

Rārangi Take o te Kōmiti
Tūraru me te Taurangi

Risk and Assurance Committee Agenda

Wednesday 14 February 2024, 11 am
Council Chamber, Albion Street, Hāwera



Ngā Mema o te Komiti / Committee Members



Philip Jones
*Chairperson /
External Member*



Phil Nixon
Mayor



Andy Beccard
Councillor



Celine Filbee
Councillor



Te Aroha Hohaia
Councillor



Racquel Cleaver-Pittams
Councillor



Marie Broughton
Iwi Representatives

Apatono / Delegations

The primary purpose of the Risk and Assurance Committee is to:

- Review the quarterly financial and non-financial reports of the Council;
- Oversee the relationship between the Council and its external auditor;
- Consider the Audit Management Report undertaken for the Annual Report and Long Term Plan and monitor progress against that;
- Receive and consider reports on the Council's internal and external borrowing;
- Provide oversight and monitoring of the Council's risk management framework;
- Provide oversight and monitoring of Council's Long Term Investment Fund; and
- Oversee the relationship with the Council's Investment Advisors and Fund Managers.

The Risk and Assurance Committee is made up of the Mayor, an external member, four councillors and an Iwi representative.

Attendance Register

Date	30/11/22	15/02/23	29/03/23	17/05/23	21/06/23	16/08/23	20/09/23	20/11/23
Meeting	O	O	O	O	O	O	O	O
Andy Beccard	√	√	√	√	√	A	√	√
Celine Filbee	√	√	√	√	√	√	√	A
Te Aroha Hohaia	√	A	√	√	√	√	√	√
Philip Jones	AO	AO	√	√	√	√	√	√
Phil Nixon	√	√	√	√	√	√	√	√
Racquel Cleaver-Pittams	-	-	-	√	√	√	√	√
Marie Broughton	-	-	-	√	√	√	√	√

Key

- √ Attended
- AO Attended Online
- Was not required to attend
- A Apology
- Y Attended but didn't have to attend
- X Did not attend - no apology given

Types of Meetings

- O Ordinary Council Meeting
- E Extraordinary Council Meeting

He Karere Haumarū / Health and Safety Message

In the event of an emergency, please follow the instructions of Council staff.
 If there is an earthquake – drop, cover and hold where possible. Please remain where you are until further instruction is given.

He Pānga Whakararu / Conflicts of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interest they might have.



Rārangi Agenda

Risk and Assurance Committee Wednesday 14 February 2024 at 11 am

1. **Karakia**
2. **Matakore / Apologies**
3. **Tauākī Whakarika / Declarations of Interest**
4. **Whakatakoto Kaupapa Whānui, Whakaaturanga hoki / Open Forum and Presentations**
5. **Whakaaetia ngā Menīti / Confirmation of Minutes**
 - 5.1 [Risk and Assurance Committee held on 20 November 2023](#) Page 9
6. **Pūrongo-Whakamārama / Information Reports**
 - 6.1 [Quarterly Financial and Non-Financial Performance Report for period ending 31 December 2023](#) Page 18
 - 6.2 [Significant Projects Progress Report](#) Page 94
 - 6.3 [Outstanding Debt as at 31 December 2023](#) Page 105
 - 6.4 [2024 – 2034 Long Term Plan Update](#) Page 110
 - 6.5 [Risk and Assurance Committee - Workplan](#) Page 114
 - 6.6 [South Taranaki Business Park Update Report](#) Page 118
 - 6.7 [Update on Insurance Renewal Programme for 2023-24](#) Page 123
 - 6.8 [Mercer Quarterly Investment Monitoring Report – December 2023](#) Page 125
7. **Ngā take kia noho tūmatanui kore / Resolution to Exclude the Public**
 - 7.1 [Confirmation of Minutes](#) Page 146
 - 7.2 [Quarterly Mercer Investment Monitoring Report – December 2023](#) Page 150
 - 7.3 [Mercer – Global Listed Property and Global Bonds](#) Page 174
8. **Karakia**

Next Meeting Date: Wednesday 27 March 2024 – Council Chamber, Albion Street, Hāwera
Elected Members’ Deadline: Wednesday 13 March 2024



Karakia

1. Karakia

Ruruku Timata – Opening Prayer

(Kia ururu mai ā-hauora,
ā-haukaha, ā-hau māia)

Ki runga

Ki raro

Ki roto

Ki waho

Rire rire hau

Paimārire

*(Fill me with vitality)
strength and bravery)*

Above

Below

Inwards

Outwards

The winds blow & bind us

Peace be with us.



Matakore Apologies

2. Matakore / Apologies

Leave of Absence: *The Board may grant a member leave of absence following an application from that member. Leave of absences will be held in the Public Excluded section of the meeting.*



Ngā Whakaputanga

Declarations of Interest

3

3. Tauākī Whakarika / Declarations of Interest

Notification from elected members of:

- a) Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and
- b) Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968.

Declarations of Interest: Notification from elected members of: Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968



Whakatakoto Kaupapa Whānui, Whakaaturanga hoki Open Forum and Presentations

4

4. Whakatakoto Kaupapa Whānui, Whakaaturanga hoki/ Open Forum and Presentations

The Council has set aside time for members of the public to speak in the public forum at the commencement of each Council, Committee and Community Board meeting (up to 10 minutes per person/organisation) when these meetings are open to the public. Permission of the Mayor or Chairperson is required for any person wishing to speak at the public forum.



Ngā Menīti Komiti

Committee Minutes

5

To	Risk and Assurance Committee
Date	14 February 2024
Subject	Risk and Assurance Committee – 20 November 2023

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Risk and Assurance Committee met on 20 November 2023. The Risk and Assurance Committee are being asked to adopt the minutes from 20 November 2023 as a true and correct record.
2. There was one recommendation within the minutes for the Council to consider.
3. The Risk and Assurance Committee moved a recommendation 85/23 AR that the Council approve the Investment and Liability Management Policies.
4. The Council adopted recommendation 85/23 AR at its Ordinary Council meeting on 9 December 2023.

Taunakitanga / Recommendation(s)

THAT the Risk and Assurance Committee adopt the minutes of their meeting held on 20 November 2023 as a true and correct record.



Menīti Minutes

5

Ngā Menīti take o te Komiti Tūraru me te Taurangi Risk and Assurance Committee Meeting

Council Chamber, Albion Street, Hāwera on Monday 20 November 2023 at 1.01 pm

Kanohi Kitea / Present: Philip Jones (Chairperson), Mayor Phil Nixon, Councillors Andy Beccard, Racquel Cleaver-Pittams, Te Aroha Hohaia and Marie Broughton (Iwi Representative).

**Ngā Taenga-Ā-Tinana
/ In Attendance:**

Fiona Aitken (Chief Executive), Liam Dagg (Group Manager Environmental Services), Herbert Denton (Group Manager Infrastructure Services), Rob Haveswood (Group Manager Community Services), Claire Bourke (Management Accountant), Sam Greenhill (Governance and Support Officer), Vipul Mehta (Head of Business Enablement), Garry Morris (Senior Accountant), Garth Gregory, Priya Patel (Mercer), Benny Grayling, Ethan Teao (Deloitte), Mark Brighthouse and Kate Meyers (Fisher Funds).

Matakore / Apologies: Councillor Celine Filbee.

RESOLUTION

(Mayor Nixon/Cr Beccard)

82/23 AR THAT the apology from Councillor Celine Filbee be received.

CARRIED

1. Whakaaetia ngā Minitī / Confirmation of Minutes

1.1 Risk and Assurance Committee minutes held on 20 September 2023

RESOLUTION

(Mayor Nixon/Cr Hohaia)

83/23 AR THAT the Risk and Assurance Committee adopt the minutes of their meeting held on 20 September 2023 as a true and correct record.

CARRIED

2. Pūrongo-Whakamārama / Information Report

2.1 Deloitte's Audit Management Report for the Year end 30 June 2023

Deloitte provided their results of the audit of the Council's annual report for the year ended 30 June 2023. The report included their results and insights arising from their audit. The report also included audit findings and recommendations.

It was noted in the report that the audit was 95% complete, this was now 100% complete. Everything in the Annual Report was looked at with some items being mandatory. There was a lot of work around the setting of rates and there were no matters to report on. Management controls were also looked into for certain indicators that did not look right as manual journals could be used to manipulate transactions and accounts. There were no areas of concern with the management controls. The asset base was looked at including the valuer's reports and assumptions made in striking values. There were no major concerns or any errors for the matter. It was noted that three waters did not have a major impact on numbers however there needed to be a comment in the Annual Report regarding the uncertainty. An emphasis of matter was put on three waters however this was not a qualification.

The next area looked at was sensitive expenditure and expense claims. There were a couple of findings however nothing of serious concern. There was a new piece of literature that governed the statement of service performance section. There had been a historic qualification due to the data held from afterhours calls.

In response to a query regarding the "X" in the table under relied on controls it was clarified that this was to do with the type of approach taken by the auditor. It was noted that a substantive approach was taken which meant that the controls were not relied on however they were in place. It was noted that the red circle for the level of judgment for the valuation of infrastructure assets was due to a significant amount of assumption being made.

In response to a query regarding identifying and checking related parties it was noted that not everyone needed to be checked however the comments made by the auditors was seen as a normal check and best practice. All elected members were required to complete a declarations of interest form and the responsibility sat with the individual to do so.

It was queried if the auditors had any comments based on staff comments regarding manual journals being low risk. It was noted that journalling was generally high risk and processes should be in place for mitigating this risk. It was suggested that checks of who was processing journals could be implemented as a control. It was noted that all debtor and creditor changes were checked through a one up process.

A review on changes to the rating information database had been carried out. This was about knowing how the rates work and what controls were in place. It was noted that names and addresses were likely to be low risk. It was highlighted that the risk was greater when changes were being made to the database. It was suggested that checks and balances should be in place to ensure the changes were correct. It was good practice to have someone monitoring the database where information was being changed.

The auditors queried if the disclosures regarding the Long Term Investment Fund (LTIF) was of use to the ratepayers due to the complexity of the information. If the LTIF was removed it would be mentioned by the auditors as it was required to be disclosed however it was immaterial.

The representation letters had been signed and there were no issues to report. The Long Term Plan (LTP) engagement letter would be issued this week. The three waters legislation would make the LTP complex. There was no timeframe in terms of audit at this time.

RESOLUTION

(Mayor Nixon/Cr Beccard)

84/23 AR THAT the Risk and Assurance Committee receives the Deloitte’s Audit Management Report for the Year Ended 30 June 2023 provided by the Council’s auditors.

CARRIED

3. Pūrongo / Report

3.1 Review of Investment and Liability Management Policies

The report sought the Risk and Assurance Committee’s consideration of the existing Investment and Liability Management Policies. The report would then be presented to the Council for final approval. The policies had been reviewed by Mercer and PricewaterhouseCooper (PWC).

There were no significant changes to the policies. There were concerns raised that the Investment policy mentioned ready cash being available in case of a natural disaster which could result in the government not providing assistance. It was suggested that qualification be added that the ready cash would be used in the event of a natural disaster for the initial response until such time that further funding could be sourced.

In response to a query regarding the policies in terms of three waters it was noted that the policies could be reviewed at any time, and this could be done once a more detailed indication of what was required was provided.

In terms of the property investments in the Investment Policy it was queried if it was the responsibility of the Councillors to understand the land held by the Council and if it was necessary to achieve the strategic objectives. It was noted that the team were responsible for reviewing the land held and presenting reports to the Council where required. It was an operational matter however the Council signed off on any land to be sold.

In response to a query regarding the Long Term Investment Fund objects in the Investment Policy it was noted that there was a separate objective for the LTIF and allowed for inflation as part of this.

It was suggested that an amendment should be made to the wording under internal borrowing to include the Annual Plan for setting interest rates.

RECOMMENDATION

(Cr Cleaver-Pittams/Cr Hohaia)

85/23 AR THAT the Risk and Assurance Committee recommends the Council approve the Investment and Liability Management Policies.

CARRIED

4. Ngā Take Kawea / Items for Action

4.1 It was noted that the Audit actions be added to Items for Action.

5. Pūrongo-Whakamārama / Information Reports

5.1 Quarterly Financial and Non Financial Performance Report for period ending 30 September 2023

The report contained the Financial Variance Report and the Performance Measures Report for the first quarter of the financial year to 30 September 2023. The report contained Council officers' commentary on variances for the Council's activities and support centres, and management comments on variances have also been included, where relevant.

It was highlighted that the first quarter had not been overly positive. The Long Term Investment Fund (LTIF) did not perform well and the timing of the capital contributions both contributed to the deficit. Since writing the report the LTIF had somewhat recovered. It was noted that there needed to be a better way of reporting on the LTIF to show it as non-revenue. It was noted that expenditure was going to be looked at to be forecast in a way that did not result in timing issues.

RESOLUTION

(Mr Jones/Mayor Nixon)

86/23 AR THAT the Risk and Assurance Committee receives the First Quarter Financial and Non Financial Performance Report for the period ending 30 September 2023.

CARRIED

5.2 3 Waters Transition Update Report

The report provided some background of the three waters transition and looked in more detail at the significant risks and how these were being mitigated.

The report was based on current legislation set by the Labour Government. It was noted that work was being done to ensure the Council was prepared to add three waters back into the Long Term Plan if required. In response to a query regarding how to provide these services with so much uncertainty it was noted that officers were still providing the services however strategic planning was difficult. It was noted that discussions had already been had regarding a potential regional approach to three waters. If a regional approach was to be considered consultation would be required.

RESOLUTION

(Mayor Nixon/Cr Beccard)

87/23 AR THAT the Risk and Assurance Committee receives the 3 Waters Transition Update Report.

CARRIED

5.3 Capital Projects Progress Report

The report provided an update on the 2023/24 capital works programme to the Risk and Assurance Committee.

Currently just under 10% of the programme had been completed. There had been a few issues with resourcing including staffing in the Assets and Projects teams. Contractors had been used in the meantime for assistance. There were still a few minor issues to sort for Nukumarū Station Road including the legalisation and the road closure. It was hoped that the Waimate West Reservoir would be complete by December 2023. With the potential change to three waters there had been a shift in focus from scoping projects to preparing for the change. It was hoped that between 70% and 80% of the capital projects would be complete by the end of the financial year. The South Taranaki Business Park project would continue in the summer period of 2024. In response to a query regarding the concerns raised by the neighbouring property to Te Ramanui o Ruapūtahanga it was noted that the Health and Safety Advisor had been to the site and the gaps where tiles had been removed were not considered a safety hazard. The landscaping of the surrounds, including the hardscape would be completed before Te Ramanui was completed.

In response to a query regarding the concerns around the digital transformation it was noted that there were uncertainties regarding the better off funding and the Council might not get all the funding that was requested. In terms of the risk of the lack of governance it was noted that the Senior Leadership Team had oversight of the project.

RESOLUTION

(Cr Hohaia/Mr Jones)

88/23 AR THAT the Risk and Assurance Committee receives the Capital Projects Progress Report for Quarter One of the 2023/24 financial year.

CARRIED

5.4 Outstanding Debt as at 30 September 2023

The report contained financial variance information relating to aged trial balances for all debtors and the variance of outstanding debt for rates up to 30 September 2023.

It was noted that the monetary values were included along with the number of debtors following a request from the Committee.

RESOLUTION

(Mayor Nixon/Cr Beccard)

89/23 AR THAT the Risk and Assurance Committee receives the outstanding debt report as at 30 September 2023.

CARRIED

5.5 Senior Leadership Team Risk Review

The Senior Leadership Team undertook a review of the strategic risks on 21 September 2023 and the resulting actions have addressed all score discrepancies between residual scoring of business risks and their associated strategic risk.

It was noted that since the review another discussion had been had regarding the risk with the three waters transition. There had been a level of certainty given the legislation in place

however with the change in government meant a review would likely be needed. Clarification was sought regarding the risk around the conduct of Elected Members. It was noted that there was a new treatment of inducting Elected Members. The risk was identified around political changes during the election period. It was highlighted that there was only one business risk which was unusual and work was going to be carried out with the Governance Team to identify any other business risks. It was noted that when the review was carried out the related business risks were aligned to the strategic risk or lower than the strategic risk. It was noted where a business risk was changed more commentary would be useful.

RESOLUTION**(Cr Hohaia/Mayor Nixon)**

90/23 AR THAT the Risk and Assurance Committee receives the Senior Leadership Team Risk Review report and reviews recent changes made to strategic and business risks.

CARRIED

Meeting adjourned 12.28 pm.

Meeting reconvened 12.49 pm.

5.6 Risk and Assurance Committee Workplan 2024 - 2026

It was noted that a report on insurance was meant to be provided however discussions were still underway and a report would likely be presented at the meeting in February. It was suggested that updates on the three waters reform be included in the Long Term Plan reports.

RESOLUTION**(Mr Jones/Mayor Nixon)**

91/23 AR THAT the Risk and Assurance Committee receives the Risk and Assurance Committee Workplan 2024 – 2026.

CARRIED

5.7 Mercer Quarterly Investment Monitoring Report – September 2023

An overview of the market was provided. The total return for the Long Term Investment Fund was negative for the quarter. It was noted that the objective of the Fund had not been met by a small margin. A new chart had been added to the report to include a comparison between the Council and the Kiwisaver fund balance for the last 10 years. There were no changes to the managers' ratings during the quarter. Mercer was updating the way they did manager research. It was noted that Mercer had been disappointed with the performance of their own balanced fund.

RESOLUTION**(Cr Beccard/Cr Hohaia)**

92/23 AR THAT the Risk and Assurance Committee receives the Mercer Quarterly Investment Monitoring Report – September 2023.

CARRIED

6. Nga Whakataunga kia noho tūmataiti kore/Resolution to Exclude the Public

RESOLUTION

(Mayor Nixon/Cr Beccard)

93/23 AR **THAT** the public be excluded from the following parts of the proceedings of this meeting, namely:

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1. Presentation	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2. Confirmation of minutes held on 20 September 2023		
3. Mercer Quarterly Investment Monitoring Report – September 2023		
4. Quarterly Cyber Security Report		
5. Mercer Exit Strategy and Mercer Strategic Allocation		

This resolution is made in reliance on sections 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No	Interest
1, 2	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i)).
2, 3	Maintain the effective conduct of public affairs through the protection of members or officers or employees of the Council, and persons to whom Section 2(5) of the Local Government Official Information and Meetings Act 1987 applies in the course of their duty, from improper pressure or harassment (Schedule 7(2)(f)(ii)).

2	To protect the privacy of antural persons, including that of deceased natural persons (S7(2)(a)).
4, 5	To prevent the disclosure or use of official information for improper gain or advantage (s. 7(2)(j)).

CARRIED

7. Tuwhera anō te Hui / Resume Open Meeting

RESOLUTION

(Mayor Nixon/Cr Beccard)

99/23 AR THAT the Risk and Assurance Committee resumes in open meeting.

CARRIED

The meeting concluded at 2.11 pm.

