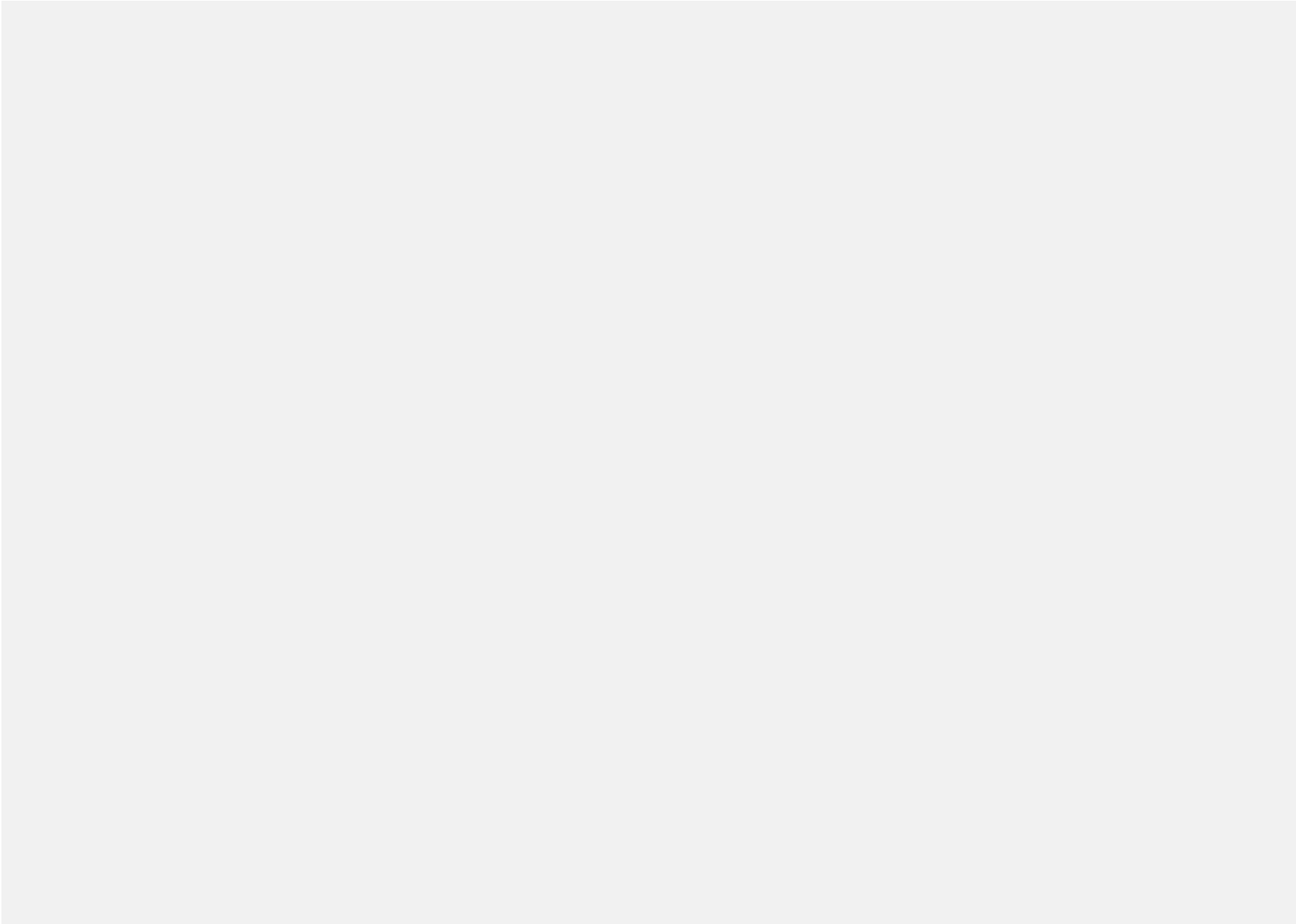
Key action	Achievement
	available at Mangaroa Cemetery has been approved by Council to expanded and redeveloped. Ongoing consideration of this matter will occur during 2018/19.
KA12 Implement changes to Animal Welfare Service	<ul style="list-style-type: none"> • On Track – Changes implemented to Animal Welfare Service to ensure consistency in process which will minimise danger, distress and nuisance to the community. Pound has been rebuilt and brought up to standard and approved by MPI. Operational procedures in place to promote an education focus and enforcement action is fair and balanced.
KA13 Determine earthquake strengthening response on Opera House complex	<ul style="list-style-type: none"> • On Track – Community engagement process undertaken in first quarter of 2016 after considerable technical advice and input. Decision made to strengthen the theatre and this work stream is in progress. Options for the Municipal Building are still being worked through. After community consultation and full examination at the facility, the way forward will be determined.
KA14 Enhancement on key reserves	<ul style="list-style-type: none"> • On Track – The following enhancements have been progressed: <ul style="list-style-type: none"> ➢ Installation of outdoor fitness equipment at Anderson and Flaxmere Parks ➢ Kirkpatrick Park enhanced with basketball court and BBQ and shelter. ➢ New visitor shelter and carpark at Te Mata Park
KA15 Implement sports fields facility upgrades	<ul style="list-style-type: none"> • On Track – The following upgrades have been completed; <ul style="list-style-type: none"> ➢ Anderson Park changing rooms rebuilt. ➢ Bill Mathewson Park changing rooms upgraded
KA16 Complete planned toilet enhancements from Sanitary Services assessment	<ul style="list-style-type: none"> • On Track – The following enhancements have been progressed. Two new toilet blocks constructed at Te Mata Park.
KA17 Provision of community programmes on waste minimisation	<ul style="list-style-type: none"> • On Track – Community access to information on a range of waste reduction options. Waste education programmes delivered through schools and early childhood centres.
KA18 Complete assessment and selection of future solid waste disposal solution	<ul style="list-style-type: none"> • On Track – Waste Assessment on waste services and facilities undertaken and Joint Waste Management and Minimisation Plan developed with Napier City Council. Public consultation held during February and March 2018, with final options being adopted by Council 30 August 2018.

Economic & Community Development

Key action	Achievement
KA19 Support industrial land uptake at Irongate, Omaha and Whakatu	<ul style="list-style-type: none"> • On Track – The key account services approach has enabled businesses and Council to engage and work together to deliver developments while meeting both party's needs. This is occurring across all three industrial zones in Hastings District.

Economic & Community Development

Key action		Achievement
KA20	Implementation of China action plan	<ul style="list-style-type: none"> On Track – Businesses seeking to develop and expand their export opportunities have engaged with Council to assist with access to markets in China. This has resulted in increased orders for goods and services and a growth in jobs in these Hastings businesses.
KA21	Progress of various youth futures programmes	<ul style="list-style-type: none"> On Track - A range of social programmes with particular focus on helping young people into jobs continued during the year along with a successful funding application to extend the Youth Connector programme, a new Whanau Connector and Employer Connector.
KA22	Implementation of Heretaunga Plains Urban Development Strategy (HPUDS) sub strategies	<ul style="list-style-type: none"> Achieved –The Medium Density Housing strategy was adopted along with an Implementation Plan in November 2017. In addition quarterly monitoring of property market indicators under the National Policy Statement on Urban Development Capacity has commenced with a 2017 baseline report a completed in April 2018 and the first quarter report produced in May 2018.
KA23	Development of various place based plans	<ul style="list-style-type: none"> On Track – 4 plans renewed (Camberley, Flaxmere, Clive and Anderson Park), 4 new plans either completed or in development (Mayfair, Flaxmere West, Bridge Pa and Waipatu).
KA24	Support the completion of Hapu development plans	<ul style="list-style-type: none"> On Track – Funding contained in Council budgets. Council is encouraging and supporting the continual development of hapū plans including both hapū environmental management plans and hapū community plans. At the later part of the 2017/18 year, Council has entered into relationships with the Waipatu and Bridge Pā hapū communities and is embarking on a journey with the Maungaharuru Tangitū Trust in regard to a hapū environmental management or a Mana Whakahono-ā-rohe plan; that also has positive implications for our other five Post Settlement Governance Entities (PSGEs).
KA25	Advance business attraction and job creation initiatives	<ul style="list-style-type: none"> On Track – The Great Things Grow Here (GTGH) economic development brand platform has continued to grow with over 300 businesses now members of the brand champions club. Funding partners including Councils and Business Hawke's Bay are supporting the GTGH brand platform, enabling wider across the region engagement. Brochures to meet the business needs of migrant attraction to attract skilled workers in areas of shortage for Hastings businesses has been successful. The inwards investment brochure has resulted in businesses relocating into the region.
KA26	Advance Hastings CBD hotel proposal	<ul style="list-style-type: none"> On Track – Council is exploring the Hotel opportunity for Hastings City centre to take advantage of a growth in hospitality offering and the re-launch of the Hawkes Bay Opera House.



Item 4

Attachment 1

REPORT TO: FINANCE AND RISK COMMITTEE

MEETING DATE: TUESDAY 11 SEPTEMBER 2018

FROM: FINANCIAL CONTROLLER
AARON WILSON
CHIEF FINANCIAL OFFICER
BRUCE ALLAN

SUBJECT: DRAFT FINANCIAL YEAR END RESULT - 30 JUNE 2018

1.0 SUMMARY

- 1.1 The purpose of this report is to inform the Council of the unaudited accounting and rating result for the year ended 30 June 2018 and for the Council to allocate the reported surplus. It also seeks the approval from Council to carry forward project budgets. This report has been prepared on the basis that the Hastings District Rural Community Board has approved the recommendations submitted to it on 10 September 2018 relating to the year-end rating result for Rating Area 2.
- 1.2 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.
- 1.3 The rating result is favourable to budget. This is a consequence of the adoption of sound financial management including active treasury management, continued pursuit of efficiencies and delays in some projects.
- 1.4 The unaudited rating result for the 2017/18 year is a positive result and is as follows:
- | | | |
|-------------------------------|------------------|-----------------------|
| Rating Area 1 | \$518,439 | <i>Surplus</i> |
| Rating Area 2 | \$424,274 | <i>Surplus</i> |
| Total for the District | \$942,713 | <i>Surplus</i> |
- 1.5 In addition to the Rating Result, Council also generated a surplus from the Landfill operation, the report recommends that these surpluses be allocated as follows:

	Total	Rating Area 1	Rating Area 2
Surplus on General Rate	942,713	518,439	424,274
Landfill Surplus	2,260,613	1,976,001	284,612
	3,203,326	2,494,440	708,886
Recommended Allocation of Surplus's			
Surplus on General Rate			
A&P Society	25,000	21,852	3,148
Rating Area 1 Debt Repayment (Stormwater)	496,587	496,587	-
Rating Area 2 Flood Reserve	421,126	-	421,126
	942,713	518,439	424,274
Landfill Surplus			
Water Supply Targeted Rate Account	1,090,659	1,090,659	-
Rating Area 1 Debt Repayment (Stormwater)	885,342	885,342	-
Rating Area 2 Capital Reserve	284,612	-	284,612
	2,260,613	1,976,001	284,612
Total Allocation of Surplus's	3,203,326	2,494,440	708,886

- 1.6 The report also recommends that budget allocations proposed to be carried forward from the 2017/18 year to 2018/19 to enable project completion be approved.

2.0 BACKGROUND

- 2.1 Council is provided with quarterly financial reports during the year with the unaudited year end result presented annually at the September Finance and Risk Committee meeting.
- 2.2 Officers' report on the operating financial result (Operating surplus/deficit) as well as the rating result. The operating (accounting) financial result is reported on quarterly during the year and at year end a report is prepared on the rating result in addition to the accounting result.
- 2.3 The rating result differs from the accounting result in respect of non-cash items such as depreciation, gains or losses on interest rate swaps, vested assets, impairment of assets and investments and development contributions income which have no impact on setting rates and are therefore excluded from the rates calculations. The rating result reports on the variance of rates collected and net total expenditure (including capital and reserve transfers) for Council.
- 2.4 The Financial Reports attached to supplement this report include:
- Attachment 1** – Interim Rating Result for the year ended 30 June 2018
Attachment 2 – Dash Board Summary of Financial performance
Attachment 3 – Draft Unaudited Financial Statements
Attachment 4 – Detailed Carry Forward Schedule.
- 2.5 The financial reports contain summarised information. **Please feel free to contact the report writer or the Chief Financial Officer directly on any specific questions from the reports before the meeting.** This will ensure

that complete answers can be given at the meeting on the detail that forms the basis for these reports.