Dated this day of 2023

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CHAIRPERSON



Pūrongo Report

6

To	Risk and Assurance Committee
From	Kaiwhakahaere Pūtea / Senior Accountant, Garry Morris
Date	14 February 2024
Subject	Quarterly Financial and Non-Financial Performance Report for period ending 31 December 2023

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. This report contains the Financial Variance Report and the Performance Measures Report for the second quarter of the financial year to 31 December 2023. The report contains Council officers' commentary on variances for the Council's activities and support centres, and management comments on variances have also been included, where relevant.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the Second Quarter Financial and Non-Financial Performance Report for the period ending 31 December 2023.

Kupu Whakamārama / Background

Overall Results

2. The overall results as at 31 December 2023 is deficit of \$6.6 million (m) versus YTD budgeted surplus of \$1.1 m. The main drivers for the differences are less than projected returns from the Long Term Investment Fund (LTIF) and timing of capital contributions, subsidies and grants.

Expenditure

3. Total expenditure is \$1.4 m over budget, due to the accounting adjustment relating to market valuation of interest rate derivatives.

Income

4. Total income is \$6.2 m under budget. The capital contributions, subsidies and grants are under budget by \$4.9 m due to timing of operational project works, delay in the collection of contributions from the South Taranaki Business Park, timing of Provincial Growth Fund (PGF) contributions for Te Ramanui o Ruapūtahanga, and slow drawdown of Better Off Funding while recruiting for a reforestation project manager. The fees and charges are

underbudget by \$0.8 m due to reduced building consent applications and reduced waste through the transfer stations.

- The total year to date capital expenditure is \$15.4 m against a year to date revised budget of \$30.7 m. The total revised budget for the year is \$60.7 m, there is a forecast to spend \$47.7 m by the year end and carry forward \$12.6 m to 2024/25 financial year.

Long Term Investment Fund (LTIF)

- As at 31 December 2023, the invested assets of the LTIF totalled \$146.5 m. The performance is shown below with the summary extracted from Mercer's quarterly investment report.
- The LTIF has made a positive return of \$4.3 m against a budgeted income of \$6.0 m. The market is volatile given the recent geopolitical conflicts. The inflation is easing, though short-term interest rates are still high which is also affecting the global markets. It is anticipated the inflation and interest rate will ease in the next 6-12 months.

Sector	Manager	Assets \$m	Allocation %
Trans-Tasman Equities	Nikko	18.35	12.5%
Global Equities	ANZ	64.62	44.1%
Low Volatility	Mercer	0	0%
Listed Infrastructure	First state	6.67	4.6%
Global Property	Mercer	0	0%
NZ Fixed Interest	Harbour	13.50	9.2%
Cash	ANZ	7.11	4.9%
Global Fixed Interest	Tower	22.01	15.0%
Sub-total		132.26	90.3%
Internal Borrowings	STDC	14.24	9.7%
Total LTIF		146.50	100.0%

- The gross quarterly return to 31 December 2023 was 5.9%, 0.4% below benchmark.

Borrowing

- Total borrowing increased to \$143.23 m as at 30 September 2023, including external borrowing of \$129 m and internal borrowing of \$14.23 m.
- The weighted average interest rate on external debt for the quarter ending 31 December 2023 is 5.22%.



Garry Morris
**Kaiwhakahaere Pūtea /
Senior Accountant**



[Seen by]
Vipul Mehta
**Pouhautū Āheinga Pakihi /
Head of Business Enablement**



South Taranaki District Council

Statement of Financial Position as at 31 December 2023

Description	Council	Council	Council
	Actual	Budget	Forecast
	2024	2024	2024
	(\$000)	(\$000)	(\$000)
Description			
Current Assets			
Cash and Cash Equivalents	5,788	4,986	1,703
Accounts Receivable	6,033	12,878	14,350
Derivative Financial Instruments	100	2,222	100
Prepayments	233	616	1,014
Stocks	48	81	48
Total Current Assets	12,202	20,783	17,215
Non Current Assets			
Investments	137,367	133,217	137,403
Property, Plant and Equipment	1,281,149	1,307,225	1,300,210
Derivative Financial Instruments	1,328	0	1,328
Intangible Assets	1,196	2,020	1,196
Total Non Current Assets	1,421,040	1,442,462	1,440,137
Total Assets	1,433,242	1,463,245	1,457,352
Current Liabilities			
Accounts Payable	7,402	13,538	14,492
Employee Entitlements	1,249	1,014	1,140
Income Received in Advance	1,240	981	1,552
Derivative Financial Instruments	0	0	0
Current Portion of Term Liabilities	26,058	13,000	18,976
Current Landfill Aftercare Provision	42	0	42
Total Current Liabilities	35,990	28,533	36,202
Non Current Liabilities			
Term Liabilities	104,069	132,323	120,917
Derivative Financial Instruments	385		385
Non-Current Landfill Aftercare Provision	289	347	247
Total Non Current Liabilities	104,743	132,670	121,549
Total Assets Less Liabilities	1,292,508	1,302,042	1,299,602
Accumulated Balances & Other Reserves	642,223	647,367	649,316
Asset Revaluation Reserves	650,286	654,675	650,286
Represented by Total Equity	1,292,508	1,302,042	1,299,602



South Taranaki District Council

Statement of Comprehensive Revenue and Expense for Period Ended 31 December 2023

	YTD Actuals	YTD Revised Budget	FY Revised Budget	Forecast
	2023-24	2023-24	2023-24	2023-24
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue				
Revenue by Exchange Transactions				
Rates - Water by Meter	4,114	4,097	10,187	9,882
Financial Revenue	4,485	5,609	12,052	12,052
Revenue from Non-Exchange Transactions				
Rates	19,531	19,459	39,132	39,532
Fees & Charges	4,446	5,200	10,029	9,717
Capital Contributions, Subsidies & Grants	5,681	10,577	20,314	21,331
Development and Financial Contributions	0	0	0	0
Other Revenue	2,491	2,034	2,988	4,300
Total Income	40,747	46,976	94,702	96,814
Expenditure				
Personnel Costs	9,330	9,435	18,984	18,987
Depreciation & Amortisation Expense	13,513	13,324	26,648	27,018
Finance Costs	3,846	3,867	7,733	7,691
Loss on Derivatives Contract	1,970	0	0	1,970
Other Expenses	18,687	19,276	38,449	39,222
Total Expenditure	47,345	45,902	91,814	94,888
Surplus/(Deficit) Before Tax	-6,598	1,074	2,888	1,926
Tax	0	0	0	0
Surplus/(Deficit) After Tax	-6,598	1,074	2,888	1,926
Increase/Decrease in Revaluation Reserves				
Gain on Asset Revaluation	0	0	0	0
Total Comprehensive Revenue and Expense for the Year	-6,598	1,074	2,888	1,926

* The statement includes all internal entries e.g. Internal interest, internal rates etc



South Taranaki District Council
Statement of Cashflow for Period Ended 31 December 2023

	YTD Actuals	Full Year Budget	Forecast
	2023-24	2023-24	2023-24
	(\$000)	(\$000)	(\$000)
Cash Flow from operating activities			
Cash will be provided from:			
Rates	23,645	48,010	49,385
Dividends	47	0	47
Interest on Investments	4,485	2,533	2,421
Other Revenue	19,476	30,596	28,243
Regional Council Rates	0	3,878	0
	47,653	85,017	80,096
Cash will be applied to			
Payments to Suppliers & Employees	36,154	59,811	55,115
Interest paid on Loans	3,846	6,899	7,708
	40,000	66,710	62,823
Net Cash from Operating Activities	7,653	18,307	17,273
Cash will be provided from:			
Net cash inflow from investments	4,000	7,516	8,727
Total Investing cash provided	4,000	7,516	8,727
Cash will be applied to:			
Purchase and Development of Fixed Assets	15,366	49,939	47,687
Purchase of Investments	2,085	0	0
Total Investing Cash Applied	17,451	49,939	47,687
Net Cash From Investing Activities	(13,451)	(42,423)	(38,960)
Cash Flows From Investing Activities			
Cash will be provided from:			
Loans - Refinance	0	24,150	0
Loans Raised	9,187	13,000	20,874
Total Financing Cash Provided	9,187	37,150	20,874
Cash will be applied to:			
Loans - Repay LGFA	0	4,909	0
Repayment of Loans	2,088	13,000	4,025
Total Financing Cash Applied	2,088	17,909	4,025
Net Cash from Financing Activities	7,099	19,241	16,849
Net Increase/(Decrease) in Cash Held	1,300	(4,875)	(4,838)
Total Cash Resources at 1 July	6,541	9,861	6,541
Total Cash Resources at 30 June	7,841	4,986	1,703

South Taranaki District Council

Funding Impact Statement for Whole of Council as at December 2023

	YTD Actual 2023-24 (\$000)	YTD Revised Bud 2023-24 (\$000)	FY Budget 2023- 24 (\$000)	FY Revised Bud 2023-24 (\$000)	Forecast (\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	9,644	9,601	19,201	19,201	19,292
Targeted rates	14,000	13,955	30,118	30,118	30,122
Subsidies and grants for operating purposes	3,512	4,606	8,733	9,350	10,195
Fees and charges	4,446	5,200	10,029	10,029	9,717
Interest and dividend from investments	4,485	5,609	11,218	11,218	11,218
Local authorities fuel tax, fines, infringement fees and other receipts	2,491	2,034	3,822	3,822	5,134
Total operating funding (A)	38,579	41,005	83,122	83,739	85,678
Applications of operating funding					
Payments to staff and suppliers	27,388	28,139	56,294	56,294	57,177
Finance costs	3,846	3,867	7,733	7,733	7,691
Internal charges and overheads applied	0	0	0	0	0
Other operating funding applications	628	572	1,139	1,139	1,032
Total applications of operating funding (B)	31,862	32,578	65,166	65,166	65,900
Surplus (deficit) of operating funding (A-B)	6,717	8,427	17,957	18,573	19,779
Sources of capital funding					
Subsidies and grants for capital expenditure	2,006	3,898	5,201	6,819	7,536
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	5,884	8,953	19,242	19,242	15,797
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	163	2,072	4,145	4,145	3,600
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	8,053	14,923	28,587	30,206	26,933
Applications of capital funding					
- To meet additional demand	2,015	4,131	7,429	7,622	5,661
- To improve the level of service	7,793	14,701	24,343	30,224	22,040
- To replace existing assets	5,558	11,827	18,167	22,889	19,988
Increase (decrease) in reserves	(597)	(7,309)	1,561	(7,000)	(977)
Increase (decrease) in investments	0	0	(4,957)	(4,957)	0
Total applications of capital funding (D)	14,769	23,350	46,543	48,778	46,712
Surplus (deficit) of capital funding (C -D)	(6,717)	(8,427)	(17,955)	(18,573)	(19,779)
Funding Balance ((A-B) + (C-D))	(0)	0	0	0	1
Excludes Depreciation of:	13,513	13,324	26,648	26,648	27,018

South Taranaki District Council

Funding Impact Statement for Arts and Culture as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	1,542	1,539	3,078	3,078	3,087
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	0	8	16	16	16
Fees and charges	11	19	38	38	21
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	295	299	599	599	600
Total operating funding (A)	1,848	1,866	3,731	3,731	3,725
Applications of operating funding					
Payments to staff and suppliers	1,107	1,124	2,238	2,238	2,174
Finance costs	19	18	36	36	38
Internal charges and overheads applied	764	583	1,166	1,166	1,105
Other operating funding applications	0	13	25	25	25
Total applications of operating funding (B)	1,890	1,738	3,466	3,466	3,342
Surplus (deficit) of operating funding (A-B)	(42)	128	265	265	383
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	(8)	(24)	(48)	(48)	(16)
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	(8)	(24)	(48)	(48)	(16)
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	1	0	0	0	1
- To replace existing assets	125	151	324	302	301
Increase (decrease) in reserves	(176)	(47)	(107)	(85)	65
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	(50)	104	217	217	367
Surplus (deficit) of capital funding (C-D)	42	(128)	(265)	(265)	(383)
Funding Balance ((A-B) + (C-D))	(0)	0	0	0	0
Excludes Depreciation of:	245	230	460	460	490



Arts and Culture
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
LibraryPlus	1,812,512	1,668,831	(143,681)	(9%)	3,332,479	3,332,479	3,240,597	Reallocated overheads are overbudget but forecast to be on budget by year end.
Arts and Culture	73,570	63,621	(9,949)	(16%)	125,251	125,251	128,629	Reallocated overheads are overbudget but forecast to be on budget by year end.
Heritage Services	249,452	235,023	(14,430)	(6%)	468,221	468,221	463,335	Reallocated overheads are overbudget but forecast to be on budget by year end.
Total Operational Expenditure	2,135,535	1,967,475	(168,060)	(9%)	3,925,950	3,925,950	3,832,561	
Income								
LibraryPlus	1,537,752	1,569,696	(31,943)	(2%)	3,139,392	3,139,392	3,131,374	
Arts and Culture	62,703	62,625	78	0%	125,251	125,251	125,407	
Heritage Services	247,718	233,384	14,333	6%	466,769	466,769	468,475	Higher income YTD due to timing of TRC exhibition income.
Total Income	1,848,173	1,865,705	(17,532)	(1%)	3,731,411	3,731,411	3,725,256	
Net Cost of Service - Surplus/(Deficit)	(287,362)	(101,769)	(185,592)		(194,539)	(194,539)	(107,305)	

South Taranaki District Council

Funding Impact Statement for Coastal Structures as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	106	106	212	212	213
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	0	0	0	0	0
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	15	15	30	30	30
Total operating funding (A)	121	121	242	242	243
Applications of operating funding					
Payments to staff and suppliers	4	45	91	91	91
Finance costs	14	15	31	31	28
Internal charges and overheads applied	29	26	51	51	45
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	47	86	172	172	164
Surplus (deficit) of operating funding (A-B)	75	35	70	70	79
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	(8)	13	25	25	105
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	(8)	13	25	25	105
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	8	77	84	154	154
- To replace existing assets	13	11	11	23	23
Increase (decrease) in reserves	45	(41)	(0)	(81)	6
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	66	47	95	95	183
Surplus (deficit) of capital funding (C -D)	(75)	(35)	(70)	(70)	(79)
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	403	382	764	764	805



Coastal Structures
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Coastal Structures	449,261	468,255	18,994	4%	936,510	936,510	969,357	
Total Operational Expenditure	449,261	468,255	18,994	4%	936,510	936,510	969,357	
Income								
Coastal Structures	121,375	121,224	151	0%	242,448	242,448	242,750	
Total Income	121,375	121,224	151	0%	242,448	242,448	242,750	
Net Cost of Service - Surplus/(Deficit)	(327,886)	(347,031)	19,145		(694,061)	(694,061)	(726,606)	

South Taranaki District Council

Funding Impact Statement for Community Development as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	595	594	1,188	1,188	1,190
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	332	416	832	832	860
Fees and charges	0	0	0	0	0
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	124	129	259	259	259
Total operating funding (A)	1,051	1,139	2,278	2,278	2,309
Applications of operating funding					
Payments to staff and suppliers	378	597	1,192	1,192	1,213
Finance costs	31	30	59	59	62
Internal charges and overheads applied	218	176	351	351	326
Other operating funding applications	467	330	676	676	676
Total applications of operating funding (B)	1,094	1,133	2,279	2,279	2,277
Surplus (deficit) of operating funding (A-B)	(42)	6	(0)	(0)	32
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	(7)	(19)	(37)	(37)	(15)
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	(7)	(19)	(37)	(37)	(15)
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	0	0	0	0	0
- To replace existing assets	0	0	0	0	0
Increase (decrease) in reserves	(49)	(12)	(37)	(37)	18
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	(49)	(12)	(37)	(37)	18
Surplus (deficit) of capital funding (C-D)	42	(6)	0	0	(32)
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	0	0	0	0	0



Community Development
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Community Development	626,473	802,636	176,163	22%	1,602,763	1,602,763	1,600,769	Underbudget YTD as Waverley pedestrian crossing is yet to begin
Community Support	467,059	330,380	(136,679)	(41%)	675,859	675,859	675,859	Overbudget due to timing of grants. Expected to be on budget by year end.
Total Operational Expenditure	1,093,531	1,133,016	39,484	3%	2,278,623	2,278,623	2,276,628	
Income								
Community Development	729,467	817,612	(88,145)	(11%)	1,635,224	1,635,224	1,664,361	Underbudget YTD due to timing of income for Waverley pedestrian crossing
Community Support	321,980	321,580	400	0%	643,159	643,159	643,960	
Total Income	1,051,446	1,139,191	(87,745)	(8%)	2,278,383	2,278,383	2,308,321	
Net Cost of Service - Surplus/(Deficit)	(42,085)	6,176	(48,261)		(240)	(240)	31,693	

South Taranaki District Council

Funding Impact Statement for Community Facilities as at December 2023

	YTD Actual 2023-24 (\$000)	YTD Revised Bud 2023-24 (\$000)	FY Budget 2023- 24 (\$000)	FY Revised Bud 2023-24 (\$000)	Forecast (\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	3,423	3,415	6,829	6,829	6,849
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	0	19	20	20	20
Fees and charges	970	1,008	2,102	2,102	2,088
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	1,423	1,408	2,816	2,816	2,825
Total operating funding (A)	5,816	5,850	11,768	11,768	11,783
Applications of operating funding					
Payments to staff and suppliers	3,474	3,478	6,879	6,919	6,980
Finance costs	655	644	1,288	1,288	1,310
Internal charges and overheads applied	1,028	852	1,703	1,703	1,783
Other operating funding applications	6	4	6	6	7
Total applications of operating funding (B)	5,163	4,977	9,876	9,916	10,080
Surplus (deficit) of operating funding (A-B)	653	872	1,892	1,852	1,703
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	(30)	506	1,012	1,012	309
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	10	169	339	339	10
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	(20)	675	1,351	1,351	319
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	388	1,028	1,963	2,056	712
- To replace existing assets	394	637	1,097	1,364	1,166
Increase (decrease) in reserves	(148)	(117)	184	(217)	143
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	633	1,548	3,243	3,203	2,021
Surplus (deficit) of capital funding (C -D)	(653)	(872)	(1,892)	(1,852)	(1,703)
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	1,638	1,681	3,363	3,363	3,275