3.0 CURRENT SITUATION

- 3.1 The 2017/18 financial year has seen a continuation of a strong Hawke's Bay economy. In terms of Council performance, almost all areas of Council have met their respective revenue targets. At the same time a close watch was kept on expenditure to ensure Council maintained a prudent approach to cost pressures.
- 3.2 Since the financial quarterly report for the year to March 31 was presented in May, most of the issues and trends identified have remained on the same track to the end of the financial year. This report sets out the financial performance (accounting result) and the rating result for the year ended 30 June 2018. These results are unaudited and may be subject to minor adjustments.

4.0 THE RATING RESULT

- 4.1 Council adopts strong financial management practices. Council prepares a balanced budget to deliver Council's desired programme, including high levels of fiscal tensioning and stretch targets. In addition projects are only proceeded with after a thorough review and analysis. This also ensures that projects are not undertaken until they are required thereby deferring expenditure and reducing debt and interest costs to Council.
- 4.2 Interest savings of \$927,257 have contributed significantly to the surplus, with savings and overspends across Council matching off.
- 4.3 Interest savings are mainly due to:
- effective treasury management
 - favourable market conditions with interest rates being at 30 year historical lows
 - projects being deferred until the later part of the year or carried forward
- 4.4 Council has managed its interest rate risk in the short and medium term through its interest rate risk position (swaps) and Council has a strong debt maturity portfolio which is cost effective. Council's weighted average cost of funds was 5.31% at 30 June 2018 (4.97% at 30 June 2017). The lower average cost of capital last year is reflective of higher levels of cash on hand and interest received income impacting on the net interest expense.
- 4.5 Overall the net interest savings were \$997,729 of which \$927,257 directly impacted on the overall rating result and includes interest income which is not budgeted for. The remainder of the savings were to offset the loan funding required on growth projects which are repaid through development contributions.

INTEREST	Budget \$	Actual \$	Variance \$
Interest – HDC Loans*	3,835,255	3,042,386	792,869
Interest – Growth Loans	787,561	717,089	70,472
Interest Income*	-	(134,388)	134,388
TOTAL NET INTEREST	4,622,816	3,625,087	997,729

* Contribute to Rating Surplus

- 4.6 The rating result for the 2017/18 financial year is a positive result and compares with a \$1,158,370 surplus reported in 2016/17.

Rating Area 1	\$518,439	<i>Surplus</i>
Rating Area 2	\$424,274	<i>Surplus</i>
Total for the District	\$942,713	<i>Surplus</i>

- 4.7 The rating surplus is 0.7% of the total reported revenue in the 2017/18 Statement of Comprehensive Revenue and Expense. Achieving this positive result where there are continued pressures on Council funds is reflective of the prudent financial strategies adopted by Council.
- 4.8 In addition to the rating surplus, the Council's share of the surplus from the Landfill operations is \$2.2m. Prior to last year the Landfill surpluses were used to replay Landfill debt. The remaining debt was extinguished by application of the surplus from the 2015/16 financial year. Council resolved last year to apply the 2016/17 landfill surplus of \$1.615m to the water supply targeted rate account for RA1 (\$1.4m), and to the capital reserve for RA 2 (\$0.203m). This now leaves the Council with a decision on how to allocate the 2017/18 Landfill surplus.
- 4.9 In addition to the above, which is after all necessary reserve transfers have been made, there are a number of significant activities where surpluses or deficits are ring fenced and/or transferred to reserves and include:

	2018 Surplus / (Deficit)	Reserve Balance as at 30 June 2018
	\$	\$
Opera House Operations	232,293	1,244,569
Targeted Rate Accounts		
Water Supply – RA1	(1,209,245)	(2,905,153)
Water Supply – RA2	(127,258)	(370,561)
Waste Water	(188,434)	859,594
Refuse & Recycling	196,305	1,545,735

- 4.10 In allocating surpluses and reserves, Council's prudent financial policy approach has traditionally focused on debt repayment or borrowing reduction. In Rating Area 2, priority has been given to replenishing the Rural Flood and Emergency Event Reserve.
- 4.11 In determining priorities for surplus and revenue allocation, staff advise that the following priority order would be in line with Council's prudent financial management approach:

1. Repay Rating Area 1 Debt
2. Reduce Water Supply Targeted Rate Account Deficits

3. Contribute to the Rating Area 2 Flood and Emergency Event Reserve and the Rating Area 2 Capital Reserve

5.0 EXTERNAL DEBT

- 5.1 Total net borrowing as at the end of June is \$77.7m, an increase from last year (\$60.7m), although is still lower than what was projected in the 2015-25 Long Term Plan (LTP) which had forecast debt levels of \$98.9m at this time. Committed borrowing facilities in place are \$87.7m, providing headroom of \$10m. The liquidity ratio is at 113% compared to the policy minimum of 110% and is therefore above the minimum requirements set by Council.

	30 June 2018	30 June 2017
	\$'000	\$'000
Facilities at start of year	70,741	60,741
New/matured facilities (net)	17,000	10,000
Facilities at end of year	87,741	70,741
Borrowing at start of year	60,741	50,741
New Loans Drawn	22,000	15,000
Repayment of Loan	(5,000)	(5,000)
Net borrowings at end of period	77,741	60,741
Plus unutilised facilities	10,000	10,000
Total borrowing facilities available	87,741	70,741
<i>Liquidity Ratio</i>	<i>113%</i>	<i>116%</i>

- 5.2 While there are lower debt levels when compared to the LTP, it needs to be noted the significant increase in debt levels when compared to the previous year's actuals. This is reflective of the large number of projects well underway, including the Opera House and Whakatu Arterial and the new Havelock North water main. Prudent management of Council's financial affairs has created capacity for future borrowing requirements.

6.0 THE UNAUDITED ACCOUNTING RESULT

6.1 Draft Unaudited Operating Accounting Result

Set out below is a summary of the for the 2017/18 financial year. Please note that this is not the same as the rating result.

Unaudited Operating Accounting Result	Budget Council \$'000	Actual Council \$'000	Variance \$'000
Operating Revenue	115,577	130,985	15,408
Less Operating Expenditure	111,709	116,770	(5,061)
Net Surplus/(Deficit)	3,868	14,215	10,347
Gain / (Loss) Revaluations	27,437	159,772	132,335
Net Surplus after accounting gains / losses	31,305	173,987	142,682

- 6.1.1 The draft unaudited financial result for the year ended 30 June 2018 before gains or losses on revaluations is a surplus of \$14.2m with favourable variance to the budget of \$10.3m. This includes an unrealised loss on interest rate swaps of \$0.803m, and is before the impact of the revaluation of assets.
- 6.1.2 The unrealised loss on interest rate swaps is an accounting entry and reflects the potential cost to Council of replacing all of its interest rate swaps at the prevailing swap interest rates on 30 June 2018. Council is however extremely unlikely to be put in that situation and the loss is therefore recognised as an 'unrealised loss'.
- 6.1.3 It is important to note that when we refer to budget variances in the table above, we are referring to variances against the Annual Plan excluding carry forwards or any other budget adjustments as this is what we are required to report against in the Annual Report.
- 6.1.4 Revenue has a favourable variance of \$15.4m. The increase in revenue compared to budget is made up of the following activities:
- Subsidies and grants make up a significant amount of the increase in revenue at \$8.4m. Most of this is made up of NZTA subsidies that are reimbursements for capital work done, along with \$3.75m granted to the Opera house project.
 - Development Contributions of \$4.7m are \$0.8m above budget with large contributions received from the Irongate and Lyndhurst residential development areas driving this increase. Additional Development Contribution revenue represents a higher than expected level of development which drives further investment in growth related expenditure and growth related debt which DC's are designed to repay. Total growth related debt as at 30 June 2018 was \$10.2m
 - Fees and Charges are above budget by \$2.5m. This increased revenue has been achieved across a wide range of Council activities Landfill through increased tonnages (\$0.889m) and Splash Planet attendance and insurance proceeds (\$0.183m) along with Parking (\$0.199m) and Environmental Consents (\$0.171m).
 - Water vested assets are above budget by \$1.7m.
- 6.2 Expenditure is higher than budgeted by \$5m and higher than last year by \$2.9m. Highlights in expenditure are:
- Contracted services which are \$4.6m above budget, this is primarily in the areas of infrastructure where there have been and are large capital projects underway. Brought forwards from the prior 2016/17 year however, are an offset to a large portion of the higher expenditure at \$4m.
 - The unrealised loss on swaps of \$0.803m. As mentioned in paragraph 6.3, this is an accounting entry that has no effect on cash.
 - Personnel costs were higher than budget and last year, with the addition of personnel in the water area a key driver.

- 6.3 All asset classes are on a revolving revaluation cycle, transportation and parks and reserves were revalued last year, this year the revaluation of the land and buildings, water services and heritage and culture assets have been the major revaluation activity.
- 6.4 This year the valuation for Land and Buildings has seen the fair value assessed at \$208.6m which is an increase of \$46.8m in value. The main drivers for this increase are due to strong market and economic conditions, along with the increase in costs of rebuilding or constructing an asset of a comparable nature.
- 6.5 This year the valuation of the 3 waters assets have shown a \$113.5m increase in the depreciated replacement cost. The increase in replacement costs were driven primarily by an adjustment to unit rates on the recommendation of a specific review undertaken by Opus International of unit rates used.
- 6.6 The Heritage and Cultural assets are revalued every five years. This class of asset involves the collection of Mayoral portraits. The valuation was completed by Webbs and had an adjustment downward adjustment of \$24,000. It must be noted that this reduced value of the overall collection is not a reflection on the additional painting recently added to the collection.
- 6.7 **Summary by Areas of Activity of Council:**

Economic Growth and Organisational Improvement

- 6.8 Economic Growth and Organisational Improvement (EGOI) Group had an overall group result of \$0.439m favourable to budget. The key drivers were in the Economic Development budget with underspends in expert advice (\$0.202m), and contracted services (\$0.186m) across a number of operational projects. Where required, some of this underspend has been requested to be carried forward to 2018/19.

Governance and Support Services

- 6.9 Included in this group of activities are the support services of Finance, HR, Democratic Support, Leadership and the Chief Executive's Office. Overall, these activities have been managed either in line with budget.

Community Facilities & Programmes

- 6.10 This group of activities has a favourable variance against budget of \$0.910m primarily driven by favourable revenue lines in fees and charges such as Splash Planet (\$0.183m), swimming pools (\$0.101m) and housing for the elderly (\$0.120m). In addition libraries received a \$0.501m donation from the estate of a benefactor.

Planning & Regulatory Services

- 6.11 Planning and Regulatory had an overall group result of \$0.312m favourable to budget. Revenue was \$0.534m favourable to budget. Fees and charges across the group have been the main driver, parking (\$0.199m), along with environmental consents (\$0.171m), Offsetting this was higher expenditure of \$0.222m driven by higher personnel and contracting costs required to deliver the increased revenue.

Asset Management

- 6.12 Landfill revenue was favourable to budget by \$0.889m, with higher volumes contributing to the favourable revenue variance with the forestry harvest contributing \$0.282m to that surplus. This increased revenue has translated into a HDC share of the surplus of \$2.2m.

6.13 The surpluses generated from the Landfill are released to the shareholding Council's and it is up to the two Councils as to what they decide to do with those funds. In previous years HDC has decided to repay landfill debt with those surpluses, however with all landfill debt now repaid Council can decide how it wishes to allocated those funds. Last year Council allocated \$1.6m to the RA1 water services targeted reserve (\$1.4m) and the RA2 Capital reserve (\$0.20m).

6.13.1 Parks operational expenditure was \$1.5m favourable due to a proposed grant to the Hawke's Bay Community Fitness Centre Trust not being fully drawn down. This is one of the recommended carried forwards into 2018/19 year and those funds are expected to be fully drawn down by the end of the second quarter of 2018/19.

6.13.2 The Maintenance Group (Council's service delivery unit) had an overall loss reported of \$0.395m. The deficit is largely due to the timing of maintenance expenditure.

6.13.3 Building Service costs were \$0.210m favourable due to lower than planned maintenance and services costs, these funds have been retained in the building reserve.

6.14 **Water Services**

Council continued to spend significant sums of money on water supply activity through 2017/18 including both Capital and Operational expenditure. This activity is funded by way of a targeted rate and accounted for in a separate water account which is designed to either accumulate reserves or run in deficit depending on expenditure needs and Council decision making. This allows Council to spread the impact of "lumpy" expenditure in this activity.

6.14.1 Below is a summary of operating water services costs as at 30 June 2018.

Water Services 30th June 2018			
Operating Expenditure	YTD Actual	YTD Budget	Variance
Connections	5,909	3,520	(2,389)
Reticulation	1,419,850	710,941	(708,909)
Treatment	218,932	127,000	(91,932)
Compliance	1,546,520	411,307	(1,135,213)
Pumpstations	269,170	145,293	(123,877)
Pumpstations - Electricity	28,683	36,000	7,317
Other Costs	95,630	45,670	(49,960)
Planning Advice	1,727,942	1,303,178	(424,763)
Insurance	98,551	90,300	(8,251)
Total	5,411,188	2,873,210	(2,537,978)

6.14.2 The 2018-28 Long Term Plan anticipated that the Water Supply Targeted rate account would be in a deficit position of \$1.8m due to increased operational expenditure, with increased water quality monitoring, maintenance and expert advice required post the water contamination incident of August 2016. The high level of operational expenditure has continued at a rate higher than anticipated through 2017/18 and the Water Supply Targeted Rate account has ended the year with a deficit of \$2.9m, \$1.1m higher than expected.

6.14.3 The increases forecast to the Water Supply Targeted Rate signaled in the 2018-28 Long Term Plan of an additional \$100 for years 1 and 2 and then an additional \$50 in year three assumed that with an opening deficit position in the Targeted Rate Account of \$1.8m along with elevated levels of operational expenditure, the Targeted Rate Account would achieve a breakeven position within the life of the long term plan.

6.14.4 In light of the higher than expected deficit position at year end, to achieve that breakeven position forecast during the life of the long term plan an additional increase to the Water Supply Targeted Rate of \$44 per ratepayer would be required, unless there could be some allocation of Council surplus's to this account or significant savings in budgeted expenditure in this activity.

6.14.5 It is proposed by officers, in order to maintain the expected timeline of when the reserves will come back into surplus as per the 2018-28 Long Term Plan and to avoid additional increases to the Water Supply Targeted Rate that the difference noted below of \$1.09m be allocated out of the HDC share of the Landfill surplus to the Water Supply Targeted Rate Account.

6.14.6 Below is a summary of the RA1 water supply targeted rates reserves:

RA 1 Water targeted rate reserves			
Water Reserves	Actual at 30 June 2018	Budget balance at 30 June 2018 as per LTP	Variance
Water - Hastings/Havelock	3,383,080	2,310,531	
Water - Clive	(370,203)	(381,915)	
Water - Whakatu	(159,322)	(118,192)	
Water - Haumoana/Te Awan	(91,042)	(131,444)	
Water - Omahu	60,636	56,609	
Water - Pakipaki	82,004	78,906	
	2,905,152.86	1,814,494	(1,090,659)

7.0 TRANSFER TO RESERVES

7.1 Splash Planet Reinvestment

The annual Splash Planet budget contains a provision of \$100,000 towards new or upgraded attractions at Splash Planet. Due to the nature and cost of the attractions, this budget is not spent every year and a Splash Planet Reinvestment Reserve has been created. The Splash Planet Reinvestment Reserve has a balance of \$834,260. In addition to this annual budget, there is a standing process whereby Council considers at this time each year a transfer up to a further \$100,000 to the Splash Planet Reinvestment Reserve should Splash Planet achieve a result better than budget and if the overall Council surplus is sufficient enough to allow such a transfer. While the Splash Planet financial result is \$78k better than budget, it is recommended that given Council's other financial priorities and the smaller than normal rating surplus, that the transfer is not recommended in this year.

8.0 CARRY FORWARD SCHEDULE

- 8.1 Included in **Attachment 4** is a Schedule of Projects and budget amounts that officers have requested to be carried forward to the 2018/19 year. Management have reviewed these requests and also compared them to project budgets in the 2017/18 year to ensure that the appropriate amount is being carried forward.
- 8.2 The level of carry forwards requested at \$37.6m is a reduction from last year's carry forwards of \$43.5m.
- 8.3 The level of carry forwards from rates funding has reduced from last year to \$1.96m (\$2.6m last year). While the table provides a summary of the major carry forward items, the \$0.556m of rates carry forwards classified as other is made up of over 25 different carry forward projects. Details of all these projects are included in Attachment 4.
- 8.4 Included in the Loan Funded carry forwards is \$3.8m for the Opera House, Plaza and Municipal strengthening and upgrades for 2018/19. In addition, there are a range of carry forwards across a number of Council activities, from the Clifton revetment (\$1m) through to the HB Community Fitness Centre Trust.
- 8.5 The following table is a summary of 2017/18 Carry Forwards recommended for approval and detailed in Attachment 4.

2017/18 Carry Forward Summary				
Growth			\$	\$
Omahu Industrial Development			1,932,000	
Iona / Middle			1,715,000	
Medium Density Housing Strategy			1,256,000	
Omahu Industrial Development			1,129,000	
Lyndhurst Development Stage II			1,059,666	
Lyndhurst Development Stage II			623,300	
Howard Street			613,000	
Lyndhurst - Neighbourhood Reserves			604,000	
Omahu Industrial Development			561,000	
Havelock Hills			515,000	
Northwood Reserve			422,000	
Lyndhurst Development Stage II			413,670	
Arataki Extension			361,000	
Havelock Hills - Storage & Pumping			340,000	
Howard Street			270,000	
Lyndhurst Development Stage II			203,370	
Native Tree Streets - Northwood Stormwater catchment			200,000	
Subdivision Support - Development Response			136,000	
Howard Street			135,000	
Advance Fees - Investigation & Options			80,000	
Other			450,406	
				13,019,412
Rate Funded				
Flaxmere Pool			236,000	
Playground Upgrades			149,147	
Haumoana shingle replenishment			114,000	
Hapu/Maori Engagement			112,000	
Web Streaming			110,000	
Kerbside Recycling			108,000	
HCAG - Heating, Ventilation & AC			100,000	
Blackbridge Transfer Station			97,000	
Financial Incentives			90,000	
Waste Futures			85,000	
Advance Fees - Investigation & Options			80,000	
Strategy Reviews			75,000	
Dust mitigation policy			50,000	
Other			556,875	
				1,963,022
Loan Funded				
HBOH Complex Strengthening			2,312,000	
Hawke's Bay Community Fitness Centre Trust			2,050,000	
Stage 1C Water			1,380,000	
CBD and Suburban Developments			1,322,000	
Clifton Revetment			1,000,000	
EMO facility extension			950,000	
Stage 1A Water			917,000	
Park Road System Upgrade			868,000	
Sportspark Development - Percival Road upgrade & extension			859,000	
Opera House Plaza			737,800	
Maraekakaho Rd - Kaiapo to Francis Hicks			621,000	
Municiple Strengthen			600,000	
Accelerated LED programme			531,535	
Other			8,430,928	
				22,579,263
Reserves/Loan/Subsidy				
Crematorium Chapel			21,000	
				21,000
Total Carry Forwards				37,582,697

9.0 ALLOCATION OF RATING SURPLUS

- 9.1 Council's Treasury Policy states the following on the allocation of surpluses:
"The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use."
- 9.2 The practice for Rating Area 2 has been that the surplus is transferred into the Rural Flood and Emergency Event Reserve and used to repay RA2 debt. Currently Rating Area 2 has no debt and the Hastings Rural Community Board has previously recommended that the target for the Rural Flood and Emergency Event reserve be increased to \$2.0m.
- 9.3 Two significant rain events in the second half of 2017/18 have reduced the balance of the Rating Area 2 Rural Flood and Emergency Event Reserve by \$0.605m to \$1.17m and it has been recommended to the Hastings Rural Community Board that the Rating Area 2 surplus be used to contribute to the Rural Flood and Emergency Event Reserve.
- 9.4 The Rural Community Board has also previously recommended that surpluses be used to contribute to the Rating Area 2 Capital Reserve, recognising that there is an increasing capital programme included in the 2018-28 Long Term Plan and 30 year Infrastructure Strategy.
- 9.5 The Rating Area 1 surplus has been used to repay debt although some additional projects have been funded from the surplus in the past as a way of offsetting the need for additional debt or rates funding. However the events of 2016/17 have put ongoing financial pressure on the 2017/18 result and in particular on the Rating Area 1 Water Supply Targeted Rate account.
- 9.6 The following priorities for surplus allocations are detailed below:

9.6.1 Rating Surplus

Given the size of the rating surplus from 2017/18, it is recommended that the two priority areas of Rating area one debt repayment and the Rating area two rural flood and emergency reserve replenishment are addressed.

It is also recommended that Council contribute \$25,000 to the A&P Society for the 2018 Royal Show. With the changeover of General Managers this year the Society overlooked their annual application to the discretionary grant fund and has subsequently asked if Council would be prepared to fund this application from other budget sources. As there are no other budgets for this application it is recommended that Council fund this from the surplus. Council has made contributions to the A&P Society over the past two years of \$20,000 and \$22,000.

9.6.2 Landfill additional surplus allocation

Council has previously used any surpluses generated from the Landfill operations to repay Landfill debt. Debt associated with the Landfill was repaid in 2015/16, providing Council with a decision as to how future surpluses are to be utilised. Last year for the first time the Landfill surplus was allocated based on the approved rating splits to the Rating

Area One Water Supply account and to the Rating Area Two Capital Reserve.

- 9.7 Given the financial pressures the Water Supply activity is under and the difference between the actual deficit position of the Water Supply Targeted Rate Account compared to the assumed opening position of the 2018-28 Long Term Plan, it is recommended that in the first instance the Landfill surplus be allocated to the Water Supply Targeted Rate Account to bring it in line with the LTP assumed starting position. This will ensure the proposed increases in the Water Supply Targeted Rate will be sufficient to meet the needs of that activity assuming all other variables being met.
- 9.8 The balance of Rating Area One's share of the Landfill surplus is recommended to be used to repay debt and the Rating Area Two share allocated to the Rating Area Two Capital reserve.
- 9.9 It is therefore recommended that revenues from the Landfill surplus be allocated as follows:

Total Landfill Surplus to allocate	<u>\$2,260,613</u>
Rating Area 1	
Allocation to Water Targeted Rate Account	\$1,090,659
Repayment of RA 1 Debt	\$885,342
Rating Area 2	
Allocation to RA 2 Capital Reserve	\$284,612
Total Allocated	\$2,260,613

- 9.10 The funds set out for the allocation to the Water Supply targeted rate account of \$1.09m above brings the opening balance of the water account in line with the 2018-28 Long Term plan assumptions and will reduce the potential need for increases to the Water Supply Targeted Rate beyond that already forecast in the Long Term Plan.
- 9.11 Given the extraordinary events of 2016/17 and the projected increases in the Water Supply Targeted Rate in future years it is recommended that the Rating Area 1 share of the 2017/18 Landfill surplus be allocated to the Rating Area 1 Water Supply targeted rate account. It is not in keeping with sound financial management to always "jam jar" account for future development opportunities and create reserves for potential future expenditure. It would be considered prudent for Council to allocate this additional surplus to the Rating Area 1 water account to reduce the impact of future rate increases by bringing the current deficit into line with the assumed LTP starting position. It is also considered prudent for the Rating Area 2 share of this surplus to be allocated to the Rating Area 2 Capital Reserve.
- 9.12 In 2008 the Rural Community Board recommended to Council that the Landfill rating formula be changed to designated population which is the basis for the allocation above. This recommendation was approved by Council and is consistent with the allocations made last year for the Landfill surplus.