Community Facilities
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Cemeteries	436,382	431,220	(5,162)	(1%)	879,170	879,170	904,423	Overbudget due to timing and increased cost of insurance.
Halls	592,231	501,206	(91,024)	(18%)	1,016,140	1,007,236	1,049,656	Underbudget mainly due to timing of maintenance work and vacancies.
Parks, Reserves & Sportsgrounds	1,827,794	1,969,183	141,390	7%	3,874,331	3,874,331	3,773,095	
Rural Swimming Pools	396,946	407,470	10,524	3%	970,602	970,602	1,006,489	
TSB Hub	1,267,964	1,150,472	(117,492)	(10%)	2,280,450	2,300,450	2,362,232	Overbudget due to timing and increased cost of insurance. Reallocated overheads are overbudget but forecast to be on budget by year end.
Public Toilets	336,323	366,895	30,572	8%	719,160	719,160	731,388	Underbudget due to lower than anticipated contractor costs to date.
Housing for the Elderly	540,381	554,004	13,622	2%	945,770	945,770	882,182	
Pathways & Walkways	6,277	5,281	(997)	(19%)	10,561	10,561	12,017	
Campgrounds	162,711	184,009	21,298	12%	358,466	367,369	378,452	Underbudget mainly due to less maintenance costs and water purchases. Forecast to be on budget by year end.
Aquatic Centre	1,233,915	1,089,098	(144,817)	(13%)	2,183,964	2,203,965	2,255,304	Overbudget mainly due to gas consumption higher than expected as we budgeted for heat pump to be installed sooner, also timing of insurance costs and licensing fees. Maintenance costs are overbudget, this is reserve funded.
Total Operational Expenditure	6,800,924	6,658,838	(142,086)	(2%)	13,238,616	13,278,617	13,355,238	
Income								
Cemeteries	402,039	442,318	(40,279)	(9%)	883,245	883,245	854,504	Lower income due to less burials and plot purchases than expected.
Halls	321,231	477,621	(156,390)	(33%)	955,242	955,242	635,296	Lower income as not expecting to receive capital contributions this financial year.
Parks, Reserves & Sportsgrounds	1,670,440	1,668,716	1,725	0%	3,337,431	3,337,431	3,344,771	
Rural Swimming Pools	450,175	448,743	1,431	0%	902,653	902,653	900,349	
TSB Hub	1,043,865	1,081,403	(37,538)	(3%)	2,134,636	2,134,636	2,128,101	
Public Toilets	339,435	339,013	422	0%	678,025	678,025	678,869	
Housing for the Elderly	430,776	421,987	8,789	2%	843,755	843,755	844,095	
Pathways & Walkways	5,287	5,281	7	0%	10,561	10,561	10,574	
Campgrounds	166,320	143,650	22,669	16%	287,301	287,301	286,601	Higher income due to timing of some rental income.
Aquatic Centre	996,291	990,509	5,782	1%	2,074,208	2,074,208	2,109,377	
Total Income	5,825,858	6,019,241	(193,383)	(3%)	12,107,059	12,107,059	11,792,538	
Net Cost of Service - Surplus/(Deficit)	(975,066)	(639,597)	(335,469)		(1,131,556)	(1,171,557)	(1,562,700)	

South Taranaki District Council

Funding Impact Statement for Corporate Activities as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	62	48	97	97	125
Targeted rates	141	138	275	275	280
Subsidies and grants for operating purposes	328	418	835	835	1,089
Fees and charges	300	327	655	655	655
Internal charge and overheads recovered	10,436	9,079	18,157	18,157	17,791
Local authorities fuel tax, fines, infringement fees and other receipts	1,862	3,021	6,042	6,042	6,518
Total operating funding (A)	13,130	13,030	26,061	26,061	26,458
Applications of operating funding					
Payments to staff and suppliers	8,242	7,509	15,149	15,078	15,433
Finance costs	255	243	485	485	511
Internal charges and overheads applied	2,450	2,078	4,157	4,157	3,800
Other operating funding applications	27	42	65	65	69
Total applications of operating funding (B)	10,975	9,872	19,856	19,785	19,813
Surplus (deficit) of operating funding (A-B)	2,155	3,159	6,205	6,276	6,645
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	(212)	(141)	(282)	(282)	(159)
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	71	0	0	0	200
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	(141)	(141)	(282)	(282)	41
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	62	142	240	285	243
- To replace existing assets	386	996	1,580	1,966	1,223
Increase (decrease) in reserves	1,566	1,879	4,104	3,743	5,220
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	2,015	3,018	5,923	5,994	6,686
Surplus (deficit) of capital funding (C -D)	(2,155)	(3,159)	(6,205)	(6,276)	(6,645)
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	570	664	1,328	1,328	1,141



Corporate Activities
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Reallocated Overheads	11,545,000	10,535,000	(1,010,000)	(10%)	21,183,000	21,113,000	20,953,000	Overbudget mainly due to the timing of some of the costs but expected to be on budget by the year end.
Total Operational Expenditure	11,545,000	10,535,000	(1,010,000)	(10%)	21,183,000	21,113,000	20,953,000	
Income								
Reallocated Overheads	13,201,000	13,030,000	171,000	1%	26,061,000	26,061,000	26,658,000	
Total Income	13,201,000	13,030,000	171,000	1%	26,061,000	26,061,000	26,658,000	
Net Cost of Service - Surplus/(Deficit)	1,656,000	2,495,000	(839,000)		4,878,000	4,948,000	5,705,000	

South Taranaki District Council

Funding Impact Statement for Democracy and Leadership as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	1,623	1,620	3,240	3,240	3,247
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	0	0	0	0	0
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	233	230	460	460	461
Total operating funding (A)	1,856	1,850	3,700	3,700	3,708
Applications of operating funding					
Payments to staff and suppliers	921	761	1,329	1,329	1,476
Finance costs	1	1	2	2	2
Internal charges and overheads applied	1,250	1,181	2,362	2,362	2,263
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	2,172	1,943	3,693	3,693	3,741
Surplus (deficit) of operating funding (A-B)	(316)	(93)	7	7	(33)
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	0	0	0	0	0
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	0	0	0	0	0
- To replace existing assets	0	0	0	0	0
Increase (decrease) in reserves	(316)	(93)	7	7	(33)
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	(316)	(93)	7	7	(33)
Surplus (deficit) of capital funding (C-D)	316	93	(7)	(7)	33
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	6	3	7	7	12



Democracy and Leadership
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Democracy and Leadership	2,177,966	1,946,503	(231,463)	(12%)	3,699,564	3,699,564	3,752,436	Overbudget due to timing and increased cost of insurance. Reallocated overheads are overbudget but forecast to be on budget by year end.
Total Operational Expenditure	2,177,966	1,946,503	(231,463)	(12%)	3,699,564	3,699,564	3,752,436	
Income								
Democracy and Leadership	1,855,988	1,849,782	6,206	0%	3,699,564	3,699,564	3,707,554	
Total Income	1,855,988	1,849,782	6,206	0%	3,699,564	3,699,564	3,707,554	
Net Cost of Service - Surplus/(Deficit)	(321,977)	(96,721)	(225,256)		0	0	(44,882)	

South Taranaki District Council

Funding Impact Statement for District Economy as at December 2023

	YTD Actual 2023-24 (\$000)	YTD Revised Bud 2023-24 (\$000)	FY Budget 2023- 24 (\$000)	FY Revised Bud 2023-24 (\$000)	Forecast (\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	530	529	1,057	1,057	1,058
Targeted rates	90	91	182	182	181
Subsidies and grants for operating purposes	0	38	76	76	76
Fees and charges	111	160	288	288	239
Internal charge and overheads recovered	0	20	40	40	40
Local authorities fuel tax, fines, infringement fees and other receipts	107	431	862	862	925
Total operating funding (A)	839	1,269	2,505	2,505	2,519
Applications of operating funding					
Payments to staff and suppliers	672	684	1,346	1,346	1,336
Finance costs	272	190	379	379	545
Internal charges and overheads applied	257	214	428	428	412
Other operating funding applications	86	151	302	302	190
Total applications of operating funding (B)	1,287	1,238	2,454	2,454	2,483
Surplus (deficit) of operating funding (A-B)	(448)	30	51	51	36
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	3,718	1,105	2,209	2,209	4,632
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	70	450	900	900	970
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	3,788	1,555	3,109	3,109	5,601
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	3,895	4,150	7,642	8,329	8,478
- To replace existing assets	0	47	0	94	94
Increase (decrease) in reserves	(556)	(2,612)	475	(306)	(2,935)
Increase (decrease) in investments	0	0	(4,957)	(4,957)	0
Total applications of capital funding (D)	3,340	1,585	3,160	3,160	5,637
Surplus (deficit) of capital funding (C -D)	448	(30)	(51)	(51)	(36)
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	28	46	91	91	54



District Economy
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Economic Development	412,948	417,545	4,596	1%	832,104	832,104	785,978	
Hawera Town Coordinator	84,792	90,783	5,991	7%	181,566	181,566	169,584	
Tourism	511,069	492,826	(18,242)	(4%)	978,351	978,351	969,498	Overbudget due to the timing of come reallocated overheads. Forecast to be on budget by year end.
Town Centre Strategy	305,759	262,816	(42,944)	(16%)	512,834	512,834	572,041	Overbudget due to the timing of new loans in terms of progress of Te Ramanui project.
Total Operational Expenditure	1,314,569	1,263,970	(50,599)	(4%)	2,504,855	2,504,855	2,497,101	
Income								
Economic Development	327,085	336,518	(9,433)	(3%)	673,036	673,036	697,368	
Hawera Town Coordinator	90,396	90,783	(387)	(0%)	181,566	181,566	180,792	
Tourism	489,969	503,947	13,978	3%	975,407	975,407	973,857	
Town Centre Strategy	0	767,416	(767,416)	(100%)	1,534,831	1,534,831	1,596,924	No income yet due to timing of PGF contributions and timing of LTIF subsidy withdrawal.
Total Income	907,450	1,698,664	(791,214)	(47%)	3,364,840	3,364,840	3,448,941	
Net Cost of Service - Surplus/(Deficit)	(407,119)	434,694	(841,813)		859,985	859,985	951,840	

South Taranaki District Council

Funding Impact Statement for Environmental Management as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	210	209	419	419	420
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	0	432	863	863	720
Fees and charges	0	0	0	0	0
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	31	30	59	59	60
Total operating funding (A)	241	671	1,341	1,341	1,200
Applications of operating funding					
Payments to staff and suppliers	300	572	1,114	1,143	1,109
Finance costs	6	4	8	8	13
Internal charges and overheads applied	89	79	158	158	164
Other operating funding applications	43	33	65	65	65
Total applications of operating funding (B)	439	687	1,345	1,374	1,351
Surplus (deficit) of operating funding (A-B)	(198)	(16)	(4)	(33)	(151)
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	4	(4)	(8)	(8)	7
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	12	268	536	536	50
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	16	264	528	528	57
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	22	303	606	606	80
- To replace existing assets	0	0	0	0	0
Increase (decrease) in reserves	(204)	(55)	(81)	(111)	(174)
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	(182)	248	524	495	(94)
Surplus (deficit) of capital funding (C-D)	198	16	4	33	151
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	0	21	41	41	0



Environmental Management
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Environmental Policy	145,162	265,233	120,071	45%	530,466	530,466	516,573	Underbudget as use of consultants for plan change decrease as we move to notification phase.
Emergency Management	190,553	186,508	(4,045)	(2%)	343,766	373,015	381,285	
Environment & Sustainability	103,181	256,026	152,845	60%	512,052	512,052	453,481	Underbudget due to delays in some projects due to staff shortage in this area.
Total Operational Expenditure	438,895	707,767	268,871	38%	1,386,283	1,415,533	1,351,339	
Income								
Environmental Policy	45,289	265,233	(219,944)	(83%)	530,466	530,466	530,578	Lower income due to Better Off Funding yet to be received
Emergency Management	171,911	171,697	214	0%	343,395	343,395	343,822	
Environment & Sustainability	35,538	501,692	(466,155)	(93%)	1,003,385	1,003,385	375,663	Lower income as drawdown from Better Off Funding will be limited while reforestation project is being recruited.
Total Income	252,738	938,623	(685,885)	(73%)	1,877,245	1,877,245	1,250,063	
Net Cost of Service - Surplus/(Deficit)	(186,158)	230,856	(417,014)		490,962	461,712	(101,277)	

South Taranaki District Council

Funding Impact Statement for Regulatory Services as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	660	658	1,317	1,317	1,321
Targeted rates	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	1,448	1,476	2,527	2,527	2,348
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	186	118	237	237	348
Total operating funding (A)	2,294	2,253	4,080	4,080	4,017
Applications of operating funding					
Payments to staff and suppliers	1,336	1,204	2,365	2,396	2,597
Finance costs	38	13	26	26	75
Internal charges and overheads applied	961	831	1,663	1,663	1,670
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	2,335	2,048	4,054	4,084	4,343
Surplus (deficit) of operating funding (A-B)	(41)	205	27	(4)	(326)
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	18	15	30	30	22
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	18	15	30	30	22
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	33	26	52	52	52
- To replace existing assets	0	0	0	0	0
Increase (decrease) in reserves	(56)	194	5	(26)	(356)
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	(23)	220	57	26	(304)
Surplus (deficit) of capital funding (C-D)	41	(205)	(27)	4	326
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	15	12	24	24	22



Regulatory Services
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Licensing	255,673	242,853	(12,820)	(5%)	489,092	489,092	499,559	
Animal Services	484,377	436,552	(47,825)	(11%)	894,273	893,147	908,999	Overbudget due to legal fees for prosecution and contractor costs.
Planning	615,939	508,518	(107,421)	(21%)	1,015,945	1,015,945	1,093,073	Overbudget mainly due to recoverable works and consultants, some of these will be offset by income.
Building Control	802,113	660,692	(141,421)	(21%)	1,257,135	1,287,540	1,496,805	Overbudget mainly due to the outsourcing of consent processing. Some of this will be offset by savings in salaries costs due to staff vacancy.
Parking	107,447	90,519	(16,929)	(19%)	180,665	181,037	168,096	Overbudget due to the timing of some reallocated overheads. Forecast to be on budget by year end.
Nuisance & Noise Control	84,116	120,558	36,442	30%	240,362	241,116	198,592	Underbudget due to savings in contractor costs and reallocation of salary splits.
Total Operational Expenditure	2,349,664	2,059,691	(289,973)	(14%)	4,077,472	4,107,877	4,365,124	
Income								
Licensing	270,166	244,546	25,620	10%	489,092	489,092	489,448	Higher income due to timing of food licenses falling due.
Animal Services	722,396	661,975	60,422	9%	898,166	898,166	901,434	
Planning	601,848	507,973	93,875	18%	1,015,945	1,015,945	1,197,983	Higher income due to recovery of some costs incurred last financial year.
Building Control	493,909	628,568	(134,659)	(21%)	1,257,135	1,257,135	1,007,407	Lower income due to a decline in consents.
Parking	83,300	89,801	(6,501)	(7%)	179,602	179,602	179,602	
Nuisance & Noise Control	122,057	120,181	1,875	2%	240,362	240,362	240,654	
Total Income	2,293,676	2,253,043	40,633	2%	4,080,303	4,080,303	4,016,529	
Net Cost of Service - Surplus/(Deficit)	(55,988)	193,353	(249,341)		2,831	(27,574)	(348,595)	

South Taranaki District Council

Funding Impact Statement for Roading and Footpaths as at December 2023

	YTD Actual 2023-24 (\$000)	YTD Revised Bud 2023-24 (\$000)	FY Budget 2023- 24 (\$000)	FY Revised Bud 2023-24 (\$000)	Forecast (\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	30	21	42	42	59
Targeted rates	3,509	3,501	7,002	7,002	7,002
Subsidies and grants for operating purposes	2,851	3,276	6,090	6,708	7,414
Fees and charges	85	76	151	151	151
Internal charge and overheads recovered	459	426	853	853	918
Local authorities fuel tax, fines, infringement fees and other receipts	1,828	874	1,747	1,747	2,469
Total operating funding (A)	8,763	8,173	15,885	16,502	18,012
Applications of operating funding					
Payments to staff and suppliers	5,441	6,085	12,745	12,716	12,913
Finance costs	245	284	569	569	491
Internal charges and overheads applied	198	163	326	326	316
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	5,884	6,533	13,640	13,611	13,720
Surplus (deficit) of operating funding (A-B)	2,878	1,640	2,245	2,891	4,292
Sources of capital funding					
Subsidies and grants for capital expenditure	2,006	3,898	5,201	6,819	7,536
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	1,768	1,346	2,692	2,692	3,364
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	328	655	655	655
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	3,774	5,572	8,548	10,166	11,556
Applications of capital funding					
- To meet additional demand	1,183	1,858	3,468	3,000	2,500
- To improve the level of service	1,775	3,836	5,395	8,444	8,044
- To replace existing assets	2,705	5,299	7,232	7,117	7,517
Increase (decrease) in reserves	990	(3,781)	(5,302)	(5,503)	(2,213)
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	6,653	7,212	10,793	13,057	15,848
Surplus (deficit) of capital funding (C -D)	(2,878)	(1,640)	(2,245)	(2,891)	(4,292)
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	5,047	4,726	9,452	9,452	10,094



Roading & Footpaths
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Roading	10,211,730	10,549,131	337,401	3%	21,643,389	21,643,389	22,243,922	Underbudget mainly due to reseals not started yet and no flood events to date.
Regional Road Safety	260,648	283,061	22,413	8%	595,740	566,491	652,412	
Total Operational Expenditure	10,472,378	10,832,192	359,814	3%	22,239,130	22,209,880	22,896,334	
Income								
Roading	10,309,955	11,635,729	(1,325,774)	(11%)	20,292,624	22,527,338	24,633,359	Lower income due to delay in programmed works and Business Park contributions yet to be realised
Regional Road Safety	0	297,870	(297,870)	(100%)	595,741	595,741	652,412	
Total Income	10,309,955	11,933,599	(1,623,645)	(14%)	20,888,365	23,123,079	25,285,771	
Net Cost of Service - Surplus/(Deficit)	(162,423)	1,101,408	(1,263,831)		(1,350,765)	913,199	2,389,437	

South Taranaki District Council

Funding Impact Statement for Solid Waste as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	248	248	496	496	496
Targeted rates	827	826	1,652	1,652	1,652
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	1,070	1,274	2,548	2,548	2,548
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	694	761	1,276	1,276	1,198
Total operating funding (A)	2,840	3,109	5,972	5,972	5,894
Applications of operating funding					
Payments to staff and suppliers	2,591	2,925	5,830	5,830	5,854
Finance costs	80	99	197	197	161
Internal charges and overheads applied	266	243	485	485	486
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	2,937	3,266	6,512	6,512	6,501
Surplus (deficit) of operating funding (A-B)	(97)	(157)	(541)	(541)	(607)
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	(42)	442	884	884	94
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	(42)	442	884	884	94
Applications of capital funding					
- To meet additional demand	0	0	0	0	0
- To improve the level of service	4	531	1,062	1,062	17
- To replace existing assets	10	95	43	190	184
Increase (decrease) in reserves	(153)	(342)	(762)	(909)	(714)
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	(140)	285	343	343	(513)
Surplus (deficit) of capital funding (C-D)	97	157	541	541	607
Funding Balance ((A-B) + (C-D))	0	0	0	0	0
Excludes Depreciation of:	64	63	127	127	129



Solid Waste
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Solid Waste Collection	1,220,178	1,367,634	147,456	11%	2,735,268	2,735,268	2,733,573	Underbudget mainly due to lower kerbside waste volumes.
Solid Waste Disposal	1,781,306	1,961,794	180,488	9%	3,903,736	3,903,736	3,896,009	Underbudget mainly due to lower than anticipated waste volumes .
Total Operational Expenditure	3,001,484	3,329,429	327,944	10%	6,639,004	6,639,004	6,629,582	
Income								
Solid Waste Collection	1,098,154	1,109,889	(11,735)	(1%)	1,973,485	1,973,485	1,973,485	
Solid Waste Disposal	1,741,892	1,999,194	(257,302)	(13%)	3,998,389	3,998,389	3,920,343	Less income mainly as a result of lower waste volumes.
Total Income	2,840,046	3,109,083	(269,037)	(9%)	5,971,874	5,971,874	5,893,828	
Net Cost of Service - Surplus/(Deficit)	(161,438)	(220,345)	58,907		(667,130)	(667,130)	(735,754)	

South Taranaki District Council

Funding Impact Statement for Stormwater as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	614	613	1,226	1,226	1,227
Targeted rates	4	4	9	9	9
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	4	1	1	1	4
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	86	87	174	174	175
Total operating funding (A)	709	705	1,410	1,410	1,414
Applications of operating funding					
Payments to staff and suppliers	177	147	220	220	236
Finance costs	112	116	231	231	223
Internal charges and overheads applied	185	165	329	329	327
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	473	427	781	781	786
Surplus (deficit) of operating funding (A-B)	236	278	629	629	628
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	64	467	933	933	(80)
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	344	689	689	689
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	64	811	1,622	1,622	608
Applications of capital funding					
- To meet additional demand	119	500	1,000	1,000	650
- To improve the level of service	11	96	167	191	20
- To replace existing assets	6	271	394	543	422
Increase (decrease) in reserves	163	221	690	516	144
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	300	1,088	2,251	2,251	1,236
Surplus (deficit) of capital funding (C -D)	(236)	(278)	(629)	(629)	(628)
Funding Balance ((A-B) + (C-D))	0	(0)	0	0	(0)
Excludes Depreciation of:	443	443	886	886	886



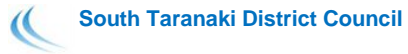
Stormwater
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Stormwater	916,147	866,901	(49,246)	(6%)	1,659,890	1,659,890	1,665,326	Overbudget due to higher than expected contractors and network maintenance contract costs as a result of stormwater drains clearing.
Eltham Drainage	539	3,798	3,259	86%	7,596	7,596	7,633	
Total Operational Expenditure	916,686	870,699	(45,987)	(5%)	1,667,486	1,667,486	1,672,959	
Income								
Stormwater	704,591	1,044,958	(340,368)	(33%)	2,089,917	2,089,917	2,094,140	Income lower due Business Park contributions yet to be realised
Eltham Drainage	4,370	4,308	62	1%	8,616	8,616	8,616	
Total Income	708,961	1,049,266	(340,305)	(32%)	2,098,532	2,098,532	2,102,756	
Net Cost of Service - Surplus/(Deficit)	(207,725)	178,567	(386,292)		431,046	431,046	429,797	

South Taranaki District Council

Funding Impact Statement for Wastewater as at December 2023

	YTD Actual 2023-24 (\$000)	YTD Revised Bud 2023-24 (\$000)	FY Budget 2023- 24 (\$000)	FY Revised Bud 2023-24 (\$000)	Forecast (\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	0	0	0	0	0
Targeted rates	2,908	2,898	5,795	5,795	5,795
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	402	828	1,657	1,657	1,594
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	4	0	0	0	4
Total operating funding (A)	3,314	3,726	7,452	7,452	7,393
Applications of operating funding					
Payments to staff and suppliers	1,705	1,928	3,725	3,725	3,765
Finance costs	882	877	1,754	1,754	1,765
Internal charges and overheads applied	493	497	994	994	860
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	3,081	3,302	6,473	6,473	6,390
Surplus (deficit) of operating funding (A-B)	233	424	979	979	1,003
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	201	2,456	4,912	4,912	2,476
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	218	436	436	436
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	201	2,674	5,348	5,348	2,912
Applications of capital funding					
- To meet additional demand	394	1,285	2,561	2,646	1,534
- To improve the level of service	67	527	846	1,054	163
- To replace existing assets	630	1,612	2,751	3,694	2,887
Increase (decrease) in reserves	(656)	(325)	169	(1,066)	(669)
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	434	3,098	6,328	6,328	3,915
Surplus (deficit) of capital funding (C-D)	(233)	(424)	(979)	(979)	(1,003)
Funding Balance ((A-B) + (C-D))	(0)	0	0	0	0
Excludes Depreciation of:	1,430	1,430	2,860	2,860	2,861



Wastewater
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Wastewater	4,511,435	4,731,956	220,521	5%	9,332,900	9,332,900	9,250,649	Underbudget primarily due to lower than expected trade waste charges, lower electricity and lower than expected maintenance to date.
Total Operational Expenditure	4,511,435	4,731,956	220,521	5%	9,332,900	9,332,900	9,250,649	
Income								
Wastewater	3,314,350	3,944,247	(629,897)	(16%)	7,888,493	7,888,493	7,829,446	Lower income due to trade waste charging still to be done and Business Park contributions yet to be realised
Total Income	3,314,350	3,944,247	(629,897)	(16%)	7,888,493	7,888,493	7,829,446	
Net Cost of Service - Surplus/(Deficit)	(1,197,084)	(787,709)	(409,375)		(1,444,407)	(1,444,407)	(1,421,203)	

South Taranaki District Council

Funding Impact Statement for Water Supply as at December 2023

	YTD Actual 2023-24	YTD Revised Bud 2023-24	FY Budget 2023- 24	FY Revised Bud 2023-24	Forecast
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	0	0	0	0	0
Targeted rates	6,520	6,498	15,204	15,204	15,204
Subsidies and grants for operating purposes	0	0	0	0	0
Fees and charges	44	30	61	61	68
Internal charge and overheads recovered	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	87	240	480	480	480
Total operating funding (A)	6,652	6,769	15,745	15,745	15,753
Applications of operating funding					
Payments to staff and suppliers	2,058	2,073	4,055	4,055	4,120
Finance costs	1,234	1,334	2,668	2,668	2,467
Internal charges and overheads applied	1,689	1,446	2,892	2,892	3,071
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	4,980	4,853	9,615	9,615	9,658
Surplus (deficit) of operating funding (A-B)	1,672	1,916	6,130	6,130	6,095
Sources of capital funding					
Subsidies and grants for capital expenditure	0	0	0	0	0
Development and financial contributions	0	0	0	0	0
Increase (decrease) in debt	417	2,792	5,583	5,583	5,059
Gross proceeds from sale of assets	0	0	0	0	0
Lump sum contributions	0	295	590	590	590
Other dedicated capital funding	0	0	0	0	0
Total sources of capital funding (C)	417	3,086	6,173	6,173	5,649
Applications of capital funding					
- To meet additional demand	319	488	400	977	977
- To improve the level of service	1,527	3,985	6,287	7,991	4,076
- To replace existing assets	1,289	2,707	4,735	7,596	6,171
Increase (decrease) in reserves	(1,047)	(2,178)	881	(4,261)	520
Increase (decrease) in investments	0	0	0	0	0
Total applications of capital funding (D)	2,089	5,002	12,303	12,303	11,744
Surplus (deficit) of capital funding (C - D)	(1,672)	(1,916)	(6,130)	(6,130)	(6,095)
Funding Balance ((A-B) + (C-D))	0	(0)	0	0	0
Excludes Depreciation of:	3,624	3,623	7,246	7,246	7,249



Water Supply
For the period ending December 2023

Description	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast	Comments
Expenditure								
Urban Water Supply	5,559,806	5,517,250	(42,557)	(1%)	10,980,051	10,980,051	10,931,873	
Waimate West Water Supply	2,990,703	2,904,650	(86,053)	(3%)	5,777,319	5,777,319	5,870,463	
Nukumarū Water Supply	53,895	53,945	50	0%	104,324	104,324	104,274	
Total Operational Expenditure	8,604,404	8,475,844	(128,560)	(2%)	16,861,695	16,861,695	16,906,611	
Income								
Urban Water Supply	4,451,972	4,827,917	(375,945)	(8%)	10,534,234	10,534,234	10,534,234	Income lower due to Business Park contributions yet to be realised
Waimate West Water Supply	2,199,838	2,235,756	(35,918)	(2%)	5,801,092	5,801,092	5,808,203	
Nukumarū Water Supply	0	0	0	0%	0	0	0	
Total Income	6,651,810	7,063,673	(411,863)	(6%)	16,335,327	16,335,327	16,342,438	
Net Cost of Service - Surplus/(Deficit)	(1,952,593)	(1,412,171)	(540,422)		(526,369)	(526,369)	(564,173)	



**Consolidated Capital Expenditure Statement
For the period ending December 2023**

Description	YTD Actuals	YTD Rev. Bud	Full Year Budget	Full Year Rev. Bud	Forecast	CARRY FORWARDS		
						2024/25	2025/26	2026/27 and onwards
14 - Corporate Activities	448,520	1,138,731	1,819,691	2,250,408	1,465,607	812,085	0	0
17 - Arts and Culture	125,913	151,127	323,548	302,254	302,283	0	0	0
18 - Community Facilities	781,268	1,665,004	3,059,610	3,420,461	1,878,599	1,538,871	0	0
19 - District Economy	3,895,434	4,196,432	7,641,620	8,422,862	8,571,302	20,000	0	0
21 - Regulatory Services	32,981	25,875	51,750	51,750	51,750	0	0	0
22 - Water Supply	3,135,763	7,180,690	11,421,783	16,563,911	11,223,955	5,007,002	0	0
24 - Stormwater	136,337	867,114	1,560,888	1,734,227	1,091,323	642,904	0	0
25 - Wastewater	1,090,404	3,423,148	6,158,522	7,393,215	4,584,257	2,505,369	0	0
26 - Solid Waste	13,948	626,407	1,105,253	1,252,815	200,724	1,045,583	0	0
27 - Coastal Structures	21,263	88,177	95,337	176,355	176,355	0	0	0
32 - Environmental Management	21,914	302,879	605,759	605,759	80,480	525,279	0	0
23 - Roading and Footpaths	5,662,556	10,993,548	16,094,936	18,560,745	18,060,745	500,000	0	0
Total Capital Expenditure	15,366,301	30,659,132	49,938,697	60,734,762	47,687,379	12,597,093	0	0

Comments:

Funded By:

Depreciation	2,694,026
Roading Subsidies for Capex	2,006,000
External Funding	91,565
New Loans	9,187,240
Transfer From/(To) Reserves	1,387,470
Total Funding	15,366,301

Risk and Assurance Committee - Information Reports



Capital Projects for Arts and Culture
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
LibraryPlus													
19448 - LibraryPlus Furniture - District Wide	District	1,379	5,000	3,621	72%	10,000	10,000	10,000					Spending in Q4
23013 - Eltham Library non-fiction room air-con replacement	Eltham	0	3,371	3,371	100%	3,650	6,743	6,743					Work planned by Robynne
62201 - Adults Non Fiction	District	25,418	44,465	19,047	43%	60,223	88,929	85,187					On track across all book budgets
62202 - Adults Fiction	District	43,606	39,963	(3,643)	(9%)	79,926	79,926	79,926					On track across all book budgets
62203 - Large Print	District	13,847	18,443	4,597	25%	36,886	36,886	36,886					On track across all book budgets
62204 - Childrens	District	18,802	27,665	8,863	32%	55,329	55,329	55,329					On track across all book budgets
62205 - Graphics	District	3,438	524	(2,914)	(556%)	1,048	1,048	3,438					On track across all book budgets
62206 - Adult Graphic Novels	District	1,382	0	(1,382)	(100%)	0	0	1,382					On track across all book budgets
62211 - E-books	District	18,043	11,696	(6,346)	(54%)	23,392	23,392	23,392					On track across all book budgets
Total Expenditure for LibraryPlus		125,913	151,127	25,214	17%	270,455	302,254	302,283	0	0	0		
Total Capital Projects for Arts and Culture		125,913	151,127	25,214	17%	270,455	302,254	302,283	0	0	0		

Capital Projects for Coastal Structures
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Coastal Structures													
15341 - Patea Moles Renewals	Patea	12,862	5,585	(7,277)	(130%)	0	11,170	12,862					All works completed.
22069 - Middleton Bay - seawall renewals	Opunake	165	2,874	2,709	94%	5,748	5,748	5,748					Roger Shand is going to assess, as there is damage on the parking space in Middleton Bay.
22071 - Patea Beach - boat ramp safety extension	Patea	8,235	76,844	68,609	89%	83,840	153,688	153,688					Awaiting for TRC resource consent approval.
22073 - Carlyle-Mana Bay - rockwall renewals	Opunake	0	2,874	2,874	100%	5,748	5,748	4,056					No works planned unless otherwise discovered in assessment.
Total Expenditure for Coastal Structures		21,263	88,177	66,914	76%	95,337	176,355	176,355	0	0	0		
Total Capital Projects for Coastal Structures		21,263	88,177	66,914	76%	95,337	176,355	176,355	0	0	0		

Capital Projects for Community Facilities
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Cemeteries													
13223 - Hawera cemetery - design extension, roadworks & drainage	Hawera	40,433	19,202	(21,231)	(111%)	0	38,405	50,000					Water quality sampling and ground water level monitoring work underway. Preparation of AEE and further technical reporting to meet requirements prior to consent lodgement required.
22091 - New concrete berms	District	858	4,192	3,334	80%	8,384	8,384	8,384					As required across district as new berms needed
22093 - Waihi Cemetery extension	Normanby	20,823	13,171	(7,652)	(58%)	0	26,342	20,823					Project underway. Fencing work to complete
22094 - Kaponga Cemetery entrance renewal	Kaponga	1,287	1,000	(287)	(29%)	0	2,000	1,287					Project complete.
Total Expenditure for Cemeteries		63,401	37,566	(25,836)	(69%)	8,384	75,131	80,494	0	0	0		
Halls													
13249 - Replace vinyl in toilets - Kaponga Town Hall	Kaponga	0	6,336	6,336	100%	0	12,673	12,676					Job will be completed as soon as new disabled toilet project signed off. PJ 24002
22098 - Eltham Town Hall Building Compliance	Eltham	0	75,000	75,000	100%	0	150,000	0	150,000				Deferred. Propose to be done in conjunction with other possible work. LTP consultation required

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
22101 - Normanby Hall carparking	Normanby	0	10,536	10,536	100%	0	21,073	21,073					Quotes received. Further funding has been requested from Comm Bnd. Approval needed before job can start. Contractor on standby so work could be completed by Q4.
23003 - Eltham Town Hall - Fire sprinkler pump & diesel motor	Eltham	3,865	28,077	24,212	86%	0	56,155	10,000	46,155				Waiting on GAP report from Engineers with advice on options to comply.
23004 - Hawera Community Centre - Carpark & driveway repairs	Hawera	43,280	21,640	(21,640)	(100%)	0	43,280	43,280					Job Complete
23006 - Memorial Theatre Air Conditioning Upgrade	Hawera	0	47,998	47,998	100%	95,997	95,997	0	95,997			Likely to happen next financial year	
24002 - Kaponga Hall - new accessible toilet	Kaponga	2,707	13,624	10,917	80%	27,248	27,248	32,311					Job commenced 15 January, will be completed by early Feb 2024.
Total Expenditure for Halls		49,852	203,213	153,361	75%	123,245	406,426	119,340	292,152	0	0		
Parks, Reserves & Sportsgrounds													
15112 - All Playgrounds - Softfall	District	44,430	42,500	(1,930)	(5%)	0	85,000	85,000					Work to be completed by May 2024
15151 - Water Blaster Trailer - Replacement	District	0	13,331	13,331	100%	13,331	13,331	13,331					Waiting for quote
15189 - Horticultural Renewals	Opunake	3,840	5,000	1,160	23%	10,000	10,000	10,000					For renewals as required across the district.
19440 - Parks Furniture - District Wide	District	4,474	2,222	(2,252)	(101%)	4,444	4,444	4,444					As required across the district
19480 - Fence Replacement - District Wide	District	9,186	4,444	(4,742)	(107%)	8,887	8,887	9,186					Job completed
19485 - District Park Signage Replacement and Refurbishment	District	0	1,666	1,666	100%	3,333	3,333	3,333					In progress
22102 - Replace ride-on mower	District	25,950	33,326	7,376	22%	33,326	33,326	25,950					Project complete
22109 - Dallison Park - Arena Fencing	Waverley	0	0	0	0%	44,435	44,435	44,435					Waiting on quotes
22110 - Dallison Park - Concrete around grandstand	Waverley	0	11,109	11,109	100%	22,218	22,218	22,218					To be done with 22109
23005 - Waverley Aotea Park - shelters	Waverley	8,550	7,658	(893)	(12%)	0	15,315	8,550					Job completed
Total Expenditure for Parks, Reserves & Sportsgrounds		96,430	121,255	24,825	20%	139,973	240,287	226,447	0	0	0		
Rural Swimming Pools													
15038 - Rural Pools - Replace Shade Cloths	District	3,270	3,250	(20)	(1%)	0	6,500	6,500					Project in progress
15066 - Rural Pools Waverley - Replace distribution sparges in	Waverley	0	0	0	0%	20,000	20,000	20,000					Project expected to get underway post summer season. Q4
15067 - Rural Pools Waverley - Build new floor in main pool	Waverley	0	0	0	0%	60,000	60,000	60,000					Project expected to get underway post summer season. Q4
15068 - Rural Pools Waverley - Renew water treatment plant and	Waverley	0	0	0	0%	70,000	70,000	70,000					Project expected to get underway post summer season. Q4
15071 - Rural Pools Manaia - Staged major upgrade over 3 years	Manaia	10,011	25,000	14,989	60%	0	50,000	50,000					Project ongoing
22127 - Rural Pools - Plant Renewals LTP21-31	District	0	16,663	16,663	100%	33,326	33,326	33,326					Renewals as required during season
Total Expenditure for Rural Swimming Pools		13,281	44,913	31,633	70%	183,326	239,827	239,826	0	0	0		
TSB Hub													
22012 - TSB Hub LTP 21-31 Capital Renewals	Hawera	3,242	18,823	15,581	83%	55,544	18,823	18,823					Renewals as required.
22015 - Outside Grandstand Seating Replacement	Hawera	61,375	17,778	(43,597)	(245%)	0	54,380	61,375					Project complete
22016 - Replacement of Air Conditioning Units	Hawera	8,568	33,326	24,759	74%	33,326	33,326	33,326					Replacements planned by EOY
24007 - TSB Hub bleachers - replace wheels	Hawera	48,428	26,200	(22,228)	(85%)	52,400	52,400	48,428					Project underway
Total Expenditure for TSB Hub		121,613	96,128	(25,485)	(27%)	141,270	158,930	161,952	0	0	0		
Public Toilets													
19585 - Ohawe Beach - replace Toilets	Ohawe Beach	0	10,536	10,536	100%	0	21,073	21,073					Concept proposal to be discussed with Trustees
19768 - Ablution Pod - Nowells Lakes	District	38,035	22,614	(15,422)	(68%)	31,440	45,227	44,325					Project complete
Total Expenditure for Public Toilets		38,035	33,150	(4,885)	(15%)	31,440	66,300	65,398	0	0	0		
Housing for the Elderly													
13401 - Pensioner housing renewals	Patea	85,481	51,793	(33,688)	(65%)	103,585	103,585	103,585					Project underway. Awaiting further estimates
22135 - Pensioner housing capital upgrades	Patea	44,892	29,490	(15,402)	(52%)	20,960	58,980	58,980					Project underway. Awaiting further estimates
23008 - Furlong Street-Proposed acquisition for Pen Housing	Hawera	15,698	7,500	(8,198)	(109%)	0	15,000	15,698					Project complete
Total Expenditure for Housing for the Elderly		146,070	88,783	(57,287)	(65%)	124,545	177,565	178,263	0	0	0		
Campgrounds													
19272 - Hawera Holiday Park - furniture and chattels renewals	Hawera	0	1,777	1,777	100%	3,555	3,555	3,555					Waiting on furniture will be installed in Q3
19477 - Opunake Beach Holiday Park - Garage & Storage Facilities	Opunake	0	1,974	1,974	100%	0	8,848	8,848					Job completed
22118 - Hwa Holiday Pk - replace washing machines/dryer	Hawera	0	7,776	7,776	100%	7,776	7,776	7,776					Waiting for shipment to arrive in NZ