Hawea Park

- 9.13 It has also been contemplated to use the 2017/18 surpluses to fund HDC's share of the land purchase for Hawea Park, a regional park to be owned and managed by the Hawke's Bay Regional Council. Through the land purchase

negotiations for the Whakatu Arterial an opportunity arose with HBRC to create a new park adjacent to the existing Pakowhai Country Park and it was agreed that HDC would contribute half of the land cost in order for this to be achieved.

9.14 Council's share of this land purchase was \$300,000 and is currently unbudgeted. While there is an opportunity to use the 2017/18 surpluses to fund this land purchase, the other priorities of RA1&2 are significant, particularly in RA2 where the need to replenish the RA2 Flood Reserve is the main priority. If surpluses were used to fund this land purchase, the impact on the RA2 reserve contributions would be appropriately \$40,000.

9.15 It is recommended that the land purchase for HDC's share of Hawea Park be treated as unbudgeted expenditure and be loan funded.

9.16 The Hastings District Rural Community Board will meet on 10 September 2018 and the recommendation to the Board are as follows:

A) That the report of the Financial Controller titled "Draft Financial Year End Result - 30 June 2018" dated 11/09/2018 be received.

B) That the Hastings Rural Community Board recommend to Council that the Rating Area 2 Rating Surplus of \$424,274 be allocated to the Rural Flood & Emergency Event Reserve. Noting that the value of the surplus available will change if Council makes decisions to allocate the overall Council surplus to other projects that require a rating area allocation to be made.

C) That the Hastings Rural Community Board recommend to Council that the RA2 allocation of the Landfill surplus of \$284,612 contribute to the RA2 Capital Reserve in accordance with the approved rating allocation for the Landfill.

Note: that the exact numbers recommended to the Hastings District Rural Community Board have changed slightly with the development of recommendations for this report. The decision of the Hastings District Rural Community Board will be reported verbally to the Committee.

- 9.17 The recommendation of this report taking into consideration the recommendations to the Hastings District Rural Community Board is to allocate the rating surplus as per the table below:

	Total	Rating Area 1	Rating Area 2
Surplus on General Rate	942,713	518,439	424,274
Landfill Surplus	2,260,613	1,976,001	284,612
	3,203,326	2,494,440	708,886
Recommended Allocation of Surplus's			
Surplus on General Rate			
A&P Society	25,000	21,852	3,148
Rating Area 1 Debt Repayment (Stormwater)	496,587	496,587	-
Rating Area 2 Flood Reserve	421,126	-	421,126
	942,713	518,439	424,274
Landfill Surplus			
Water Supply Targeted Rate Account	1,090,659	1,090,659	-
Rating Area 1 Debt Repayment (Stormwater)	885,342	885,342	-
Rating Area 2 Capital Reserve	284,612	-	284,612
	2,260,613	1,976,001	284,612
Total Allocation of Surplus's	3,203,326	2,494,440	708,886

10.0 SIGNIFICANCE AND CONSULTATION

- 10.1 This report does not raise any issues that are significant in terms of the Council's Significance and Engagement Policy that would require consultation.

11.0 SUMMARY/ PREFERRED OPTION

- 11.1 It is the view of officers that this is a good financial result. Council's financial strategy is to budget for all known expenditure and when a surplus is achieved to repay debt along with meeting other particular needs. Following the extraordinary events of 2016/17 and the impact that has had on Council's finances in 2017/18, it is recommended that Council prioritise allocation of the surpluses to repaying debt and repaying the Rating Area 1 Water Supply deficit. In Rating Area 2, allocations are recommended to the Capital Reserve and to the Rural Flood Emergency Event Reserve as per policy.
- 11.2 The recommendations have been prepared on the basis of the recommendations to the Hastings District Rural Community Board.

12.0 Recommendations

- A) That the report of the Financial Controller titled “Draft Financial Year End Result - 30 June 2018” dated 11/09/2018, be received.
- B) That the funds arising from the Rating Area 2 surplus for the 2017/18 financial year as recommended by the Hastings Rural Community Board be re-allocated as follows:

Rating Area 2 Surplus Allocations	2017/18
Surplus on General Rate	424,274
Landfill Surplus	284,612
	708,886
Recommended Allocation of Surplus's	
Surplus on General Rate	
A&P Society	3,148
Rating Area 2 Flood Reserve	421,126
	424,274
Landfill Surplus	
Rating Area 2 Capital Reserve	284,612
	284,612
Total Allocation of Surplus's	708,886

- C) That the rating surplus be allocated as per the following table:

	Total	Rating Area 1	Rating Area 2
Surplus on General Rate	942,713	518,439	424,274
Landfill Surplus	2,260,613	1,976,001	284,612
	3,203,326	2,494,440	708,886
Recommended Allocation of Surplus's			
Surplus on General Rate			
A&P Society	25,000	21,852	3,148
Rating Area 1 Debt Repayment (Stormwater)	496,587	496,587	-
Rating Area 2 Flood Reserve	421,126	-	421,126
	942,713	518,439	424,274
Landfill Surplus			
Water Supply Targeted Rate Account	1,090,659	1,090,659	-
Rating Area 1 Debt Repayment (Stormwater)	885,342	885,342	-
Rating Area 2 Capital Reserve	284,612	-	284,612
	2,260,613	1,976,001	284,612
Total Allocation of Surplus's	3,203,326	2,494,440	708,886

- D) That the budgets as per the schedule of Carry Forwards funded by rates and loans be approved to be carried forward to the 2017/18 financial year.

E) That \$300,000 of unbudgeted loan funding be provided for in 2018/19 for Council's share of land purchased for the creation of Hawea Park.

Item 5

Attachments:

- | | | |
|---|---|-----------------|
| 1 | Draft Rating Result for the year ended 30 June 2018 | FIN-09-3-18-290 |
| 2 | Dashboard Summary of Financial Performance | FIN-09-3-18-289 |
| 3 | Draft Unaudited Financial Statements | FIN-09-3-18-291 |
| 4 | Detailed Carry Forward Schedule | FIN-09-3-18-292 |

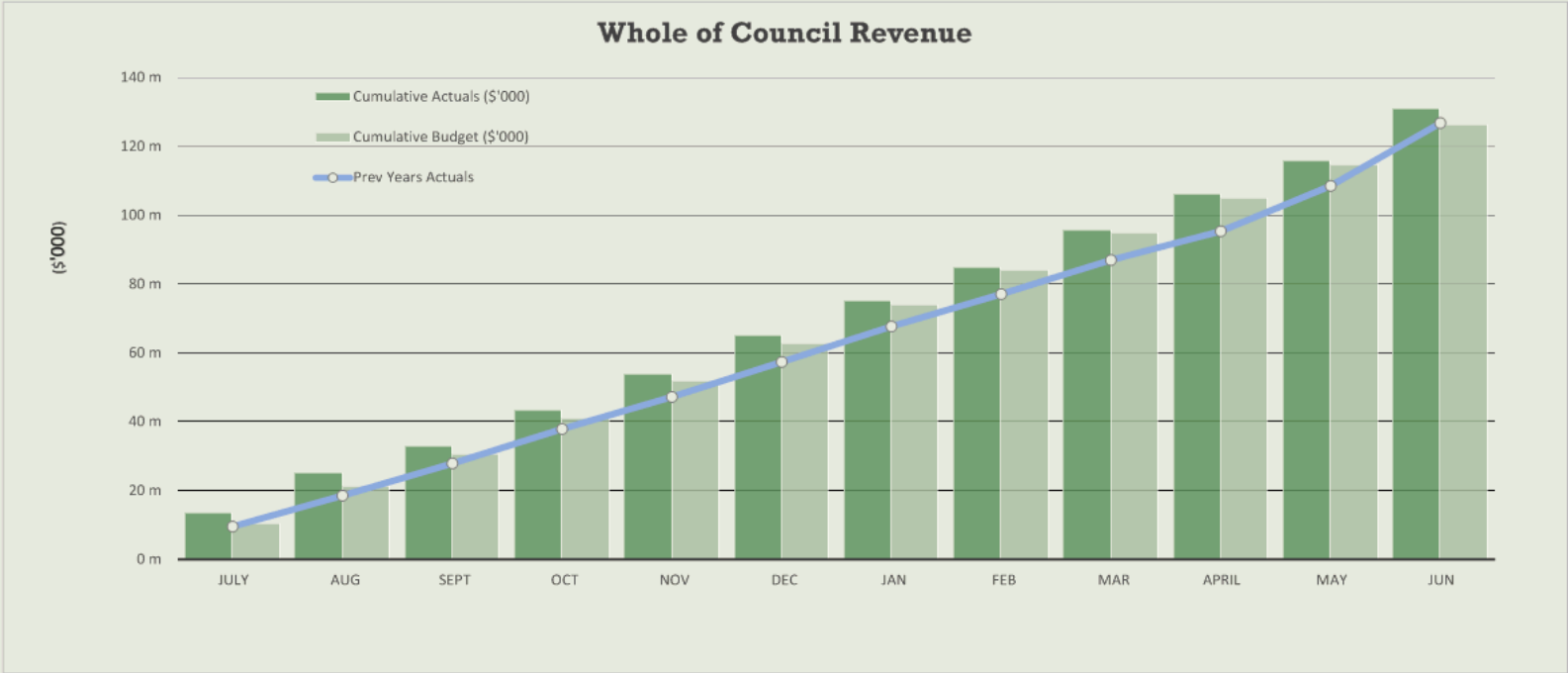
ANALYSIS OF YEAR-END RESULT FOR 2017/18 INTO RATING GROUPS					
Activity	Method	Amount	Area 1	Area 2	Total
Corporate and Customer Services	Formula	448,060	337,595	110,465	448,060
Rural Community Board	Rural	42,046	4,327	37,719	42,046
Finance Services	Formula	55,795	55,795	0	55,795
Community Facilities and Programmes	Formula	12,785,376	11,638,204	1,147,171	12,785,376
Planning and Regulatory Services	Formula	6,115,343	5,040,026	1,075,317	6,115,343
Economic Growth & Organisation Improvement	Actual	2,733,449	2,220,509	512,940	2,733,449
Parks and Property Management	Actual	9,612,385	8,966,432	645,952	9,612,385
Transportation	Actual	15,428,676	9,980,720	5,447,955	15,428,676
Landfill	Formula	40,950	11,590	29,360	40,950
Stormwater	Actual	2,499,288	2,473,337	25,951	2,499,288
Recycling Depot & Trsfr Stn	Formula	617,326	575,841	41,484	617,326
Contingency Fund	Formula	122,462	97,970	24,492	122,462
Gross Requirement		50,501,155	41,402,347	9,098,808	50,501,155
Less Additional Funding					
Petrol Tax Credit	Formula	-552,181	-471,494	-80,686	-552,181
Investments	Formula	343,983	343,983	0	343,983
2016/17 Brought Forwards (excl UAC's)	Actual	-2,593,601	-2,357,018	-236,584	-2,593,601
		47,699,356	38,917,818	8,781,538	47,699,356
Add Uniform Annual General Charge Activities					
Economic Development (65%)		1,574,209	1,356,968	217,241	1,574,209
Civil Defence (50%)		257,239	221,740	35,499	257,239
Wastewater UAGC's (20%)		22,766	22,766	0	22,766
Waimarama Seawall UAGC (10%)		1,747		1,747	1,747
Rate Collection (100%)		972,736	850,268	122,467	972,736
Leadership (100%)		3,626,615	3,170,024	456,591	3,626,615
Waipatiki Wastewater		0	0	0	0
Actual Rating Requirement		54,154,668	44,539,584	9,615,083	54,154,668
Budgeted Rating Requirement		57,296,901	47,108,209	10,188,692	57,296,901
		3,142,233	2,568,624	573,609	3,142,233
Extra Rates Income (incl penalties & remissions)		-274,799	-362,431	87,632	-274,799
Surplus before Carry Forwards		2,867,435	2,206,193	661,241	2,867,435
Less					
Carry Forwards funded from rates to 2018/19		-1,924,722	-1,687,755	-236,967	-1,924,722
Surplus on General Rate		942,713	518,439	424,274	942,713