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
22120 - Waverley Beach amenities upgrade	Waverley	7,808	127,263	119,455	94%	0	254,527	7,808	246,719			Geotechnical report revealed liquefaction risks, job stopped while this is being addressed	
24011 - Opunake Beach Holiday Park - Gas Infinity Heater	Opunake	3,197	3,700	503	14%	0	3,700	3,197					Job completed
24016 - Patea Dam campground - Pressure Tank/Water Pump	Patea	0	5,500	5,500	100%	0	5,500	3,606					Job completed
24017 - Opunake Beach Camp - HVAC Custodian's house	Opunake	0	7,024	7,024	100%	0	7,024	7,024					Pump ordered, waiting for installation
24019 - Opunake Beach Holiday Park - Replace Washing Machine	Opunake	0	4,901	4,901	100%	0	4,901	4,901					Waiting for shipment to arrive in NZ
Total Expenditure for Campgrounds		11,005	159,915	148,911	93%	11,331	295,831	46,715	246,719	0	0		
Aquatic Centre													
22125 - Aquatic Centre - Plant Renewals LTP21-31	Hawera	34,951	26,200	(8,751)	(33%)	52,400	52,400	52,400					Project underway
22126 - Aquatic Centre - Separate staff amenities	Hawera	3,478	7,010	3,531	50%	0	14,019	14,019					Awaiting consents for plumbing and drainage to complete work
23059 - Hwa Aquatic Centre - electric air-source hot water heatpumps	Hawera	194,967	218,073	23,105	11%	0	436,145	436,145					Project to be completed at the end of the summer pool season
Total Expenditure for Aquatic Centre		233,397	251,282	17,885	7%	52,400	502,563	502,564	0	0	0		
Public Spaces													
22116 - Lake Rotokare - Boat Ramp retaining repairs	Eltham	0	104,800	104,800	100%	209,600	209,600	209,600					Waiting for plans from detailed drawings
24008 - Opunake Lake - stabilise riverbank	Opunake	8,185	524,000	515,815	98%	1,048,000	1,048,000	48,000	1,000,000				Planning underway 2023/2024. Physical works more likely to occur 2024/2025 Preparations for consenting process underway. Consultants engaged and initial hui held with stakeholders
Total Expenditure for Public Spaces		8,185	628,800	620,615	99%	1,257,600	1,257,600	257,600	1,000,000	0	0		
Total Capital Projects for Community Facilities		781,268	1,665,004	883,736	53%	2,073,515	3,420,461	1,878,599	1,538,871	0	0		

Capital Projects for Corporate Activities
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Support Services													
11205 - Records Management & Compliancy	District	0	6,310	6,310	100%	0	12,620	12,620					Work will be completed by the year end
13556 - IT Hardware	District	51,414	129,375	77,961	60%	258,750	258,750	258,750					Spend will ramp up
15034 - Fleet Vehicles	District	265,171	258,284	(6,887)	(3%)	203,000	516,568	516,568					Quotes due for replacement vehicles by end of January
16214 - Aircon/Heat Pump Renewal	Hawera	0	11,259	11,259	100%	0	22,517	22,517					Work started, expect completion by end of March 2024
19560 - Headquarters Airconditioning Replacement	Hawera	0	9,248	9,248	100%	9,248	9,248	9,248					Unit replacement as required
19764 - Fleet Vehicles-New	District	3,116	70,000	66,884	96%	120,000	140,000	140,000					Quotes have been requested and expected at the end of January 24
22007 - Hawera HQ Renewals	Hawera	0	7,518	7,518	100%	15,036	15,036	15,036					As required
22009 - Hawera HQ Renewals - Plant Replacement	Hawera	869	0	(869)	(100%)	1,635	1,635	1,635					As required
22081 - Digital Transformation	District	39,183	0	(39,183)	(100%)	0	0	50,000					This was budgeted as part of the DTS project, the project was budgeted under opex but there are items that could be capitalised hence unbudgeted capex. This is externally funded by DIA.
22086 - Making Archives Storage Compliant	District	6,533	23,766	17,233	73%	21,797	47,532	27,000					Project will be completed by the year end
23067 - KEP - Additional CCTV Cameras 2023	Hawera	13,113	6,000	(7,113)	(119%)	0	12,000	13,113					Project complete
24009 - Admin Building - upgrade back-up generator	Hawera	0	36,225	36,225	100%	72,450	72,450	0	72,450				This job will be done during the seismic strengthening project Sept - Dec 2024
24010 - Hawera HQ - EPB Remedial Work	Hawera	30,365	335,000	304,635	91%	0	670,000	30,365	639,635				Programmed to proceed late 2024 after opening of Te Ramanui
Total Expenditure for Support Services		409,763	892,985	483,221	54%	701,917	1,778,357	1,096,852	712,085	0	0		
Corporate Property													
14231 - Centennial Close Rentals - Renewals	District	23,460	23,647	187	1%	20,985	47,293	47,293					Will be completed by June 2024
19428 - Cinema 2 Roof Replacement	Hawera	(7,369)	154,022	161,391	105%	0	308,044	208,044	100,000				Waiting on pumps to arrive, job should be completed by July 2024
19558 - Sundry Property District Wide Fencing Replacement	District	0	19,440	19,440	100%	19,440	19,440	19,440					As required
22019 - Leased Property - Fence Replacement	District	8,185	12,275	4,090	33%	0	24,550	24,550					As required

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
22021 - Eltham Sundry Property - Roof Replacement	District	5,201	30,074	24,873	83%	0	60,148	60,148					Kaponga Municipal building. Process underway for Resource Consent to demolish. Requires consultation with Heritage NZ. Consenting consultant engaged and preliminary meetings held.
24001 - Cinema2 - Replace automatic doors	Hawera	9,280	6,288	(2,992)	(48%)	12,576	12,576	9,280					Job complete
Total Expenditure for Corporate Property		38,757	245,746	206,989	84%	53,002	472,051	368,755	100,000	0	0		
Total Capital Projects for Corporate Activities		448,520	1,138,731	690,210	61%	754,918	2,250,408	1,465,607	812,085	0	0		

Capital Projects for District Economy
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Economic Development													
15910 - Hawera Library, Arts, Culture & Heritage Centre	Hawera	3,780,770	3,750,000	(30,770)	(1%)	0	7,500,000	7,500,000					Te Ramanui Construction
15911 - Hawera Town Centre Development	Hawera	0	261,000	261,000	100%	0	522,000	522,000					For Landscaping portion of Te Ramanui project
22027 - Wav Town M/Plan projects - budgetholder	Waverley	17,998	0	(17,998)	(100%)	0	0	0					
22028 - Wav Town M/Plan - Public Art	Waverley	28,535	2,133	(26,402)	(1238%)	0	35,000	30,000					Kiwi installation
22029 - Wav Town M/Plan - Wayfinding/Storytelling Signage	Waverley	3,400	0	(3,400)	(100%)	0	5,000	5,000					Signage design and fees
22032 - Patea Town M/Plan projects - budgetholder	Patea	21	12,500	12,479	100%	0	0	0					
22038 - Eltham Town M/Plan projects - budgetholder	Eltham	18,539	110,870	92,331	83%	81,739	46,739	0					Basketball court and removal/painting/reinstallation of bins, lights and bollards
22039 - Eltham Town M/Plan - Public Art	Eltham	0	0	0	0%	0	0	0					
22040 - Eltham Town M/Plan - Wayfinding/Storytelling Signage	Eltham	3,609	0	(3,609)	(100%)	0	5,000	5,000					Wayfinding design
22042 - Eltham Town M/Plan - Bridger Park Enhancements	Eltham	245	8,055	7,810	97%	0	16,111	16,111					Mural design and installation
22043 - Eltham Town M/Plan - Town Heart	Eltham	2,739	0	(2,739)	(100%)	0	25,000	25,000					Concept design and meetings
22049 - Opunake Town M/Plan projects - budgetholder	Opunake	827	5,000	4,173	83%	0	0	0					
22142 - Opunake Beach M/Plan - Dune mgmt plan; foreshore furniture	Opunake	0	28,380	28,380	100%	0	56,760	56,760					In conjunction with Revitalisation projects (PhilW)
22143 - Opunake Beach M/Plan - Zig-zag track upgrade; external shower	Opunake	0	18,494	18,494	100%	0	36,987	36,987					In conjunction with Revitalisation projects (PhilW)
22153 - Opunake Town M/Plan projects - Main Street	Opunake	3,406	0	(3,406)	(100%)	0	0	0					
22154 - Opunake Town M/Plan projects - Town Heart	Opunake	2,806	0	(2,806)	(100%)	0	30,000	10,000	20,000			Some consultation still required	Concept design meetings and consultation for greenspace
22155 - Eltham Town M/Plan projects - Main St / Amenity	Eltham	2,667	0	(2,667)	(100%)	0	45,000	45,000					Bins/flights/bollards will be coded here once work starts, incl temp bins while old bins are upgraded
22156 - Eltham Town M/Plan projects - Soldiers Park	Eltham	3,649	0	(3,649)	(100%)	0	100,000	100,000					Basketball project will be coded here once work starts
22157 - Wav Town M/Plan projects - Main Street	Waverley	845	0	(845)	(100%)	0	0	0					
22158 - Wav Town M/Plan projects - Town Heart (Library)	Waverley	3,011	0	(3,011)	(100%)	0	25,000	25,000					Concept design and meetings
22159 - Wav Town M/Plan projects - Bins/Storage	Waverley	324	0	(324)	(100%)	0	2,400	2,400					Storage of bins until SH upgrade and bins can be installed
22160 - Wav Town M/Plan projects - Lighting & Seating	Waverley	0	0	0	0%	0	0	0					
24020 - Patea Town M/Plan - Pae Pae Courtyard	Patea	0	0	0	0%	0	60,000	60,000					
23062 - Enterprise Hub - video conferencing/plant	Hawera	7,044	0	(7,044)	(100%)	0	0	7,044					Project complete
24012 - Pump Track at Opunake	Opunake	15,000	0	(15,000)	(100%)	0	30,000	125,000					Balance coming from external funding
Total Expenditure for Economic Development		3,895,434	4,196,432	300,997	7%	81,739	8,540,997	8,571,302	20,000	0	0		
Total Capital Projects for District Economy		3,895,434	4,196,432	300,997	7%	81,739	8,540,997	8,571,302	20,000	0	0		

Capital Projects for Environmental Management
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Environment & Sustainability													
22003 - Reforestation of Council Land	District	0	35,639	35,639	100%	71,279	71,279	20,000	51,279				Recruitment delays
22004 - Biodiversity Restoration - Council Parks & Reserves	District	3,914	5,240	1,326	25%	10,480	10,480	10,480					Fencing of Patea Saltmarsh
24005 - Reforestation - Better Off Funding	District	18,000	262,000	244,000	93%	524,000	524,000	50,000	474,000				Recruitment delays
Total Expenditure for Environment & Sustainability		21,914	302,879	280,966	93%	605,759	605,759	80,480	525,279	0	0		

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
Total Capital Projects for Environmental Management		21,914	302,879	280,966	93%	605,759	605,759	80,480	525,279	0	0		

Capital Projects for Regulatory Services
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Animal Services													
21001 - Hawera Pound upgrade re Animal Welfare Act changes	Hawera	32,981	25,875	(7,106)	(27%)	51,750	51,750	51,750					Additional work to be completed as part of upgrade
Total Expenditure for Animal Services		32,981	25,875	(7,106)	(27%)	51,750	51,750	51,750	0	0	0		
Total Capital Projects for Regulatory Services		32,981	25,875	(7,106)	(27%)	51,750	51,750	51,750	0	0	0		

Capital Projects For Roading
For the period ending December 2023

Description	Project Type	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
5212 - 5212 Sealed Road Resurfacing	Yes - Subsidised	1,826,829	2,554,749	727,920	28%	2,694,450	2,694,450	2,887,071					Forecast spend to match NZTA approved budget. Surplus from drainage and structures component replacement to be transferred to resurfacing. Total of \$192,621. Reseals are done over Dec, Jan and Feb.
5213 - 5213 Drainage Renewals	Yes - Subsidised	258,864	368,863	109,999	30%	754,563	879,195	755,195					Forecast spend to match NZTA approved budget. Surplus transfer to resurfacing
5214 - 5214 Pavement Rehabilitation	Yes - Subsidised	504,760	2,129,131	1,624,371	76%	3,011,119	3,011,119	3,411,119					Forecast spend to match NZTA approved budget. Surplus from footpath transfer to pavement rehabilitation. Large work packages have been tendered and will commence soon. Bulk of the work normally done over summer months.
5215 - 5215 Structures Component Replacement	Yes - Subsidised	22,940	120,312	97,371	81%	107,517	168,621	100,000					Forecast spend to match NZTA approved budget. Surplus transfer to resurfacing.
5222 - 5222 Traffic Services Renewal	Yes - Subsidised	76,219	103,994	27,774	27%	298,200	298,200	298,200					Forecast spend to match NZTA approved budget.
5225 - Subsidised Footpath Renewal	Yes - Subsidised	458,682	403,987	(54,695)	(14%)	740,955	1,139,055	739,055					Forecast spend to match NZTA approved budget. Surplus transfer to pavement rehab.
5341 - 5341 Minor Improvements	Yes - Subsidised	641,226	1,854,033	1,212,807	65%	2,512,850	5,318,905	5,318,905					Minor safety work, including speed management, walking and cycling and bridge renewal are in various stage of progress. One bridge replacement in design phase at present.
6013 - 6013 South Taranaki Business Park Roading	No - Non-Subsidised	1,182,802	1,858,459	675,658	36%	3,000,000	3,000,000	2,500,000	500,000				Little Waihi Road and Road 1 contouring this FY, Fitzgerald and Kerry will be in next FY.
6030 - 6030 Footpaths	No - Non-Subsidised	0	9,346	9,346	100%	0	39,048	39,048					To be programmed by Community Development unit.
6033 - 6033 Walking & Cycling Facilities -	No - Non-Subsidised	1,574	111,752	110,178	99%	0	355,272	355,272					To be programmed by Community Development unit.
6061 - Parking Renewals	No - Non-Subsidised	674	0	(674)	(100%)	0	0	0					
6081 - 6081 Professional Services Renewals	No - Non-Subsidised	285	0	(285)	(100%)	0	0	0					
6111 - 6111 Street Lighting Renewals	No - Non-Subsidised	14,792	12,617	(2,175)	(17%)	13,348	26,032	26,032					Assess replacement requirement for festive lights.
6170 - 6170 Nukumaruru Station Rd construction	No - Non-Subsidised	672,910	1,466,306	793,396	54%	0	1,630,848	1,630,848					On track for completion this financial year.
Total Capital Expenditure For Roading		5,662,556	10,993,548	5,330,991	48%	13,133,002	18,560,745	18,060,745	500,000	0	0		

Capital Projects for Solid Waste
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Solid Waste Disposal													
10153 - Hawera Transfer Station Renewals	Hawera	2,750	88,151	85,401	97%	28,741	176,303	176,303					Drainage and surfacing replacements are being planned.
22058 - Rotokare Farm Structures - Replace Roller Door (Farm Shed)	Eltham	2,012	2,414	403	17%	4,828	4,828	2,012					Unbudgeted approved for New Oven Installation - job completed
22062 - Rotokare Farm - Bathroom & Kitchen Extraction Fans	Eltham	1,280	632	(648)	(102%)	1,265	1,265	1,280					Job completed.
22063 - Rotokare Farm - Heat Pump Replacement	Eltham	5,490	4,599	(891)	(19%)	9,197	9,197	5,490					Job completed.
22064 - Rotokare Farm Plant - Generator	Eltham	0	6,611	6,611	100%	13,222	13,222	13,222					When required.

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
22141 - Opunake Transfer Station stabilise riverbank	Opunake	2,417	524,000	521,583	100%	1,048,000	1,048,000	2,417	1,045,583			Project on hold until lwi consulted and decision made on options.	
Total Expenditure for Solid Waste Disposal		13,948	626,407	612,459	98%	1,105,253	1,252,815	200,724	1,045,583	0	0		
Total Capital Projects for Solid Waste		13,948	626,407	612,459	98%	1,105,253	1,252,815	200,724	1,045,583	0	0		

Capital Projects for Stormwater
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Stormwater													
15340 - Stormwater Reticulation CCTV	District	11,083	9,897	(1,187)	(12%)	0	19,793	19,793					Project underway.
90010 - Stormwater Renewals budgetholder	District	0	60,211	60,211	100%	287,414	120,414	120,414					
90012 - Hawera - SW - Glover Rd Resilience Culvert Renewal	Hawera	0	85,844	85,844	100%	0	171,687	0	171,687			Physical work to commence next financial year.	
90016 - Opunake - SW - renewals 2022/23	Opunake	0	57,058	57,058	100%	0	114,116	114,116				Tender documentation underway.	
90017 - Eltham - SW - Reticulation renewal - Bridge St	Eltham	2,750	83,496	80,746	97%	0	167,000	167,000				Preferred contractor identified, works to commence soon.	
92012 - Resolve Matangara landfill drainage culvert issues	District	3,408	70,608	67,200	95%	0	141,216	20,000	121,216			Assessment to be completed to identify solutions and option this year. Decision will be made from results.	Vid-Pro have new camera to CCTV stormwater line.
92015 - South Taranaki Business Park stormwater	Hawera	119,096	500,001	380,905	76%	1,000,002	1,000,002	650,000	350,002			Little Waihi Road and stormwater discharge prep in West End precinct this FY. Fitzgerald and Kerry Lane next FY	
Total Expenditure for Stormwater		136,337	867,114	730,777	84%	1,287,416	1,734,227	1,091,323	642,904	0	0		
Total Capital Projects for Stormwater		136,337	867,114	730,777	84%	1,287,416	1,734,227	1,091,323	642,904	0	0		

Capital Projects for Wastewater
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Wastewater													
10074 - Hawera WWTP - Desludge Anerobic Lagoon	Hawera	74,727	370,382	295,654	80%	0	740,763	224,727	516,036			Physical work on new anaerobic lagoon to commence next financial year.	BPO for process design, also NPDC for electrical and controls. Still looking for specialist earthwork design due to pond categorised as dam. Earthworks specialist RFP expected on the 9 February. Only design expected to be completed this financial year.
15361 - Hawera disposal facility for septic tankers	Hawera	0	34,406	34,406	100%	0	68,811	0	68,811			Physical work on new anaerobic lagoon to commence next financial year.	Link to PJ 10074.
15420 - Consent Renewals	District	13,255	25,000	11,745	47%	0	50,000	50,000					Awaiting proposal from H&G to redo Option study and consultation.
80003 - Wastewater Reticulation Rehabilitation (place holder only)	District	1,915	1,920	5	0%	172,920	1,920	1,920					
80014 - Hawera-WW-Rata St replace & upgrade gravity main	Hawera	11,218	307,750	296,532	96%	534,480	811,087	811,087					Preferred contractor now identified, works to commence soon - in conjunction with PJ 85013
80015 - District - WW - Sewer renewals 2021-22	District	5,255	122,468	117,213	96%	131,000	348,925	348,925					Dorset Opunake, Preferred contractor now identified, works to commence soon.
80018 - Opunake - WW - Hector Pl pump station flowmeter renewal	Opunake	1,778	0	(1,778)	(100%)	0	0	1,778					Complete.
80019 - Hawera - WW - Mason Rd rising main renewal	Hawera	6,264	3,132	(3,132)	(100%)	0	6,264	6,264					Design only this FY.
80023 - Manaia - WW - Pipe CCTV inspection Manaia 2022-23	Manaia	187,650	126,826	(60,824)	(48%)	0	187,650	187,650					CCTV work complete.
80026 - District - WW - Pipe renewals 2022-23	District	0	6,616	6,616	100%	0	13,233	13,233					Design planned.
80027 - Patea - WW - York St pumpstation rising main renewal	Patea	141,365	164,403	23,038	14%	312,723	328,806	328,806					Works nearing completion, awaiting for the arrival of the flowmeter to be installed.
80028 - Eltham - WW - Conway Rd pumpstation rising main renewal	Eltham	0	20,960	20,960	100%	41,920	41,920	0					Works completed.
80029 - Manaia - WW - Pipe Renewal 2023-24	Manaia	21,821	27,000	5,179	19%	0	27,000	27,000					Works completed.
80030 - Manaia - WW - Pipe Renewal (Kauae St-Sutherland Rd) 2023-24	Manaia	5,500	25,000	19,500	78%	0	75,000	75,000					Preferred contractor now identified, works to commence soon.
82001 - District - WW - Pipe relining 2022-23	District	12,707	107,774	95,068	88%	419,200	149,547	20,000					Works completed. Some cost to come.
82002 - District - WW - Pipe relining 2023-24	District	33,173	66,996	33,823	50%	0	314,000	314,000					Preferred contractor now identified, works to commence soon.

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
84003 - Wastewater Network Model Development	Hawera	0	5,240	5,240	100%	10,480	10,480	10,480					More modelling to be done by DHL.
84016 - District - WW - Manhole surveys	District	0	10,480	10,480	100%	20,960	20,960	20,960					Manhole surveys are being planned.
85010 - South Taranaki Business Park wastewater	Hawera	355,355	1,159,500	804,145	69%	2,469,000	2,319,000	1,200,000	1,119,000				Preferred contractor now identified, Little Waihi Road sewer and WWPS land contouring this FY. Pump station build, Kerry Lane and Fitzgerald next FY
85012 - South Taranaki Business Park - WW - STBP & CJBW WWPS	Hawera	7,274	0	(7,274)	(100%)	0	0	7,274					
85013 - South Taranaki Business Park - WW - STBP & CJBW WWPS r/main	Hawera	31,020	125,252	94,232	75%	0	326,763	326,763					Preferred contractor now identified, works to commence soon - in conjunction with PJ 85013
86001 - Oxidation Pond Desludging and Sludge Survey	District	15,222	40,000	24,778	62%	0	80,000	60,000					Kaponga complete, dosing to start at Waverley.
86006 - District - WWTP - Renew Waveband	Kaponga	0	25,960	25,960	100%	0	51,921	0					Complete.
86010 - Wastewater Treatment Renewals budgetholder	District	92,795	108,948	16,153	15%	344,897	217,897	199,144					Further work planned at Wai inu.
86015 - Hawera - WWTP - Renew waveband	Hawera	0	50,001	50,001	100%	0	100,001	70,000					Awaiting invoices.
86024 - Hawera WWTP Security fencing renewals	Hawera	2,750	0	(2,750)	(100%)	0	99,500	99,500					Works underway.
86025 - Kaponga WWTP Security fencing renewals	Kaponga	2,750	0	(2,750)	(100%)	0	27,500	27,500					Works underway.
87003 - Wastewater Health and Safety Improvements	District	4,887	6,323	1,437	23%	12,646	12,646						Ongoing as required.
87009 - Generator Hector Place WWPS (Tranche 1 funded)	Opunake	700	0	(700)	(100%)	0	0	700					Project practically complete, under maintenance period. Late invoice.
87010 - Wastewater Plant BPO studies	District	0	30,000	30,000	100%	0	60,000	60,000					Waverley - revise BPO for SC-UV inclusion.
87012 - Waverley tertiary WWTP	Waverley	22,123	420,761	398,639	95%	572,000	841,522	40,000	801,522			Awaiting proposal from H&G to redo Option study and consultation and then consent issue before upgrade.	
87013 - Opke wetland soakage field enhancements	Opunake	18,753	0	(18,753)	(100%)	0	0	18,753					No more expenditure expected.
87020 - Fencing at Eltham WWTP	Eltham	20,147	30,050	9,903	33%	0	60,099	20,147					Works completed
Total Expenditure for Wastewater		1,090,404	3,423,148	2,332,744	68%	5,042,226	7,393,215	4,584,257	2,505,369	0	0		
Total Capital Projects for Wastewater		1,090,404	3,423,148	2,332,744	68%	5,042,226	7,393,215	4,584,257	2,505,369	0	0		

Capital Projects for Water Supply
For the period ending December 2023

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	CARRY FORWARD			Reason for Carry Forward	General Comments
									2024/25	2025/26	2026 on		
Urban Water Supply Schemes													
13125 - Resource Consent Renewals - Urban	District	26,263	30,000	3,737	12%	0	60,000	60,000					Consenting in progress under new NPS-FW provisions
70010 - Urban Water Supply Reticulation Renewals LTP21-31 budgethold	District	0	0	0	0%	0	0	0					
70012 - Patea redundant water mains decommissioning	Patea	25,022	36,680	11,658	32%	73,360	73,360	50,000					Practically complete, linked to PJ 70021.
70015 - Kapuni - WS - Ohawe Pipe Renewal	Ohawe Beach	53,412	150,000	96,588	64%	300,000	1,146,588	1,111,158					Stage 1 completed. Tender closing 25/1/2024.
70016 - Hawera - WS - Glover Rd Resilience Culvert Renewal	Hawera	0	84,563	84,563	100%	0	169,125	169,125					Physical works unlikely this FY. No longer in business park scope, will be included in wider Glover Road infrastructure improvements.
70019 - Hawera - WS - Retic renewal - Fantham St	Hawera	16,642	405,170	388,528	96%	794,384	1,758,308	1,758,308					Preferred contractor now identified. Works to commence soon.
70021 - Patea - WS - Derby St pipe renewal - 22/23	Patea	43,882	56,513	12,631	22%	52,400	113,025	60,000					Practically complete (linked to PJ70012).
70023 - Hawera - WS - Retic renewal - Glover/Ketemarae/Fitzgerald	Hawera	211,623	455,146	243,523	54%	955,616	774,732	774,732					Design with contractor. Tendered and contract to start in February.
70024 - Urban - WS - Retic renewal 22/23 - Turuturu/Glover intersect	Hawera	3,775	27,112	23,337	86%	0	189,785	189,785					Design underway in conjunction with Glover Rd Turuturu Rd roundabout.
70025 - Urban - WS - Retic renewal - Gisborne Terrace Opunake	Opunake	62,513	12,429	(50,084)	(403%)	0	87,000	70,000					Works completed.
70026 - Opunake - WS - Pipe Bridge Renewal	Opunake	0	30,000	30,000	100%	0	30,000	30,000					Works completed by operations.
70029 - C2316 Collingwood Intersection Reticulation Construction	Eltham	0	0	0	0%	0	300,000	300,000					Contract awarded to OPS. Work has started.
71001 - Water Demand Management - Additional water metering & other	District	31,586	62,279	30,693	49%	0	124,558	124,558					Works underway.
71015 - Demand management	District	394	46,177	45,784	99%	86,938	92,354	92,354					BTW completed finished Opunake. Further work to be done to identify leaks.
71018 - Patea low pressure issues	District	488,880	304,349	(184,531)	(61%)	105,636	608,689	538,880					Works underway, awaiting completion of additional zonal valves by Veolia.
71021 - Ohangai Rd Water Supply Improvements	District	593,326	483,474	(109,852)	(23%)	555,440	966,952	966,952					Works underway, practically complete, claims to come.
71025 - Hawera Residential Development Water Infrastructure	Hawera	6,975	0	(6,975)	(100%)	0	0	0					To be journalled to operations
71028 - District - WS - Water meter and backflow preventer programme	District	0	120,523	120,523	100%	120,000	241,046	241,046					Purchasing of new meters underway.
71029 - District - WS - Leakage detection	District	30,030	21,266	(8,765)	(41%)	0	42,531	42,531					BTW completed finished Opunake. Further work to be done to identify leaks.
71032 - District - WS - PRV - Pressure transducers	District	55,003	28,001	(27,003)	(96%)	0	56,001	55,003					Work completed.
72002 - South Taranaki Business Park - WS - Water main budget holder	District	21,133	200,000	178,867	89%	400,001	400,001	400,000					Preferred contractor has been identified, works to commence soon. Little Waihi Road to be complete this FY

Risk and Assurance Committee - Information Reports

Description	Location	YTD Actuals	YTD Rev. Bud	Variance In \$	Variance In %	Full Year Budget	Full Year Rev. Bud	Forecast 2023/24	2024/25	2025/26	2026 on	Reason for Carry Forward	General Comments
72004 - South Taranaki Business Park - WS - Stage 2 Development	Hawera	483	0	(483)	(100%)	0	0	483					Complete.
73010 - Urban Water Treatment Renewals LTP21-31 budget holder	District	252,314	209,600	(42,714)	(20%)	419,200	419,200	419,200					Equipment Renewals.
73012 - Kapuni - WS - WTP VSD Renewals 22/23	Kapuni	33,477	24,222	(9,255)	(38%)	0	48,443	48,443					VSDs received. With NPDC/JLE for close-out information.
73013 - Eltham - WS - WTP VSD Renewals 22/23	Eltham	19,077	9,539	(9,539)	(100%)	0	19,077	19,077					VSDs received. With NPDC/JLE for close-out information.
73014 - Opunake - WS - I&E renewals 22/23	Opunake	9,828	4,914	(4,914)	(100%)	0	9,828	9,828					VSDs received. With NPDC/JLE for close-out information.
74010 - Urban Water Treatment Capital LTP21-31	District	5,463	68,979	63,516	92%	137,959	137,959	137,959					To be spent in second half of year
74014 - Patea WTP treatment enhancement WSP action	Patea	3,635	979,978	976,343	100%	0	1,959,957	100,000	1,859,957			Project on hold while conducting trials.	Project temporarily on hold while trials are being conducted.
74016 - Opunake reservoir 2	Opunake	77,939	559,751	481,812	86%	1,000,000	1,119,502	282,829	836,673			Physical work to commence next financial year.	Design underway by BECA.
74019 - Waverley reservoir 2	Waverley	66,208	759,800	693,592	91%	1,519,600	1,519,600	587,329	932,271			Physical work to commence next financial year.	Design underway by BECA.
74022 - Opunake Coag Optimisation	Opunake	111,209	259,142	147,933	57%	0	518,284	331,050	187,234			Physical work will not be completed this financial year.	Design underway by BECA.
74023 - Kapuni inlet screen replacement (Vector-Todd 26.5% contribut	Kaponga	228,903	149,994	(78,908)	(53%)	0	300,000	259,246					Emergency rockworks now completed, ready to send invoice to Todd Energy for their contribution.
74025 - Reservoir ladders - Urban	Hawera	1,641	62,343	60,702	97%	44,262	124,686	124,686					Design completed. Work to start this financial year and likely to be completed by the end of this financial year.
74033 - Urban - WS - Treatment - Waverley Beach bore 2 tie-in	Waverley Beach	5,497	17,603	12,106	69%	0	35,206	35,206					Disinfection of existing Bore 2 to be done.
76020 - Districtwide- WS - Pipe Bridge Renewal 23/24	District	2,750	11,143	8,393	75%	0	78,000	78,000					Preferred contractor identified, works to commence soon.
Total Expenditure for Urban Water Supply Schemes		2,488,883	5,670,690	3,181,807	56%	6,564,796	13,523,798	9,467,769	3,816,135	0	0		
Waimate West Water Supply													
08003 - Waimate West new reservoir 2008	Waimate West	290,517	288,313	(2,204)	(1%)	0	576,626	576,626					Works underway, remedial works underway
15343 - Renewal Raw Water Main Renewal- Mangawhero-Iti near WTP	Waimate West	61	0	(61)	(100%)	0	0	61					Late invoice
76017 - District - WW - Waimate/Inaha water meter renewals	Waimate West	163,747	45,074	(118,673)	(263%)	0	90,147	163,747					More meters on order.
76018 - Rural - WS - Reticulation renewal design 22/23	Waimate West	751	25,001	24,249	97%	0	50,001	50,001					Planning underway.
76019 - Rural - WS - Maniaia Rd pipe bridge renewal 22/23	Waimate West	0	66,231	66,231	100%	125,760	132,461	0					Work completed last FY
76513 - Pipe bridge structural condition assessments-Waimate West	Waimate West	0	4,023	4,023	100%	45,986	28,159	0					Complete.
77010 - Waimate West Timt Plant Renewals LTP21-31 budgetholder	Waimate West	55,793	57,483	1,690	3%	114,966	114,966	114,966					Failed Equipment Renewals.
77011 - Waimate West Mangawhero abstraction consent RCO635-3	Waimate West	9,520	85,155	75,634	89%	0	170,309	170,309					In negotiation with interested parties
77012 - Waimate West - Intake & Raw Water Pipe Condition Assessments	Waimate West	16,100	8,076	(8,024)	(99%)	0	16,152	16,100					Work completed.
77013 - Rural - WS - Treatment - I&E renewals 22/23	Waimate West	45	12,501	12,455	100%	0	25,001	25,001					As required for renewal of instrumentation and electrical.
77510 - Backwash pond sludge disposal as per WSP	Waimate West	0	0	0	0%	0	0	0					Work complete.
77514 - Process resilience improvements project	Waimate West	4,612	101,976	97,363	95%	104,800	203,951	203,951					Project brief on the way for control system.
77515 - Reservoir ladders - Rural	Waimate West	2,450	19,529	17,079	87%	0	39,059	39,059					Design completed. Work to start this financial year and likely to be completed by the end of this financial year.
78510 - Kapuni-Inaha transfer line enhancement	Inaha	49,528	86,224	36,696	43%	172,448	172,448	172,448					Ready to handover to Projects.
78511 - Inaha Reservoir 1 floor rehabilitation	Inaha	28,711	645,433	616,722	96%	922,240	1,290,867	100,000	1,190,867				Tender unsuccessful. Changing procurement strategy.
79011 - Inaha - WS - Treatment - VSD renewals 22/23	Inaha	8,952	7,500	(1,452)	(19%)	0	15,001	8,952					Work completed.
79511 - Backwash recycling & filter renewal	Inaha	16,092	57,483	41,391	72%	114,966	114,966	114,966					Awaiting proposals from consultants, or to direct appoint to BECA for the design.
Total Expenditure for Waimate West Water Supply		646,880	1,510,000	863,120	57%	1,601,166	3,040,113	1,756,186	1,190,867	0	0		
Total Capital Projects for Water Supply		3,135,763	7,180,690	4,044,927	56%	8,165,961	16,563,911	11,223,955	5,007,002	0	0		
22230 to 22256 - Proposed carryovers		0	0	0	0	17,271,366	0	0					
Grand Total		15,366,301	30,659,132	15,292,831	50%	49,938,697	60,852,897	47,687,379	12,597,093	0	0		

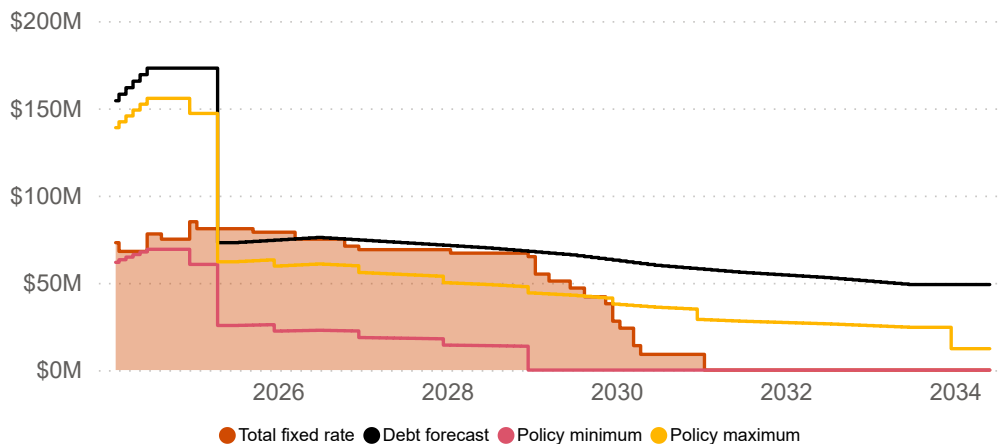
Treasury summary - positions

South Taranaki District Council

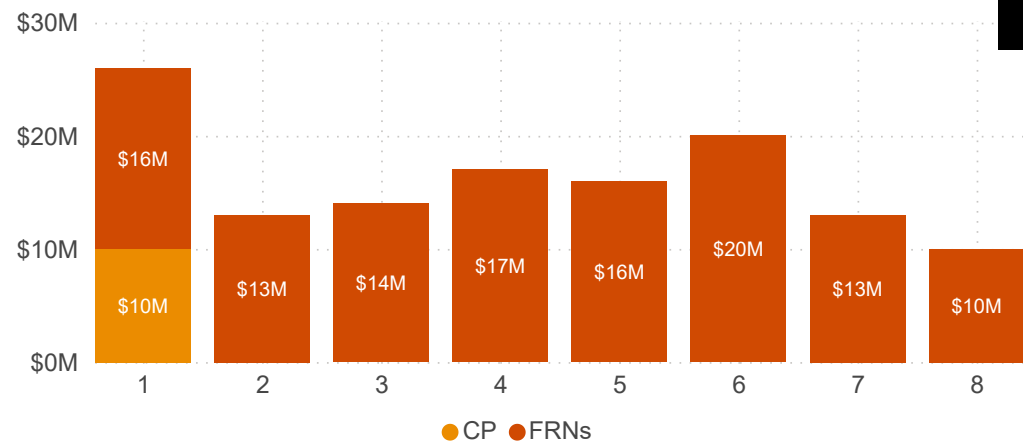
Month: Currency:

- 1. LTP debt forecast
- 2. Annual plan forecast
- 3. Annual plan less 3 waters

Interest rate risk profile



Funding and liquidity risk timeline



6

Interest rate summary

#	Bucket	Min	Max	Actual
1	0 - 12	40%	90%	44%
2	12 - 24	35%	85%	89%
3	24 - 36	30%	80%	100%
4	36 - 48	25%	75%	94%
5	48 - 60	20%	70%	96%
6	60 - 72	0%	65%	74%
7	72 - 84	0%	60%	22%
8	84 - 96	0%	50%	1%
9	96 - 108	0%	50%	0%
10	108 - 120	0%	50%	0%

Counterparty credit limits

Counterparty	Total exposure	Total limit	Compliant?
ANZ	\$5,935,606	\$30,000,000	✓
Kiwibank	\$22,998	\$30,000,000	✓
Westpac	\$8,944,641	\$30,000,000	✓

Funding summary

Bucket (years)	Policy	Actual
0 - 3	15% - 60%	41%
3 - 7	25% - 85%	51%
7 - 15	0% - 60%	8%
Total		100%



Non-Financial Performance Measures For Quarter Two as at 31 December 2023



Achieved/On Track



At Risk



Not Achieved/Not on Target


Q#

This measure can only be reported on in a certain quarter





N/A



This measure is not applicable for this year


Democracy and Leadership





Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
We make well informed decisions that support the current and future needs of the community.	(C) % of residents who agree decisions made by Council represent the best interests of the District.	≥ 70%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
We engage with our community and provide opportunities to participate in decision-making.	(C) % of residents who are satisfied or neutral with their opportunity to participate in Council decision-making processes.	≥ 80%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
We keep residents informed of Council activities through a variety of media.	(C) % of residents who know where to access Council information when they want it (website, newspaper, Libraries, Contact Services).	≥ 85%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
We have strong relationships with local Iwi and work together in a range of ways so that their perspectives inform our decisions.	(T) Iwi representatives are appointed to Te Kāhui Matauraura (previously the Iwi Liaison Committee) and the Council's standing committees.	100%	100%		Achieved. Te Kāhui Matauraura has full membership, and we have Iwi representatives appointed to Environment and Hearings, Risk and Assurance Committees and Infrastructure and Community Services Portfolio Groups.