ANALYSIS OF YEAR-END RESULT FOR 2017/18 INTO RATING GROUPS		Rating Area One			
Activity	Budgeted Net Cost	Actual Net Cost	C/Forwards to 17/18	17/18 Result Surplus(deficit)	
Corporate and Customer Services	601,725	337,595	186,493	77,636	
Rural Community Board	5,022	4,327	695	0	
Finance Services	74,323	55,795	0	18,528	
Community Facilities and Programmes	12,783,306	11,638,204	304,263	840,839	
Planning and Regulatory Services	5,090,577	5,040,026	113,600	-63,049	
Economic Growth & Organisation Improvement	2,561,885	2,220,509	138,446	202,930	
Parks and Property Management	8,864,649	8,966,432	262,296	-364,080	
Transportation	10,494,012	9,980,720	225,500	287,792	
Landfill	118,274	11,590	88,284	18,400	
Stormwater	2,424,828	2,473,337	0	-48,509	
Recycling Depot & Trsfr Stn	759,744	575,841	90,482	93,421	
Contingency Fund	160,000	97,970	0	62,030	
Gross Requirement	43,938,344	41,402,347	1,409,364	1,126,633	
Less Additional Funding					
Petrol Tax Credit	-444,016	-471,494	0	27,478	
Investments	79,700	343,983	0	-264,283	
2016/17 Brought Forwards (excl UAC's)	-2,357,018	-2,357,018	0	0	
	41,217,010	38,917,818	1,409,364	889,828	
Add Uniform Annual General Charge Activities					
Economic Development (65%)	1,570,735	1,356,968	165,289	48,479	
Civil Defence (50%)	233,276	221,740	3,017	8,519	
Wastewater UAGC's (20%)		22,766	0	0	
Waimarama Seawall UAGC (10%)	0	0	0	0	
Rate Collection (100%)	886,118	850,268	0	35,850	
Leadership (100%)	3,139,101	3,170,024	109,263	-140,185	
Waipatiki Wastewater	0	0	0	0	
Actual Rating Requirement	47,108,209	44,539,584	1,686,932	880,869	
Budgeted Rating Requirement					
	47,108,209	44,539,584	1,686,932	880,869	
Extra Rates Income (incl penalties & remissions)			0	-362,431	
Surplus before Carry Forwards	47,108,209	44,539,584	1,686,932	518,438	
Less					
Carry Forwards funded from rates to 2018/19				0	
Surplus on General Rate				518,439	

Attachment One

ANALYSIS OF YEAR-END RESULT FOR 2017/18 INTO RATING GROUPS		Rating Area Two		
Activity	Budgeted Net Cost	Actual Net Cost	C/Forwards to 17/18	17/18 Result Surplus(deficit)
Corporate and Customer Services	145,764	110,465	27,707	7,593
Rural Community Board	43,778	37,719	0	6,059
Finance Services	5,280	0	0	5,280
Community Facilities and Programmes	1,236,630	1,147,171	24,767	64,692
Planning and Regulatory Services	1,110,337	1,075,317	28,400	6,620
Economic Growth & Organisation Improvement	597,884	512,940	26,104	58,840
Parks and Property Management	638,620	645,952	18,896	-26,229
Transportation	5,659,544	5,447,955	50,000	161,588
Landfill	44,726	29,360	12,716	2,650
Stormwater	53,617	25,951	0	27,666
Recycling Depot & Trsfr Stn	54,733	41,484	6,518	6,730
Contingency Fund	40,000	24,492	0	15,508
Gross Requirement	9,630,914	9,098,808	195,108	336,998
Less Additional Funding				
Petrol Tax Credit	-75,984	-80,686	0	4,702
Investments	0	0	0	0
2016/17 Brought Forwards (excl UAC's)	-236,584	-236,584	0	0
	9,318,347	8,781,538	195,108	341,700
Add Uniform Annual General Charge Activities				
Economic Development (65%)	251,463	217,241	26,462	7,761
Civil Defence (50%)	37,346	35,499	483	1,364
Wastewater UAGC's (20%)	0	0	0	0
Waimarama Seawall UAGC (10%)	1,747	1,747	0	0
Rate Collection (100%)	127,631	122,467	0	5,164
Leadership (100%)	452,137	456,591	15,738	-20,191
Waipatiki Wastewater	0	0	0	0
Actual Rating Requirement	10,188,692	9,615,083	237,790	335,797
Budgeted Rating Requirement	10,188,692	9,615,083	237,790	336,642
Extra Rates Income (incl penalties & remissions)			0	87,632
				0
Surplus before Carry Forwards	10,188,692	9,615,083	237,790	424,274
Less				
Carry Forwards funded from rates to 2018/19				0
Surplus on General Rate				424,274

Hastings District Council Quarterly Dashboard as at
30 June 2018



Total Revenue Streams	Actual Ytd (\$'000)	Budget Ytd (\$'000)	Variance Ytd (\$'000)
Rates (Budget)	72,674	72,318	356
Fees, charges & metered water supply charges	24,394	21,845	2,549
Subsidies and Grants	25,143	26,625	-1,482
Development and financial contributions	4,711	3,876	835
Interest revenue	162	0	162
Other revenue	3,901	1,626	2,275
Total	130,985	126,290	4,695

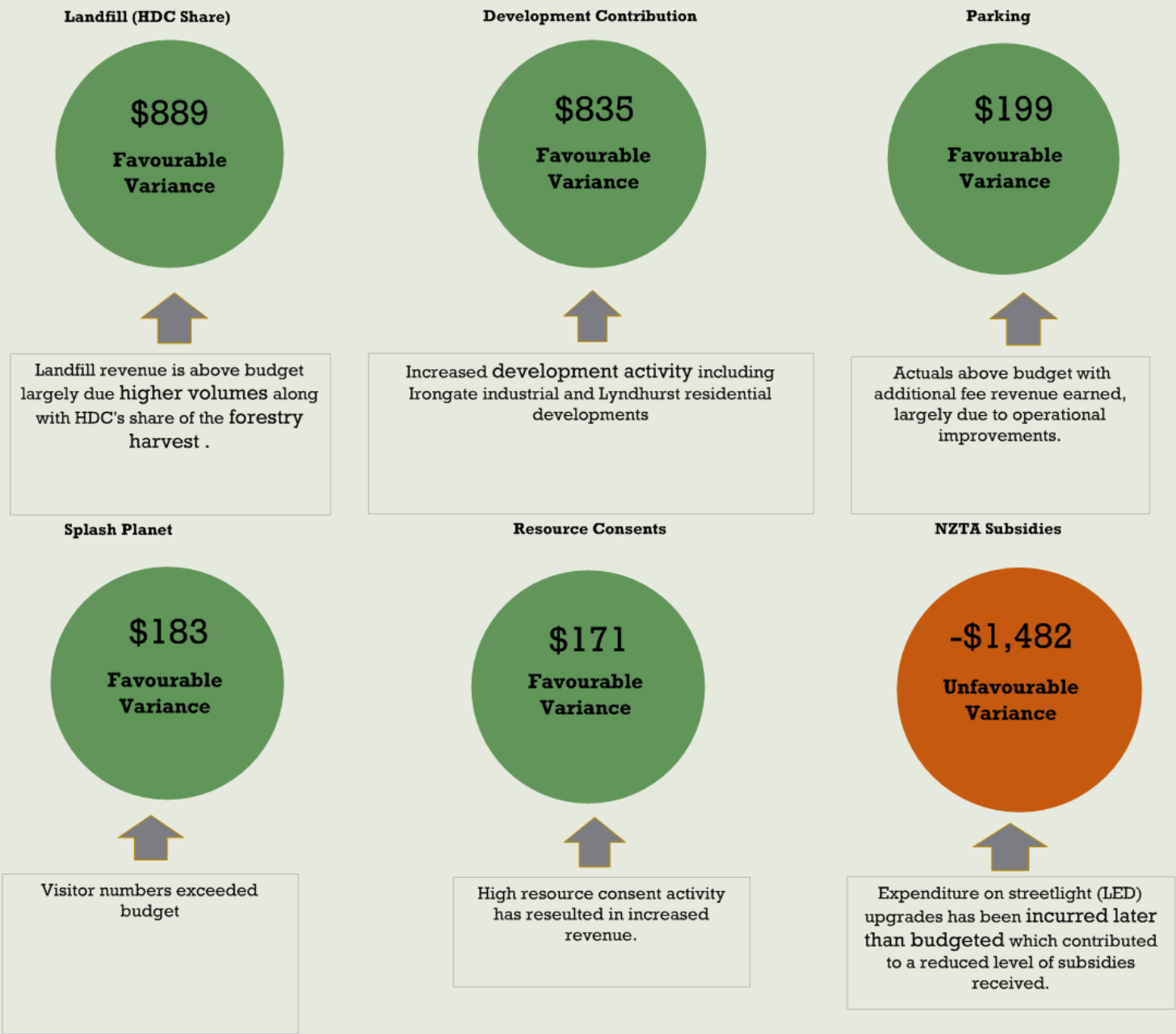
Comments:

Fees and Charges are \$2.5m above budget across a range of activities in Council.

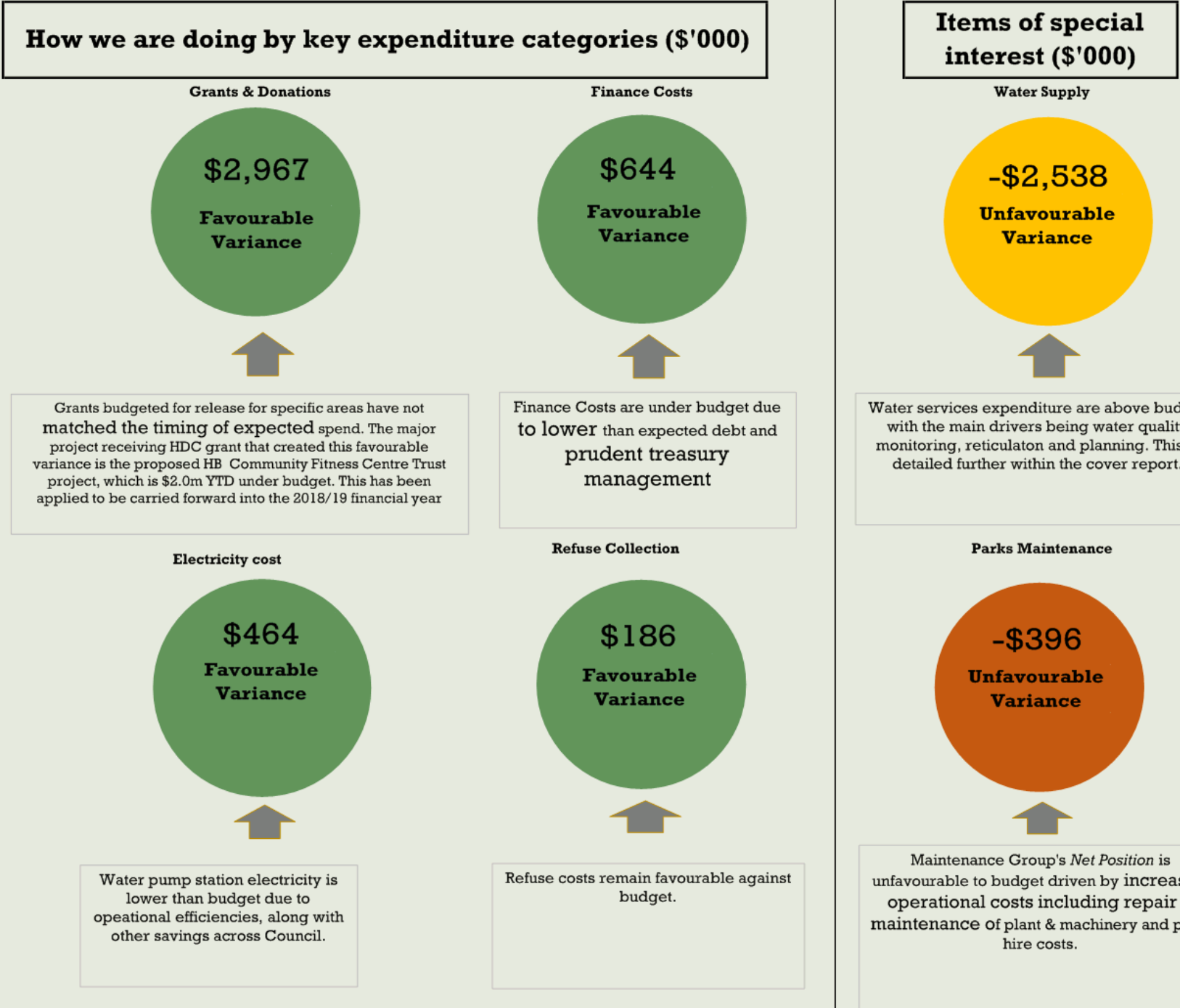
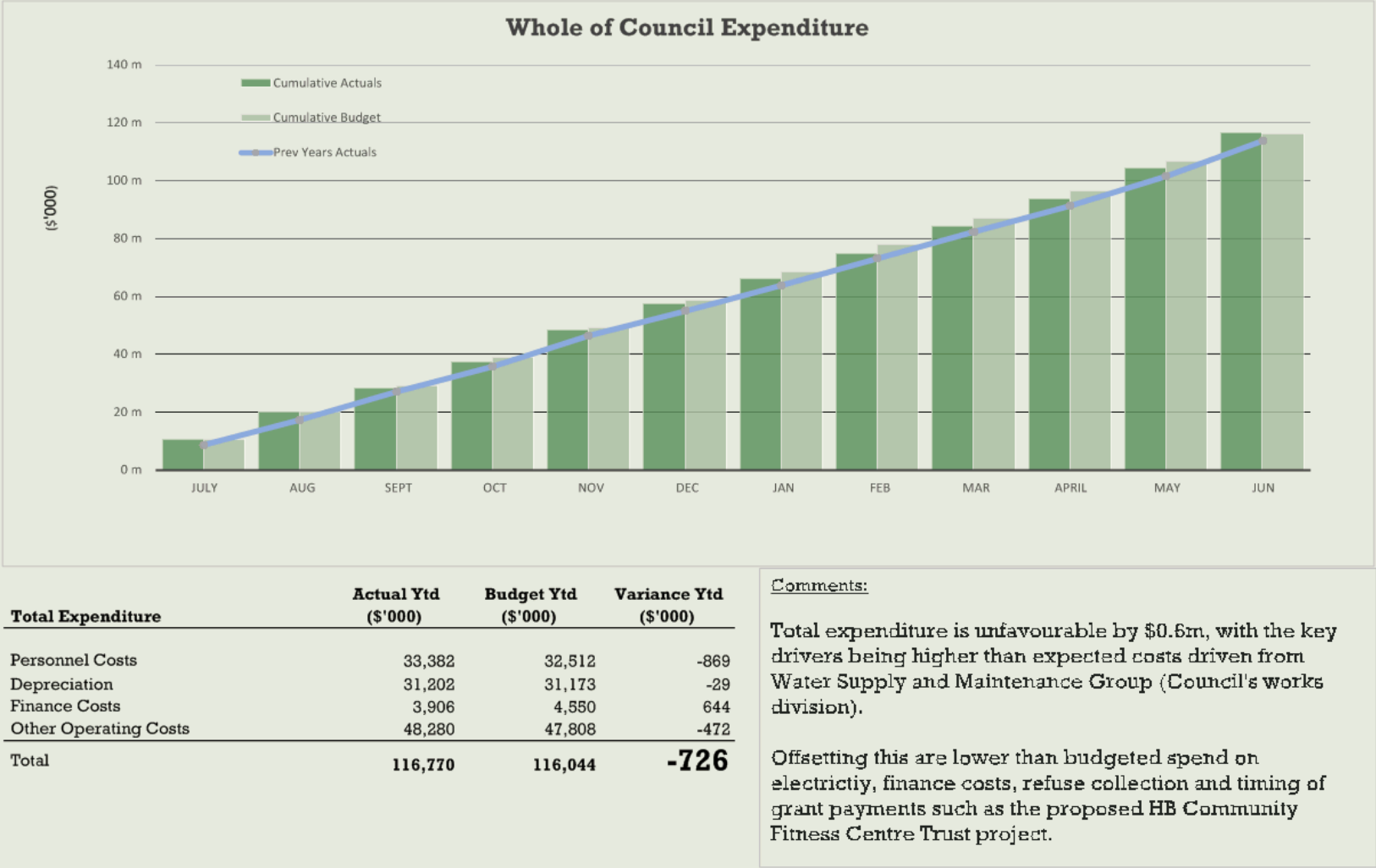
Grants and subsidies are \$1.4m behind budget due to later than budgeted spend.

Other Revenue is a result of higher than budgeted vested assets along with gains on the sale of assets.

How we are doing by key revenue streams (\$'000)



Hastings District Council Quarterly Dashboard as at
30 June 2018



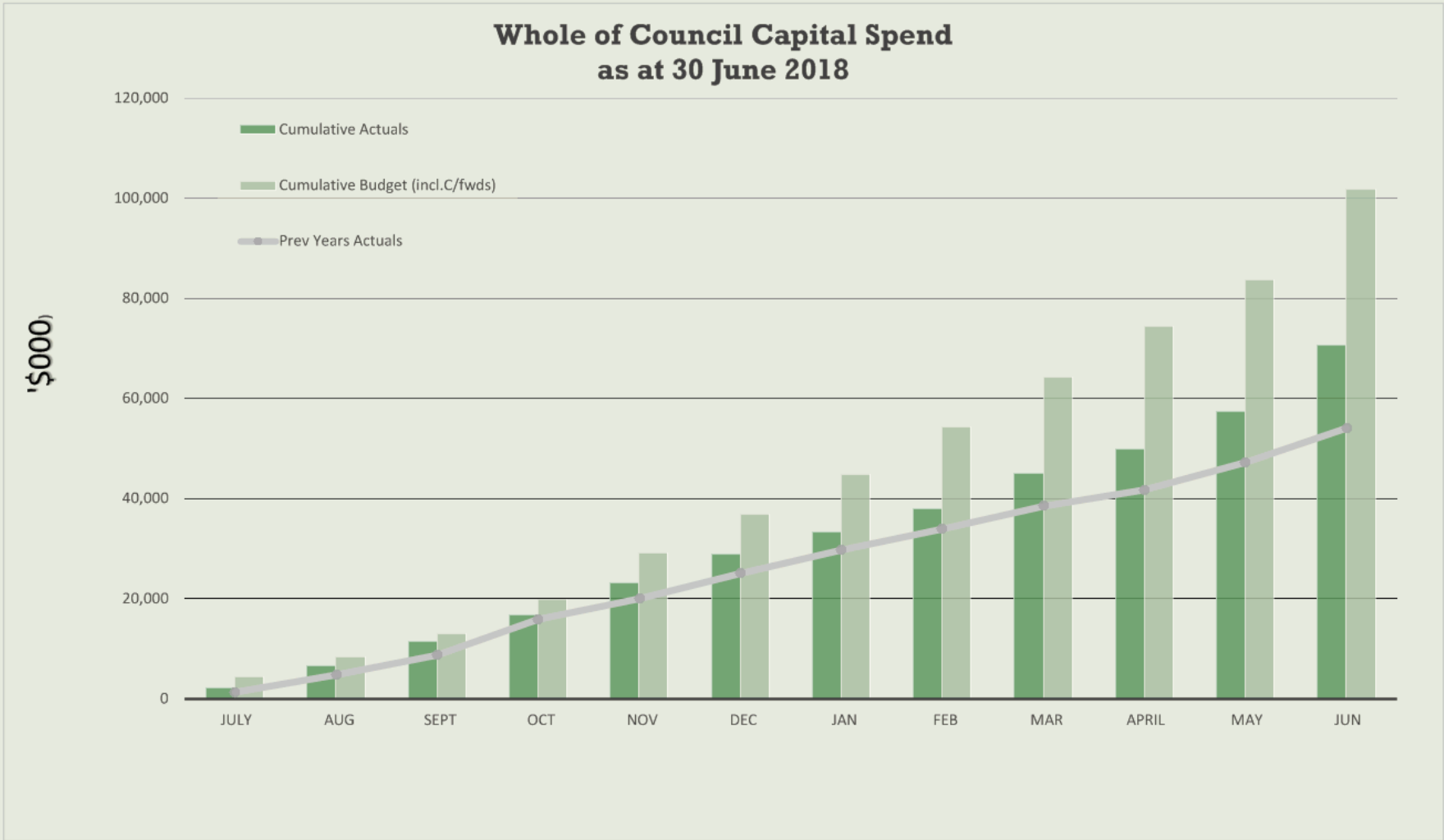
Hastings District Council Statement of Comprehensive Revenue and Expense as at 30 June 2018

Previous YTD Actuals (\$'000)	Description	Actuals (\$'000)	Budgets (\$'000)	Variance (\$'000)	Total Budget (\$'000)
	Revenue				
70,770	Rates	72,674	72,318	356	72,318
24,321	Fees, charges & metered water supply	24,394	21,845	2,549	21,845
21,835	Subsidies and Grants	25,143	26,625	-1,482	26,625
6,192	Development and financial contributions	4,711	3,876	835	3,876
190	Interest revenue	162		162	
3,572	Other revenue	3,901	1,626	2,275	1,626
126,879	Total Revenue	130,985	126,290	4,695	126,290
	Expenditure				
31,540	Personnel Costs	33,382	32,512	-869	32,512
31,525	Depreciation & Amortisation Expense	31,202	31,173	-29	31,173
3,747	Finance Costs	3,906	4,550	644	4,550
47,002	Other Operating Costs	48,280	47,808	-472	47,808
113,814	Total Expenditure	116,770	116,044	-726	116,044
13,065	SURPLUS/(DEFICIT)	14,215	10,246	3,969	10,246

Hastings District Council Statement of Comprehensive Revenue and Expense by Segment as at 30 June 2018

Previous YTD Actuals (\$'000)	Description	Actuals (\$'000)	Budgets (\$'000)	Variance (\$'000)	Total Budget (\$'000)
	REVENUE				
70,770	Rates	72,674	72,318	356	72,318
6,520	Comm Fac and Prog	10,957	10,023	934	10,023
5,466	Plan and Reg Service	6,558	6,024	534	6,024
943	Parks Management	1,501	1,566	-65	1,566
7,538	Waste Services	7,724	6,497	1,227	6,497
22,343	Transportation	21,952	22,449	-497	22,449
7,232	Water Services	7,618	5,924	1,694	5,924
795	Econ Grow and Org Im	803	680	123	680
5,273	Governance and Support Services	1,200	811	389	811
126,879	TOTAL REVENUE	130,985	126,290	4,695	126,290
	EXPENDITURE				
19,341	Comm Fac and Prog	19,494	19,469	-25	19,469
11,958	Plan and Reg Service	13,210	12,988	-222	12,988
-1,600	Property Management*	-1,545	-1,335	210	-1,335
10,328	Parks Management	11,301	12,865	1,564	12,865
6,794	Waste Services	7,980	8,119	139	8,119
29,076	Transportation	28,130	29,700	1,570	29,700
24,157	Water Services	26,442	22,556	-3,886	22,556
5,593	Econ Grow and Org Im	5,788	6,105	317	6,105
8,168	Governance and Support Services	5,971	5,577	-393	5,577
113,814	TOTAL EXPENDITURE	116,770	116,044	-726	116,044
13,065	SURPLUS /(DEFICIT)	14,215	10,246	3,969	10,246

* Property Management expenditure includes recoveries received from other activities of Council at 30 June 2018. Property Management had recovered more than they had spent.



Key projects	Actual Ytd (\$'000)	Budget Ytd (\$'000)	Variance Ytd (\$'000)	Total Budget (\$'000)
Stage 1A Water	7.5 m	8.4 m	0.9 m	8.4 m
Whakatu Arterial	6.9 m	5.2 m	-1.7 m	5.2 m
Opera House Earthquake Strenthening	6.1 m	10.0 m	3.9 m	10.0 m
Te Mata Water Services Upgrade	4.9 m	4.2 m	-0.7 m	4.2 m
Heretaunga Street Water Upgrade	2.6 m	2.6 m	0.0 m	2.6 m

Capital - Commentary

Capital spend to 30 June 2018 is \$70m compared to a full year budget of \$101m, which included \$43m carried forward 2016/17 and was carried forward into the current year 2017-18. Whilst budget was not acheived, there has been a significant increase in capital spend with projects completed and/or underway from the prior years actual spend of \$54.1m.

Statement of Comprehensive Revenue & Expense - Commentary

Revenue Variances
Revenue is \$4.7m above budget (favourable) for the 2017/18 year. Increased development activity has contributed to higher development contribution revenue. Fees and charges across almost all activities of Council are above budget and are a likely reflection of the increased activity within the Hawkes Bay region.

Expenditure Variances
Expenditure is \$0.7m above budget (unfavourable) for the 2017/18 year. Key cost drivers have been increased Water Supply and the Maintenance Group expenditures. Offsetting these costs are lower than budgeted spend on electricity, finance costs, refuse collection and the timing of the proposed HB Community Fitness Centre Trust grant.

Result
Operationally the \$14.2m surplus result for the 2017/18 year is \$4.0m favourable compared to budget. This is a result that is reflective of the challenges faced by Council in managing risks and costs such as water services , whilst working through meeting community needs.

Unaudited Financial Statements to year ended 30 June 2018

Actual Council 2017 \$'000	Actual Group 2017 \$'000	Statement of comprehensive revenue and expense for the year ended 30 June 2018	Notes	Budget Council 2018 \$'000	Actual Council 2018 \$'000
REVENUE					
70,769	70,769	Rates, excluding metered water supply charges (i)	3	72,234	72,674
24,321	24,337	Fees, charges and metered water supply charges (ii)		21,742	24,394
21,756	22,131	Subsidies and Grants (iii)		16,096	24,534
6,192	6,192	Development and financial contributions (iv)		3,876	4,711
78	78	Donations		3	609
190	197	Interest revenue (v)	4	0	162
3,550	3,550	Other revenue (vi)	5	626	1,209
21	21	Vested infrastructural assets (vii)		1,000	2,692
126,878	127,277	Total revenue		115,577	130,985
EXPENSES					
78,806	78,938	Operational costs (viii)	6	75,986	81,890
31,522	31,535	Depreciation and amortisation expense	7	31,173	31,200
3,519	3,519	Finance Costs (ix)		4,550	3,680
113,847	113,992	Total expenses		111,709	116,770
-	270	Share of associate surplus/(deficit)		-	-
13,031	13,555	Surplus/ (deficit) before tax		3,868	14,215
-	-	Income Tax expense	8	-	-
13,031	13,555	Surplus/(deficit) after tax		3,868	14,215
Other comprehensive revenue and expense:					
28,675	28,698	Gain/loss on infrastructural revaluations		27,437	113,512
		Gain/Loss on land and building revaluations		-	46,761
234	241	Gain/Loss on other revaluations		-	(501)
28,909	28,939	Total other comprehensive revenue and expense		27,437	159,772
41,941	42,494	Total comprehensive revenue and expense		31,305	173,987
Net Surplus /(Deficit) attributable to:					
13,031	13,555	Hastings District Council		3,868	14,215
-	-	Minority Interest		-	-
13,033	13,555			3,868	14,215
Total comprehensive revenue and expense attributable to:					
41,942	42,494	Hastings District Council		31,305	173,987
-	-	Minority Interest		-	-
41,942	42,494			31,305	173,987

Actual Council 2017 \$'000	Actual Group 2017 \$'000	Statement of financial position as at 30 June 2018	Notes	Budget Council 2018 \$'000	Actual Council 2018 \$'000
CURRENT ASSETS					
7,383	7,734	Cash & cash equivalents		1,265	1,640
12,260	12,547	Receivables (i)		9,246	11,966
114	114	Inventory		59	108
-	-	Non-current assets held for sale		-	-
30	246	Short Term Investments		-	30
19,787	20,641	Total current assets		10,570	13,744
NON-CURRENT ASSETS					
Other financial assets					
27	27	Derivative financial instruments		-	-
1,807	7,630	Investments in associates		1,066	1,807
Other financial assets					
237	1	Investments in CCO's and similar entities		590	150
1,491	1,491	Investment in other entities			1,731
Other non-current assets					
				1,568	
3,562	9,149	Total other financial assets		3,224	3,688
170,515	170,856	Plant, property and equipment		208,304	227,220
1,738,502	1,738,502	Infrastructural assets		1,700,675	1,882,645
503	503	Biological Assets		-	19
320	320	Intangible assets		205	127
1,913,401	1,919,328	Total non-current assets		1,912,408	2,113,700
1,933,188	1,939,969	Total assets		1,922,979	2,127,444
LIABILITIES					
Current liabilities					
18,713	19,032	Payables and deferred revenue (ii)		14,437	21,050
2,467	2,467	Employee entitlements		2,241	2,612
212	212	Derivative financial instruments		-	93
-	-	Borrowings and other financial liabilities (iii)		9,929	22,000
21,392	21,711	Total current liabilities		26,607	45,754
Non-current liabilities					
659	659	Provisions		703	719
480	480	Employee entitlements		676	432
5,489	5,489	Derivative financial instruments		3,500	6,385
60,741	60,741	Borrowings and other financial liabilities (iii)		89,360	55,740
67,369	67,369	Total non-current liabilities		94,239	63,276
88,761	89,080	Total liabilities		120,846	109,030
1,844,428	1,850,889	Net assets (assets minus liabilities)		1,802,133	2,018,413
Equity					
1,219,951	1,224,259	Accumulated funds		1,218,430	1,233,762
3,169	3,169	Restricted Reserves		3,563	3,572
621,308	623,460	Revaluation Reserves		580,140	781,079
1,844,428	1,850,889	Total equity		1,802,133	2,018,413

CARRY FORWARD REQUEST REPORT						
Projects not completed by 30 June 2018						
	Carry Forward					
Project Description	into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
CHIEF EXECUTIVE OFFICE						
Corporate Services Policy						
Clifton Revetment	140,000	- 140,000	-	-	-	-
TOTAL	140,000	-140,000	0	0	0	0
Funding						
Leadership						
Review of Wards Structure	15,000	-	-	15,000	-	-
Web Streaming	110,000	-	-	110,000	-	-
TOTAL	125,000	0	0	-125,000	0	0
Funding						
Strategic Culture & Heritage						
Hapu/Maori Engagement	112,000	-	-	112,000	-	-
TOTAL	112,000	0	0	-112,000	0	0
Funding						
Emergency Management Civil Defence						
CD Signage including Tsunami	7,000	-	-	7,000	-	-
EMO facility extension	950,000	- 950,000	-	-	-	-
TOTAL	957,000	-950,000	0	-7,000	0	0
Funding						
FINANCE						
COMMUNITY FACILITIES & PROGRAMMES						

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Swimming Pools						
Flaxmere Pool	236,000	-	-	236,000	-	-
TOTAL	236,000	0	0	-236,000	0	0
Funding						
Hastings Sports Centre						
Ceiling Lights	17,830	-	-	17,830	-	-
Booking System upgrade	3,200	-	-	3,200	-	-
MENZshed	120,000	- 120,000	-	-	-	-
TOTAL	141,030	-120,000	0	-21,030	0	0
Funding						
Halls						
Te Awanga Hall	20,000	-	-	20,000	-	-
TOTAL	20,000	0	0	-20,000	0	0
Funding						
Flaxmere Community Centre						
TOTAL	0	0	0	0	0	0
Funding						
Hastings City Art Gallery						
HCAG - Heating, Ventilation & AC	100,000	- 100,000	-	-	-	-
HCAG - Air Conditioning Unit	0	-	-	-	-	-
TOTAL	100,000	-100,000	0	0	0	0
Funding						
Community Safety Initiatives						
Safer Streets Project (Camberley)	0	-	-	-	-	-
TOTAL	0	0	0	0	0	0
Funding						

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Social Development						
Safer Streets Project (Camberley)	0	-	-	-	-	-
Youth Council	0	-	-	-	-	-
DIA Community Development Scheme	17,000	-	-	17,000	-	-
Safer Hastings	35,000	-	-	35,000	-	-
TOTAL	52,000	0	0	-52,000	0	0
Funding						
Cemeteries						
Crematorium Chapel	0	-	-	-	-	-
TOTAL	0	0	0	0	0	0
Funding						
Crematorium						
Crematorium Chapel	21,000	-	-	-	21,000	-
TOTAL	21,000	0	0	0	-21,000	0
Funding						
Community Assistance						
Flaxmere West Project	250,000	250,000	-	-	-	-
TOTAL	250,000	-250,000	0	0	0	0
Funding						
HB Opera House						
Plaza	737,800	737,800	-	-	-	-
HBOH Complex Strengthening	2,312,000	2,312,000	-	-	-	-
HBOH Design	221,000	221,000	-	-	-	-
Municiple Strengthen	600,000	600,000	-	-	-	-
TOTAL	3,870,800	-3,870,800	0	0	0	0
Funding						

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
PLANNING & REGULATORY SERVICES						
Environmental Policy						
Environmental Purposes	5,000	-	-	5,000	-	-
District Plan Publication	25,000	-	-	25,000	-	-
District Plan Review	100,000	-	-	100,000	-	-
Wahi Taonga Review	12,000	-	-	12,000	-	-
TOTAL	142,000	0	0	-142,000	0	0
Funding						
Enviromental Consents						
TOTAL	0	0	0	0	0	0
Funding						
ECONOMIC GROWTH & ORGANISATIONAL IMPROVEMENTS						
Central Administration Building						
Civic building Insulation	13,300	-	-	13,300	-	-
TOTAL	13,300	0	0	-13,300	0	0
Funding						
Economic Growth & Organisation Improvement Admin						
Hastings CBD Strategy	25,000	-	-	25,000	-	-
Strategy Reviews	75,000	-	-	75,000	-	-
TOTAL	100,000	0	0	-100,000	0	0
Funding						

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Economic Development						
Financial Incentives	90,000	-	-	90,000	-	-
International Economic Development	42,000	-	-	42,000	-	-
Business Improvement programme	46,000	-	-	46,000	-	-
Business Attraction	40,000	-	-	40,000	-	-
Commercial Developments	25,000	-	-	25,000	-	-
TOTAL	243,000	0	0	-243,000	0	0
Funding						
WASTE MANAGEMENT						
Refuse Collection - Rating Area 1						
Consents Closed Landfill	29,000	-	-	29,000	-	-
Kerbside Recycling	108,000	-	-	108,000	-	-
TOTAL	137,000	0	0	-137,000	0	0
Funding						
Refuse Collection - Rating Area 2						
Consents Closed Landfill	0	-	-	-	-	-
TOTAL	0	0	0	0	0	0
Funding						
Transfer Stations						
Blackbridge Transfer Station	97,000	-	-	97,000	-	-
TOTAL	97,000	0	0	-97,000	0	0
Funding						
Recycling Depot						
Blackbridge Transfer Station	0	-	-	-	-	-
TOTAL	0	0	0	0	0	0

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Funding						
Waste Minimisation						
Waste Survey	16,000	-	-	16,000	-	-
Waste Futures	85,000	-	-	85,000	-	-
TOTAL	101,000	0	0	-101,000	0	0
Funding						
Omarunui Regional Landfill Site HDC						
Landfill Valley Development A & D	186,920	- 186,920	-	-	-	-
Landfill Valley Development B & C	334,957	- 334,957	-	-	-	-
TOTAL	521,877	-521,877	0	0	0	0
Funding						
PARKS MANAGEMENT						
Passive Parks						
Flaxmere Village Green	73,600	- 25,000	-	48,600	-	-
Facade Enhancement	14,445	-	-	14,445	-	-
Te Mata Peak Upgrade	218,000	- 218,000	-	-	-	-
RSP Trust Cash Contribution	0	-	-	-	-	-
HB Showgrounds	250,000	- 250,000	-	-	-	-
Playground Upgrades	149,147	-	-	149,147	-	-
Lyndhurst - Neighbourhood Reserves	604,000	-	- 604,000	-	-	-
Lyndhurst - Reserve Development	77,905	-	- 77,905	-	-	-
All Parks Irrigation Upgrading	45,000	-	-	45,000	-	-
Northwood Reserve	422,000	-	- 422,000	-	-	-
Keirunga Gardens RMP Implementation	62,500	- 62,500	-	-	-	-
Cornwall Park RMP Implementation	118,000	- 118,000	-	-	-	-
Waipatiki RMP Implementation	9,000	-	-	9,000	-	-
Flaxmere Park RMP Implementation	165,500	- 165,500	-	-	-	-

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Tainui RMP Implementation	54,900	- 54,900	-	-	-	-
Windsor Park RMP Implementation	362,000	- 362,000	-	-	-	-
Te Mata Peak - Bike Track	144,000	- 144,000	-	-	-	-
Duart House RMP	34,000	- 34,000	-	-	-	-
CBD & Suburban Re-Development-Misc Parks	112,000	- 112,000	-	-	-	-
Waimarama RMP implementation	73,000	- 73,000	-	-	-	-
Kirkpatrick Park splash pad	10,000	-	-	10,000	-	-
Maraetotara Falls	71,600	- 71,600	-	-	-	-
Romanes drive Development Bridge	98,000	- 98,000	-	-	-	-
Akina Park Irrigation	230,000	- 230,000	-	-	-	-
Raureka Parks BBQ	5,000	-	-	5,000	-	-
Hawke's Bay Community Fitness Centre Trust	2,050,000	- 2,050,000	-	-	-	-
TOTAL	5,453,597	-4,068,500	-1,103,905	-281,192	0	0
Funding						
TRANSPORTATION						
Rating Area 1: Transportation-Subsidised						
Advance Fees - Investigation & Options R	0	-	-	-	-	-
Alexandra Street - Warrent St N to Willowpark	0	-	-	-	-	-
Accelerated LED programme	531,535	- 531,535	-	-	-	-
Medium Density Housing Strategy	0	-	-	-	-	-
Nelson/Eastbourne Roundabout	0	-	-	-	-	-
TOTAL	531,535	-531,535	0	0	0	0

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Funding						
Rating Area 1: Transportation-UnSubsidised						
Various New Footpaths	0	-	-	-	-	-
Regional Promotion Signs	31,500	-	-	31,500	-	-
Advance Fees - Investigation & Options R	80,000	-	-	80,000	-	-
Clifton Revetment	1,000,000	1,000,000	-	-	-	-
Te Mata Peak - Bike Track	0	-	-	-	-	-
Haumoana shingle replentishment	114,000	-	-	114,000	-	-
Sportspark Development - Percival Road upgrade & extension	859,000	859,000	-	-	-	-
CBD and Suburban Developments	1,322,000	1,322,000	-	-	-	-
Arataki Development	0	-	-	-	-	-
Irongate Industrial Development	0	-	-	-	-	-
Omahu Industrial Development	561,000	-	561,000	-	-	-
Lyndhurst Development Stage II	413,670	-	413,670	-	-	-
Subdivision Support - Development Response	136,000	-	136,000	-	-	-
Medium Density Housing Strategy	59,250	-	59,250	-	-	-
Howard Street	135,000	-	135,000	-	-	-
Iona / Middle	1,715,000	-	1,715,000	-	-	-
TOTAL	6,426,420	-3,181,000	-3,019,920	-225,500	0	0
Funding						
Rating Area 2: Transportation						
Dust mitigation policy	50,000	-	-	50,000	-	-

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
TOTAL	50,000	0	0	-50,000	0	0
Funding						
WATER SERVICES						
Stormwater - Rating Area 1						
Asset Data Capture	90,000	- 90,000	-	-	-	-
Sewer Inflow Prevention -Commun. Schemes	10,000	- 10,000	-	-	-	-
Maraekakaho Rd - Kaiapo to Francis Hicks	621,000	- 621,000	-	-	-	-
Telemetry Base & New Repeater Upgrade	0	-	-	-	-	-
Mayfair - Parkvale Cluster	141,000	- 141,000	-	-	-	-
Te Awanga Project	9,475	- 9,475	-	-	-	-
Havelock North Streams	50,000	- 50,000	-	-	-	-
Arataki Development	14,813	-	- 14,813	-	-	-
Omahu Industrial Development	40,438	-	- 40,438	-	-	-
Native Tree Streets - Northwood Stormwater catchment	200,000	- 200,000	-	-	-	-
Dam Break Mitigation & Analysis	55,000	- 55,000	-	-	-	-
Water Services Quality Improvements	10,000	- 10,000	-	-	-	-
Lyndhurst Development Stage II	1,059,666	-	- 1,059,666	-	-	-
Other Havelock Streams	130,000	- 130,000	-	-	-	-
Planned Renewals	100,000	- 100,000	-	-	-	-
Reactive Renewals	0	-	-	-	-	-
Medium Density Housing Strategy	1,256,000	-	- 1,256,000	-	-	-
Arataki Extension	361,000	-	- 361,000	-	-	-
Howard Street	270,000	-	- 270,000	-	-	-
Iona / Middle	200,000	-	- 200,000	-	-	-
Railway Road	480,000	- 480,000	-	-	-	-
Network Modelling	44,450	- 44,450	-	-	-	-
TOTAL	5,142,842	-1,940,925	-3,201,917	0	0	0
Funding	X					

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Sewers - Rating Area 1						
Telemetry Base & New Repeater Upgrade	35,000	- 35,000	-	-	-	-
Alexandra Street - Warrent St N to Willowpark	245,000	- 245,000	-	-	-	-
Nikau Street	76,000	- 76,000	-	-	-	-
Omahu Industrial Development	1,932,000	-	- 1,932,000	-	-	-
Lyndhurst Development Stage II	203,370	-	- 203,370	-	-	-
WW - Ops related Capital	56,000	- 56,000	-	-	-	-
Flow Monitoring Upgrades	267,000	- 267,000	-	-	-	-
Planned Renewals	239,000	- 239,000	-	-	-	-
Wastewater Network Model	300,000	- 300,000	-	-	-	-
Reactive Renewals	0	-	-	-	-	-
Medium Density Housing Strategy	80,000	-	- 80,000	-	-	-
Howard Street	613,000	-	- 613,000	-	-	-
Iona / Middle	200,000	-	- 200,000	-	-	-
Rising mains	38,000	- 38,000	-	-	-	-
Te Mata Water Services Upgrade	16,000	- 16,000	-	-	-	-
Railway Road	70,253	- 70,253	-	-	-	-
Nelson/Eastbourne Roundabout	9,000	- 9,000	-	-	-	-
Park Road System Upgrade	868,000	- 868,000	-	-	-	-
TOTAL	5,247,623	-2,219,253	-3,028,370	0	0	0
Funding						
Effluent Disposal						
PLC Renewals	249,000	- 249,000	-	-	-	-
Trunk Sewers	423,000	- 423,000	-	-	-	-
Outfall	259,000	- 259,000	-	-	-	-
WWTP - Projects	7,000	- 7,000	-	-	-	-
TOTAL	938,000	-938,000	0	0	0	0
Funding						

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Wastewater Treatment Facilities						
Generator	130,000	- 130,000	-	-	-	-
WWTP Infrastructure Renewals	80,000	- 80,000	-	-	-	-
Wastewater Treatment Plant	100,000	- 100,000	-	-	-	-
TOTAL	310,000	-310,000	0	0	0	0
Funding						
Water Supply - Hastings & Havelock North						
Brookvale Bores Consent	45,000	- 45,000	-	-	-	-
Montgomery PI - Full length	185,000	- 185,000	-	-	-	-
Generator	0	-	-	-	-	-
Hastings St Water extension, Opera House to Heretaunga	25,000	- 25,000	-	-	-	-
Alexandra Street - Warrent St N to Willowpark	0	-	-	-	-	-
Arataki Development	43,000	-	43,000	-	-	-
Princess Street	70,000	- 70,000	-	-	-	-
Omahu Industrial Development	1,129,000	-	1,129,000	-	-	-
Havelock Hills	515,000	-	515,000	-	-	-
Northwood Reserve	15,000	-	15,000	-	-	-
Lyndhurst Development Stage II	623,300	-	623,300	-	-	-
New Water Source	0	-	-	-	-	-
Havelock Hills - Storage & Pumping	340,000	-	340,000	-	-	-
Planned Renewals	100,000	- 100,000	-	-	-	-
Te Mata Water Services Upgrade	0	-	-	-	-	-
Eastbourne Pump station	52,373	- 52,373	-	-	-	-
Stage 1A Water	917,000	- 917,000	-	-	-	-
Stage 1C Water	1,380,000	- 1,380,000	-	-	-	-
Nelson/Eastbourne Roundabout	0	-	-	-	-	-
TOTAL	5,439,673	-2,774,373	-2,665,300	0	0	0

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
Funding						
Water Supply - Haumoana & Te Awanga						
New Water Source	325,000	- 325,000	-	-	-	-
Planned Renewals	0					
TOTAL	325,000	-325,000	0	0	0	0
Funding						
Water Supply - Waipatu						
Planned Renewals	0					
TOTAL	0	0	0	0	0	0
Funding						
Water Supply - Waimarama						
Waimarama Large Reservoir & Treatment	149,000	- 149,000	-	-	-	-
Planned Renewals	0					
TOTAL	149,000	-149,000	0	0	0	0
Funding						
Water Supply - Whirinaki						
Whirinaki Pump Station & Treatment	189,000	- 189,000	-	-	-	-
TOTAL	189,000	-189,000	0	0	0	0
Funding						
GENERAL						
Contingency Fund						
Contingency Fund	0					
TOTAL	0	0	0	0	0	0
Funding						

Project Description	Carry Forward into 2018-19	Loans	Loan Growth	Rates	Reserves /Other	Subsidy
GENERAL- HDC						
HDC General						
Gas to Energy	0					
TOTAL	0	0	0	0	0	0
Funding						
Total Carry forwards	37,582,697	-22,579,263	-13,019,412	-1,963,022	-21,000	0

REPORT TO: FINANCE AND RISK COMMITTEE

MEETING DATE: TUESDAY 11 SEPTEMBER 2018

FROM: CHIEF FINANCIAL OFFICER
BRUCE ALLAN

SUBJECT: SUMMARY OF RECOMMENDATIONS FROM RISK AND
AUDIT SUBCOMMITTEE MEETING HELD ON 3
SEPTEMBER 2018

1.0 SUMMARY

- 1.1 The purpose of this report is to advise that recommendations from the Risk and Audit Subcommittee meeting held on 3 September 2018 require ratification by Council.
- 1.2 The relevant Risk and Audit Subcommittee recommendations to be ratified are set out below:

2.0 RECOMMENDATIONS

- A) That the report of the Chief Financial Officer titled "Summary of Recommendations from Risk and Audit Subcommittee Meeting held on 3 September 2018" dated 11/09/2018 be received.
- B) That the following recommendations from the Risk and Audit Subcommittee meeting held on 3 September 2018 be adopted:

"Item 7 – Governance Risk

- A) *That the report of the District Customer Services Manager titled "Governance Risk" dated 3/09/2018 be received.*
- B) *That the Risk and Audit Subcommittee recommends to Council that a workshop be held on the issue of governance risk and that the Chair of the Subcommittee be invited to attend.*

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and business by:

- i) Setting a clear direction for Council to follow to help achieve the strategic objectives defined in the Long Term Plan and meet*

statutory obligations.

- ii) Increasing certainty that strategic goals will be achieved.***

Item 9 – Enterprise Risk Management Update

- A) That the report of the Risk and Corporate Services Manager titled “Enterprise Risk Management Update”, with minor amendments, dated 3/09/2018 be received.***
- B) That the Risk and Audit Subcommittee recommend to Council that a workshop be held with the aim of subsequently adopting the updated Enterprise Risk Management Policy and Framework document.***

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost-effective for households and business by:

- i) Providing a robust framework that promotes effective and efficient management of risks in core business processes.***

Item 10 – General Update Report and Status Of Actions

- A) That the report of the Manager Strategic Finance titled “General Update Report and Status of Actions” dated 3/09/2018 be received.***
- B) That the Risk and Audit Subcommittee recommend to the Chief Executive that a status of actions report be included on each council committee agenda and that officers investigate how best to address this request.”***

Attachments:

There are no attachments for this report.