Water Supply

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
The water supply is accessible and reliable.	(C) Number of complaints received about continuity of supply (per 1,000 connections). <i>DIA Performance Measure 4d</i>	≤ 10	2.80		Achieved. 2.80 complaints per 1,000 connections were received about continuity of supply for the year to date. 1.12 complaints per 1,000 connections were received about the continuity of supply in Q2.
	(T) Median response time for service personnel to attend urgent call-out measured from the time we receive notification to the time service personnel reach the site. <i>DIA Performance Measure 3a</i>	≤ 2 hrs	36min		Achieved. The median response time for service personnel to attend urgent callouts was 36 minutes for the year to date. The median response time for service personnel to attend urgent callouts was 37 minutes in Q2.
	(T) Median response time for service personnel to resolve urgent call-out measured from the time we receive notification to the time service personnel confirm resolution of the fault or interruption. <i>DIA Performance Measure 3b</i>	≤ 9 hrs	14hr42min		Not achieved. The median time for service personnel to resolve urgent callouts was 17 hours and 55 minutes in Q2. The median time for service personnel to resolve urgent callouts was 14 hours and 42 minutes for the year to date. The contractor was not closing jobs on time in the system.
	(T) Median response time for service personnel to attend non-urgent call-out measured from the time we receive notification to the time service personnel reach the site. <i>DIA Performance Measure 3c</i>	≤ 5 days	2d/20h/27m		Achieved. The median response time for service personnel to attend non-urgent callouts was 2 days, 20 hours and 27 minutes for the year to date. The median response time for service personnel to attend non-urgent callouts was 2 days, 22 hours and 21 minutes for Q2.






Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
	(T) Median response time for service personnel to resolve non-urgent call-out measured from the time we receive notification to the time service personnel confirm resolution of the fault or interruption. <i>DIA Performance Measure 3d</i>	≤ 5 days	3d/21h/6m		Achieved. The median response time for service personnel to attend non-urgent callouts was 3 days, 21 hours, and 6 minutes for the year to date. The median response time for service personnel to attend non-urgent callouts was 3 days, 23 hours and 11 minutes for Q2.
Water supplied is clean and healthy.	(T) Extent of compliance with current NZ Drinking Water Standards (for bacteria). <i>DIA Performance Measure 1a</i>	10/10	6/10		Not achieved. This assessment is in terms of Taumata Arowai’s tight Quality Assurance Rules (QARs), applicable from 1 Jan 2023 and is yet to be confirmed by independent external audit. Minor technical incidents were recorded at some treatment plants when applying the current QARs. Corrective actions may be scrutinised and given a “Met” or “Not Met” grading. We do not foresee any of the supplies being graded as “Not Met”, apart from the two mentioned below. In Pātea, the amount of ammonia in the groundwater affects the disinfection requirements. A 6-month trial will be conducted to determine if an alternative treatment option is viable. Under the recent rules Inaha was classified as a large water supply hence the need for additional instrumentation, whereas previously it was of a lesser category. Instrumentation will be allowed for in the LTP.




Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
	(T) Extent of compliance with NZ Drinking Water Standards (for protozoa). <i>DIA Performance Measure 1b</i>	10/10	8/10		<p>Generally, supply has bacteriological satisfactory water.</p> <p>Not achieved. This assessment is in terms of Taumata Arowai's tight Quality Assurance Rules (QARs), applicable from 1 Jan 2023 and is yet to be confirmed by independent external audit. Minor technical incidents were recorded at some treatment plants when applying the current QARs. Corrective actions may be scrutinised and given a "Met" or "Not Met" grading. We do not foresee any of the supplies being graded as "Not Met", apart from the two mentioned below.</p> <p>In Pātea the amount of ammonia in the groundwater affects to disinfect requirements. A 6-month trial will be conducted to determine if an alternative treatment option is viable.</p> <p>Under the recent rules Inaha was classified as a large water supply hence the need for additional instrumentation, whereas previously it was of a lesser category. Instrumentation will be allowed for in the LTP.</p> <p>Generally, supply has protozoa satisfactory water.</p>
The water supply is managed sustainably (maintenance of the	(T) % The percentage of real water loss from the networked reticulation system, using the Infrastructure Leakage Index (ILI) methodology.	≤ 12%	Q4	Q4	This will be reported on in Q4.

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
reticulation network).	<i>DIA Performance Measure 2</i>				
	(T) Average consumption of drinking water per day per resident. <i>DIA Performance Measure 5</i>	≤ 370 L/c/d	Q4	Q4	This will be reported on in Q4.
Consumers are satisfied with the Water Supply service.	(C) Total number of complaints received about drinking water clarity (per 1,000 connections). <i>DIA Performance Measure 4a</i>	≤ 3	0.19		Achieved. 0.19 complaints about drinking water clarity per 1,000 connections were received for the year to date. 0.09 complaints about drinking water clarity per 1,000 connections were received in Q2.
	(C) Number of complaints received about drinking water taste (per 1,000 connections). <i>DIA Performance Measure 4a</i>	≤ 3	0		Achieved. No reported complaints about drinking water taste per 1,000 connections have been received in this financial year to date.
	(C) Number of complaints received about drinking water odour (per 1,000 connections). <i>DIA Performance Measure 4b</i>	≤ 3	0		Achieved. No reported complaints about drinking water odour per 1,000 connections have been received in this financial year to date.
	(C) Number of complaints received about drinking water pressure or flow (per 1,000 connections). <i>DIA Performance Measure 4c</i>	≤ 4	1.50		Achieved. 1.50 complaints about drinking water pressure per 1,000 connections were received for the year to date. 0.56 complaints about drinking water pressure per 1,000 connections were received in Q2.





Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
	(C) Number of complaints received about response to the above (per 1,000 connections). <i>DIA Performance Measure 4e</i>	≤ 2	0		Achieved. No reported complaints about the response to the above per 1,000 connections have been received in this financial year to date.
	(C) Total number of complaints (per 1000 connections). <i>DIA Performance Measures 4a-4e</i>	≤ 20	4.49		Achieved. 4.49 complaints per 1,000 connections were received for the year to date. A total of 1.78 complaints per 1,000 connections were received in Q2.
	(C) % of consumers are satisfied with the Water Supply overall.	≥ 80%	Q4	Q4	The Annual Residents' Survey is undertaken in Quarter 3 with results reported in Quarter 4.







Stormwater



Level of Service	Performance Measure C=customer measure T=technical measure	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Council provides a reliable stormwater system that prevents houses from flooding.	(C) Number of reported flooding incidents of habitable properties. <i>DIA Performance Measure 1a</i>	< 10	0		Achieved. No flooding incidents of habitable properties have been received in this financial year to date.
	(T) For each flooding event, the number of habitable floors affected per 1,000 properties rated for stormwater. <i>DIA Performance Measure 1b</i>	≤ 1.00	0		Achieved. No habitable floors were affected per 1,000 properties rated for stormwater have been received in this financial year to date.
The stormwater system is managed sustainably.	(T) Compliance with our resource consents for discharge from the stormwater system, measured by the number of abatement notices received. <i>DIA Performance Measure 2a</i>	<2	0		Achieved. No abatement notices have been received in this financial year to date.
	(T) Number of infringement notices received by STDC for stormwater discharges. <i>DIA Performance Measure 2b</i>	0	0		Achieved. No infringement notices have been received in this financial year to date.
	(T) Number of enforcement orders received by STDC for stormwater discharges. <i>DIA Performance Measure 2c</i>	0	0		Achieved. No enforcement orders have been received in this financial year to date.

Level of Service	Performance Measure C=customer measure T=technical measure	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
	(T) Number of successful prosecutions made against STDC for stormwater discharges. <i>DIA Performance Measure 2d</i>	0	0		Achieved. No prosecutions were made against the Council in this financial year to date.
Council will respond promptly to reports of flooding and customer requests.	(C) Number of complaints received about stormwater system and response to issues (per 1,000 connections). <i>DIA Performance Measure 4</i>	≤ 1	0		Achieved. No complaints about the stormwater system or response to issues have been received in this financial year to date.
	(T) Median response time for service personnel to attend flooding event measured by the time we receive notification to the time service personnel reach the site. <i>DIA Performance Measure 3</i>	≤ 2 hrs	0		Achieved. No flooding events have been recorded in this financial year to date.
Residents are satisfied with the Stormwater system.	(C) % of residents satisfied with the stormwater system.	≥ 80%	Q4	Q4	The Annual Residents' Survey is undertaken in Quarter 3 with results reported in Quarter 4.




Wastewater

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Sewage is managed without risk to public health.	(T) Median response time for service personnel to attend overflow, measured from the time we received notification to the time service personnel reach the site. <i>DIA Performance Measure 3a</i>	≤ 2 hrs	39min		Achieved. The median response time for service personnel to attend overflow was 39 minutes for the year to date. The median response time for service personnel to attend overflow was 43 minutes for Q2.
	(T) Median response time for service personnel to resolve overflow, measured from the time we received notification to the time service personnel confirm resolution of the blockage or fault. <i>DIA Performance Measure 3b</i>	≤ 5 hrs	3h/32min		Achieved. The median response time for service personnel to resolve overflow was 3 hours and 32 minutes for the year to date. The median response time for service personnel to resolve overflow was 3 hours and 40 minutes in Q2.
	(C) Total number of complaints received about sewage odour (per 1,000 connections). <i>DIA Performance Measure 4a</i>	≤ 1	0.25		Achieved. 0.25 complaints per 1,000 connections were received for the year to date. 0.25 complaints per 1,000 connections were received about odours from wastewater pump stations and/or treatment facilities in Q2.
	(C) Total number of complaints received about sewerage system faults (per 1,000 connections). <i>DIA Performance Measure 4b</i>	≤ 37	3.93		Achieved. 3.93 complaints per 1,000 connections were received for the year to date. 2.54 complaints per 1,000 connections were received about sewerage system faults in Q2.

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
	(C) Total number of complaints received about sewerage system blockages (per 1,000 connections). <i>DIA Performance Measure 4c</i>	≤ 13	5.20		Achieved. 5.20 complaints per 1,000 connections were received for the year to date. 2.92 complaints per 1,000 connections were received about sewerage system blockages in Q2.
	(C) Total number of complaints received about response to issues (per 1,000 connections). <i>DIA Performance Measure 4d</i>	≤ 3	0		Achieved. No reported complaints were received about the response to issues in Q2, nor for the year to date.
	(C) Total number of complaints received about sewerage system faults and our response to issues with our sewerage system (per 1000 connections). <i>DIA Performance Measure 4a-4d</i>	≤ 50	9.38		Achieved. 5.70 complaints per 1,000 connections were received about sewerage system faults in Q2. 9.38 complaints per 1,000 connections were received for the year to date.
	(T) Number of dry weather overflows per 1,000 connections. <i>DIA Performance Measure 1</i>	≤ 1	0		Achieved. No dry weather overflows were reported in this financial year to date.
	(T) Compliance with our resource consents for discharge from our sewerage system measured by the number of abatement notices received. <i>DIA Performance Measure 2a</i>	≤ 1	0		Achieved. No abatement notices have been received in this financial year to date.
	(T) Number of infringement notices received for discharges. <i>DIA Performance Measure 2b</i>	0	0		Achieved. No infringement notices have been received in this financial year to date.



Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Sewage does not affect the quality of the environment.	(T) Number of enforcement orders received for discharges. <i>DIA Performance Measure 2c</i>	0	0		Achieved. No enforcement orders have been received in this financial year to date.
	(T) Number of convictions received for discharges. <i>DIA Performance Measure 2d</i>	0	0		Achieved. No convictions have been recorded in this financial year to date.
Residents are satisfied with Wastewater services overall.	(C) % of consumers satisfied with the Wastewater services overall.	≥ 85%	Q4	Q4	The Annual Residents' Survey is undertaken in Quarter 3 with results reported in Quarter 4.


Solid Waste

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Solid Waste					
A reliable weekly kerbside recycling and rubbish collection service is provided.	(T) Number of justified complaints received for missed collection that are not resolved (average per month).	2	1.2		Achieved. An average of 1.2 complaints per month were received for the year to date. An average of 2.3 complaints per month were received during Q2 of missed collections that were not resolved.
	(C) % of customers satisfied with the Solid Waste collection service.	≥ 90%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
A reliable, well managed (user pays) fortnightly kerbside greenwaste collection service is provided.	(C) Average number of justified complaints received for missed greenwaste bins per collection.	≤ 4	3.4		Achieved. The average number of missed bins per collection was 3.4 for the year to date. The average number of missed bins per collection was 3.7 for Q2.
Transfer stations are well maintained.	(C) Number of complaints received about poor maintenance, noise or smell for transfer stations.	≤ 4	0		Achieved. No complaints about poor maintenance, noise or smell at a transfer station have been received in this financial year to date.
Increasing number of tonnes per annum of recyclable material diverted from landfill.	(T) Number of tonnes of recyclable waste diverted from landfill per annum.	Maintain or improve from previous year.	Q4	Q4	This will be reported on in Q4.

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Waste Minimisation					
Reduce the amount of rubbish/waste that is collected from kerbside collection per household.	(T) Number of tonnes of waste collected per household per annum.	< 300kg per household	Q4	Q4	This will be reported on in Q4.
We actively deal with litter complaints.	(C) % Residents who are satisfied with litter control.	> 50%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.



Roading and Footpaths (includes Road Safety and Pathways)




Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Council provides roads which are safe and comfortable to drive on.	(T) % of roads meeting the roughness standard (deviation of true plane) remains stable or improves. <i>DIA Performance Measure 2</i>	92%	Q4	Q4	The Annual Roughness Survey is undertaken in Q3 with the results reported in Q4.
	(C) % of road users satisfied with the condition of Council roads.	≥ 75%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
	(T) Annual change in number of fatalities and serious injury crashes on local road network. <i>DIA Performance Measure 1</i>	Decrease by 1 or zero	+2		Not achieved. There were 4 serious crashes and 1 fatal crash reported for the quarter compared to 3 serious crashes last year. Total crashes to date were 6 serious and 1 fatal. Last year were 5 serious crashes.
The roading network is maintained in good condition.	(T) % of sealed local road network resurfaced annually. <i>DIA Performance Measure 3</i>	6%	Q4	Q4	The target is 6%, however due to high bitumen cost we are likely to achieve only 4%.
Footpaths are maintained in good condition and are fit for purpose.	(T) % of footpaths with condition rating 1-4. <i>DIA Performance Measure 4</i>	98%	Q4	Q4	The footpath condition survey is undertaken in Q3 with the results reported in Q4.
Council will respond promptly to customer service requests for roads and footpaths.	(T) % of urgent customer service requests relating to roads and footpaths responded to within 2 working days.	≥ 95%	90%		Not achieved. There were 10 urgent CRMs reported to date in this financial year with 9 responded to on time, an achievement of 90%.

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
	<i>DIA Performance Measure 5</i>				For Q2 there were 4 urgent CRMs with all 4 responded to within 2 days.
	(T) % of non-urgent customer service requests relating to roads and footpaths responded to water within 5 working days. <i>DIA Performance Measure 5</i>	≥ 90%	91%		Achieved. There were 750 CRMs reported to date in this financial year with 674 responded to on time, an achievement of 91%. For Q2 there were 312 CRMs reported with 284 responded to within 5 days, an achievement of 91%.


Community Facilities

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Parks and Public Spaces					
Parks and reserves are tidy and well maintained.	(C) % of customers satisfied with the level of maintenance in Council parks, reserves, and public spaces.	≥ 97%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
	(C) % of customers satisfied that the provided playgrounds meet the needs of users.	≥ 90%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
Recreation Centres					
Recreation centres are well maintained and serviced.	(C) % of customers satisfied with the maintenance and cleanliness of recreation centres.	≥ 90%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
Swimming Pools					
Rural pools are attractive and well maintained environments.	(C) % of customers satisfied with pool environments. Average across all rural pools.	≥ 80%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
Rural pools water quality is safe.	(T) % of compliance with NZ5826 through regular water quality tests.	≥ 90%	Q4	Q4	This will be reported in Quarter 4 after the conclusion of the summer season.



Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Swimming Pools					
The Hāwera Aquatic Centre is a well maintained environment.	(C) % of users satisfied with the venue being well maintained.	≥ 90%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
The Hāwera Aquatic Centre is a safe environment.	(T) The Hāwera Aquatic Centre holds current national Poolsafe™ accreditation.	Held	Held		Achieved. Poolsafe™ accreditation review undertaken and renewed in March 2023.
Customers are satisfied with services.	(C) % of users satisfied with services at Hāwera Aquatic Centre.	≥ 90%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
Public Toilets					
Public toilets are clean and well maintained.	(C) % of residents satisfied with cleanliness and maintenance of public toilets.	≥ 80%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
Cemeteries					
Cemeteries are tidy and well maintained.	(C) % of customers satisfied with the tidiness and level of maintenance at cemeteries.	≥ 95%	Q4	Q4	The Annual Residents' Survey is undertaken in Q3 with results reported in Q4.
Interments are managed with respect and sensitivity.	(C) Number of complaints regarding interment processes.	≤ 3	0		Achieved. No complaints have been received in this financial year to date.


Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
TSB Hub					
TSB Hub is an attractive, well maintained and well used venue.	(C) % of users satisfied with the standard of service provided.	≥ 90%	Q4	Q4	The annual users' survey is undertaken in Quarter 3 with results reported in Quarter 4.
TSB Hub provides a safe environment.	(T) Number of accidents reported per annum due to poor maintenance or design.	≤ 3	0		Achieved. No accidents were reported due to poor maintenance or design in this financial year to date.
Housing for the Elderly					
Council will provide well maintained and fit for purpose housing for the elderly.	(T) % of housing units are rated good to very good using the minimum standards included in the Pensioner Housing Policy.	95%	93.06%		On Track. Five units across the district remain as moderate. These upgrades will be undertaken as the units become vacant.
	(T) % of housing units that meet the Residential Tenancies Healthy Homes Standards 2019.	100%	100%		Achieved. All 72 units now have insulation, heat pumps and extraction fans and meet the criteria for Residential Tenancies Healthy Homes Standards 2019.
	(C) % of tenants satisfied with the standard of their accommodation.	95%	Q4	Q4	The annual tenants' survey is undertaken in Q3 with results reported in Q4.

Arts and Culture


Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Arts					
Opportunities are provided to participate in arts activities.	(T) Number of programmes or projects facilitated or supported per annum.	10	7		<p>On track. A total of 7 events have been provided to date in this financial year. 2 programmes/projects were facilitated in Q2.</p> <ul style="list-style-type: none"> • Meeting held with interested parties for mural project in Manaia. • Liaison with artist and community group for mural project in Pātea. • Liaised with the Village Art Gallery on a mural, in conjunction with the Rotokare Trust.
LibraryPlus					
LibraryPlus facilities are well resourced and have friendly, helpful staff.	(C) % of customers satisfied with facilities and customer service.	≥ 96%	Q4	Q4	The Annual Residents' Survey is undertaken in Quarter 3 with results reported in Quarter 4.
LibraryPlus materials and resources are relevant to current information and leisure needs of the community.	(C) % of customers satisfied with materials, resources and information provided.	≥ 96%	Q4	Q4	The Annual Residents' Survey is undertaken in Quarter 3 with results reported in Quarter 4.

District Economy




Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Economic Development					
Existing or new businesses are supported and assisted to grow.	(T) Number of unique visitors to the South Taranaki digital business hub per annum.	12,000	280		Not achieved. There were 280 unique visitors to the site in Q2. Visitor numbers were not able to be tracked in Q1 due to a Google Analytics error.
South Taranaki is promoted as a great place to invest and do business.	(T) Number of promotions about investing and doing business in South Taranaki per annum.	8	6		<p>On track. A total of 6 promotions about investing and doing business in South Taranaki have been undertaken to date in this financial year. 3 promotions were undertaken in Q2.</p> <ul style="list-style-type: none"> • The South Taranaki Business Park hosted the Taranaki Chamber of Commerce Network of Trades event in November. • Te W'anake The Foundry promoted it's coworking, meetings and events services in the summer edition of MOOD magazine, distributed throughout Taranaki. • A media release celebrated South Taranaki being named the 2nd most hospitable district in New Zealand by Air BnB.
Tourism					
Customers are satisfied with the level of service they received at the i-SITE.	(T) Qualmark accreditation is maintained.	Held	Q4	Q4	The annual accreditation is done in Q4.
Events					



<p>Council will provide, encourage and/or support events within the District.</p>	<p>(T) Minimum number of events Council has provided or supported per annum.</p>	<p>≥ 10</p>	<p>11</p>		<p>Achieved. A total of 11 events have been provided by the Council to date in this financial year. 8 events were organised or assisted during Q1, and 3 events were organised or assisted during Q2 including Arts in the Park, Xmas Cabaret and the Scale Ship Regatta.</p>
<p>Council events are well organised and well attended.</p>	<p>(C) % of attendees satisfied with selected Council events.</p>	<p>≥ 90%</p>	<p>Q4</p>	<p>Q4</p>	<p>Surveys to be conducted over summer events being held in Q2 and Q3, with results published in Q4.</p>







Community Development and Support

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
<p>Communities and the Council are supported to develop and implement projects that improve the District's wellbeing.</p>	<p>(T) Number of community and Council projects and activities provided, encouraged, and supported.</p>	<p>≥ 25</p>	<p>11</p>		<p>On track. A total of 11 Council projects and activities have been provided, encouraged, or supported to date in this financial year. Community Development Advisors continue to meet with members of the community through their work at community board meetings as well as through town revitalisation projects. Topics covered this quarter include organisations' need for funding, help with a community beach project, and help understanding of Council processes. A stand at a regional funders forum was manned which resulted in enquiries about support with community projects and activities.</p>




Regulatory Services

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Building Control					
Building consents are processed efficiently.	(T) % of building consent applications are processed within the statutory timeframe of 20 working days.	100%	73%		Not achieved. During Q2, 106 building consents were processed, 57 (54%) were processed within the statutory timeframe. Year to date, 229 building consents have been processed, 167 (73%) within the statutory timeframe. The consents processed in Q2 represents 46% of this function year-to-date.
Customers receive industry recognised quality service.	(T) % of building inspections are carried out within 2 working days of request.	≥ 95%	100%		Achieved. During Q2, 424 inspections have been carried out, all within 2 working days of the day of request. Year to date 1150 inspections have been performed. The inspections undertaken in Q2 represents 37% of the year-to-date activity.
The Council retains authority to issue building consents.	(T) Accreditation as a Building Consent Authority is retained.	Retained	Retained		Achieved. Accreditation as a Building Control Authority is current. The IANZ audit was completed in June 2023, which resulted in the Council retaining a low-risk accreditation. This means no special audits were required and the next audit is scheduled for 2025.




Planning					
<p>Consents for subdivision and development are processed in a timely manner.</p>	<p>(T) % of resource consent applications processed within statutory timeframes.</p>	<p>100%</p>	<p>93%</p>		<p>Not achieved. During Q2, 33 resource consents were granted, with 32 processed (97%) within the statutory timeframe.</p> <p>Year to date 62 resource consents have been granted, 58 (93%) within the statutory timeframe.</p> <p>Consents granted during Q2 represents 53% of the year-to-date activity.</p>
<p>Consent compliance is monitored by the Council.</p>	<p>(T) Consents are monitored by their due date.</p>	<p>≥ 90%</p>	<p>61%</p>		<p>Not achieved. During Q2, 37 consents were due to be monitored with 21 (56%) carried out within the required timeframe. The shortfall was due to a vacancy in the monitoring role, which has now been filled. Performance expected to improve in Q3.</p> <p>Year to date 44 consents have been monitored, 27 (61%) within the statutory timeframe. The monitoring undertaken in Q2 represents 84% of the year-to-date activity.</p>


Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Parking is monitored within the Hāwera CBD and surrounding townships.	(T) % of Parking infringements correctly issued.	95%	100%		Achieved. During Q2, 471 parking infringements have been issued correctly. In the financial year to date, 718 parking infringements have been issued correctly. The activity in Q2 constitutes 66% of the year-to-date total.
New food premises can open to the public quickly and existing food premises can continue to trade.	(T) % of new premises and renewal premises applications processed within 10 working days.	≥ 95%	100%		Achieved. Twenty applications were processed within 10 working days in Q2. In the financial year to date, 47 premises applications were processed within 10 working days. The activity in Q2 constitutes 21% of the year-to-date total.
Food premises are hygienic, and food sold to the public is safe to eat.	(T) % of licensed premises that are audited within 1 month of the due date.	≥ 95%	100%		Achieved. Seventeen food premises were audited within one month of the due date in Q2. In the financial year to date, 47 premises have been audited within one month of the due date. The activity in Q2 constitutes 36% of the year-to-date total.
Hairdressers, camping grounds/holiday parks, funeral homes and offensive trade premises are hygienically safe.	(T) % of licensed premises that are inspected annually.	≥ 95%	25%		On track. Fourteen of the 55 (25%) health premises were inspected in Q2 – this is on target. All premises are allocated 1 inspection throughout the year. Year to date 16 of the 55 (29%) health premises have been inspected. The activity in Q2 constitutes 88% of the year-to-date total.
Premises selling alcohol to the public are licensed and are running their business responsibly.	(T) % of licensed premises that are annually inspected.	≥ 95%	22%		On track. Ten of the 85 (11%) liquor premises were inspected in Q2. In the financial year to date, 19 of the 85 (22%) liquor premises have been inspected. All premises are allocated one inspection throughout the year. The activity in Q2 constitutes 52% of the year-to-date total.
Unopposed Liquor License Applications are processed promptly.	(T) % of unopposed Liquor Licence Applications processed	≥ 95%	100%		Achieved. During Q2 0 number of unopposed applications have been processed. Year to date the number of unopposed applications processed is 0. The activity in Q2 constitutes 100% of the year-to-date total.

	within 10 working days of receipt of all reports.				
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Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Animal Services and Nuisance Control					
Residents are satisfied with the Animal Control service.	(C) % of residents satisfied with the Animal Control service.	≥ 75%	Q4	Q4	The Annual Residents' Survey is undertaken in Quarter 3 with results reported in Quarter 4.
A prompt and reliable animal control service will be provided 24 hours a day, 7 days a week for wandering stock and serious dog incidents.	(T) % of reported serious dog or wandering stock incidents responded to within 4 hours.	≥ 95%	62%		Not Achieved. During Q2, 31 of the 52 (60%) reported serious incidents were responded to within 4 hours. Year-to date, 71 of the 114 (62%) reported serious incidents were responded to within 4 hours in the financial year to date. . The activity in Q2 constitutes 46% of the year-to-date total.
A reliable and responsive animal control service that investigates general dog incidents.	(T) % of reported general dog incidents responded to within 1 working day.	≥ 95%	70%		Not Achieved. During Q2, 191 of the 273 (70%) general dog incidents reported were responded to within 1 working day. In the financial year-to-date 402 of the 578 (70%) general dog incidents reported were responded to within 1 working day. The activity in Q2 constitutes 47% of the year-to-date total.
Provide a prompt and reliable noise control service 24 hours a day, 7 days a week.	(T) % of noise complaints responded to within 1 hour.	≥ 90%	98%		Achieved. During Q2, 183 of the 187 (98%) noise complaints received were responded to within 1 hour. In the financial year-to-date 319 of the 327 (98%) noise complaints received were responded to within 1 hour. The activity in Q2 constitutes 46% of the year-to-date total.

Environmental Management

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Environment and Sustainability					
Reduction in our organisational emissions.	(T) % decrease in organisational emissions year on year.	10% decrease in emissions from baseline	20%		The emissions baseline was set on Scope 1 and 2 emissions. Council baseline for the 2019/20 FY was 1216 tCO2e. Scope 1&2 emissions for the 2021/22 FY year is 969.98 tCO2e, which equates to an approximate reduction of 20%. Assessment of the 2022/23 FY data is underway
Damage to our natural environments is prevented or mitigated.	(T) No unapproved net loss of indigenous vegetation across the District.	0% loss	0%		The Council has not received any reports from the public on unauthorised clearance of indigenous vegetation during Q2, nor are there any ongoing compliance investigations of this type.
Environmental Policy					
Growth and development is planned while our natural and physical resources are managed in a sustainable manner.	(T) The Plan Changes and Variations to the District Plan are undertaken in accordance with legislative timeframes.	Achieved	On Track		The Council has statutory obligations to update the district plan to meet the requirements of recently gazetted National Policy Statements, but none of these are due in Q2. The Council is currently undertaking three plan changes, one was initiated by a private organisation (Plan Change 2, Todd Energy), with the other two initiated at the discretion of Council (Draft Plan Changes 3 and 4, which relate to papakāinga and Hāwera urban growth areas respectively). The submission phase for Plan Change 2 has closed and Council is dealing with the one submission that was lodged in accordance with the statutory

					provisions. Plan Changes 3 and 4 will progress to notification stage during Q3.
Emergency Management					
The Council is ready to respond to a Civil Defence Emergency and is able to function for as long as required during an emergency.	(T) Council staff are trained to the appropriate level for Civil Defence Emergency Responses, as agreed by the Civil Defence Emergency Management Group.	> 50% of staff trained	41%		Not achieved. At the end of Q2, 89 staff have been trained to the required levels (23 leads and alternates, 66 general), which represents 41% of the current workforce (n=217). The focus for Q3 is to get new staff trained at least to Foundation level, which should result in the Council being at 60% of staff trained.

Coastal Structures

Level of Service	Performance Measure <i>C=customer measure</i> <i>T=technical measure</i>	Target 2023/24	Actual YTD	Status	For Quarter Two as at 31 December 2023
Comply with the Taranaki Regional Council Resource Consent conditions for coastal structures.	(T) number of unresolved breaches.	≤ 1	0		Achieved. 0 resource consent conditions have been breached in this financial year to date.



Pūrongo-Whakamārama Information Report

6

To	Risk and Assurance Committee
From	Kaiarataki Tuarua Ratonga Pūhanga / Group Manager Infrastructure Services, Herbert Denton
Date	14 February 2024
Subject	Significant Projects Progress Report

(This report shall not be construed as policy until adopted by the full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. This report provides an update on the 2023/24 Significant Projects Programme to the Risk and Assurance Committee.
2. The report highlights risks associated with completing the programme and specific projects.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the Significant Projects Progress Report for Quarter Two of the 2023/24 financial year.

Kupu Whakamārama / Background

3. The Council has a significant \$58.94 million (m) Significant Projects Programme for the 2023/24 year, including \$24.94 m of carryovers from the 2022/23 year. Several large value projects make up a reasonable portion of the existing programme including:
 - a. Nukumarū Station Road construction (\$12.14 m);
 - b. Te Ramanui o Ruapūtahanga – demolition of existing buildings and construction of the new facility (now \$17.5 m);
 - c. Waimate West new reservoir (\$4.5 m);
 - d. Tranche One government funding projects (\$5.4 m); and
 - e. South Taranaki Business Park development – Stage 1 new infrastructure (\$4.3 m).
4. A total of \$15.4 m of Significant Projects was completed up to 31 December 2023.

Whakawhiti Kōrero/Aromātai / Discussion/Evaluation

General Project Risks

5. The majority of the Asset Team is new with a further vacancy still to fill. This team largely ensures that project scoping is completed and delivered to the Projects Team for execution. The Projects Team currently has two vacancies to fill. Recruitment for the above mentioned roles has proven extremely difficult and slow due to a lack of quality applicants. Reduced resources in these teams during the first and second quarters have affected the ability to continue to provide scoped projects to the Projects Team for delivery. Whilst recruiting for a replacement Asset Engineer and Project Engineers, assistance continues to be required from JGP Ltd and others to provide qualified engineers on a consultancy basis to assist with crucial project scoping and delivery.

Nukumarū Station Road

6. Nukumarū Station Road Extension is a project that has been on the programme since 2015 after the bridge on Waiinu Beach Road (known as the Limeworks Bridge) was damaged by flooding. The new section of the road is just over 8 km long.
7. The contract works are being carried out in two separate portions. The construction contract was structured in such a way that the lower portion of the road could be completed while finalising the acquisition of the land intended for the remaining Stage 2.
8. Stage 1 comprised of work that started from the railway towards the Waiinu Beach Road intersection which was completed in August 2022. However, the new road, with the exception of the Waiinu Beach junction, will remain closed to traffic until the last section (Stage 2), adjoining State Highway 3 (SH3) is completed. The Waiinu Beach Road intersection has been fully operational since January 2022. With the construction of the southern part of the road effectively completed, there is now alternative access for Waiinu residents and businesses if flooding forces the Waiinu Beach Road to close.
9. The new road alignment under Stages 1 and 2 still needs to go through a road legalisation process before traffic can be allowed on it. A summary of the actions that are underway to enable the legalisation of Nukumarū Station Road (Stage 1) is as follows:
 - Legalisation reporting has been drafted and is ready to be submitted to Toitū Te Whenua Land Information New Zealand (LINZ). However, first the Council need to obtain consent approval from Waka Kotahi, under s114 of the Public Works Acts (PWA) and consent from FirstGas in relation to a pipeline through part of the reserve land that is to be legalised as a road.
 - Both of these consents are largely administrative, and we do not expect their approval to be contentious, or to cause an impediment to legalisation.
 - Submission of documentation to Toitū Te Whenua LINZ to approve the legalisation and gazette notice.
 - Publication and registration of the gazette notice.
 - Discharge of compensation certificates.
10. It is anticipated that we will be submitting our legalisation reporting to Toitū Te Whenua LINZ via our consultant in late January 2024. At present Toitū Te Whenua LINZ is turning around similar reports anywhere from three weeks to three months following submission. Once approved by Toitū Te Whenua LINZ, it takes only a few weeks for publication and

registration to occur. It was expected that all property actions are completed by April at the latest, this could however be much quicker if third parties, such as Toitū Te Whenua LINZ can process approvals at the earlier end of the suggested timeframes.

11. For Stage 2, Toitū Te Whenua LINZ has now approved the survey plan, and the Local Government Act (LGA) 348 easement approvals have been granted as well. The road stopping application was submitted on 15 December 2023. Approval times are unfortunately relatively long at the moment. It was expected that the approval process to take anywhere from three weeks to three months following submission. Once approved, it would be a matter of publishing the gazette notice and completing the registration process.

12. The top two risks for Nukumarū Station Road are:

- a. Effects of Toitū Te Whenua LINZ's relatively long approval times for the legalisation process could potentially cause standby cost claims and extend timeframes that will likely escalate the overall costs.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Likely	Moderate	Medium	Medium

- b. Potential construction delays due to additional requirements imposed by the organic section landowner.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Almost Certain	Moderate	Medium	High

Te Ramanui o Ruapūtahanga

13. Te Ramanui o Ruapūtahanga is a new library, arts and cultural centre in the Hāwera Central Business District. The 1,600 m² building plus car parking and landscaping will be located on the corner of High and Regent Streets.
14. All matters relating to the removal of heavy metal contaminants, abandoned in-ground tanks and the archaeological conditions of the Resource Consent were completed and satisfied. An area in the southeast corner of the site was identified as containing heavy metal contaminants from previous use of the site. The decision was made to leave the area undisturbed, as it would not be required as part of the building project and the estimated costs of the dig out, onsite treatments and transporting of the waste to an approved landfill were considered prohibitive.

Issues

15. Pricing tenders for the construction of the centre closed on 9 December 2021 with two tenders received. The tender prices received were well above the Council’s budgeted amount. Price escalations due to the impacts of COVID-19, over-demand and undersupply of construction materials and shortages of construction contractors contributed to the extent of the tender being over budget. On completion of a review of the tender prices, some contractor negotiations and a review of the design elements, the Council approved officer recommendations to increase the Council’s contribution towards the project. A contingency amount was included in the additional funding contribution to anticipate any

further possible cost escalations. The total budget for Te Ramanui o Ruapūtahanga (including demolition, designs, professional fees and construction) is now \$17.5 m with the construction being approximately \$15.5 m.

16. Livingstone Building Ltd was awarded the main contract in April 2022 and started work on site in June 2022. The original contract programme recorded the handover of the building to be in April 2024. The handover in the current programme provided by the contractor has the handover date in August 2024. The shift in dates is mostly attributable to additional work required by the Geotech Engineer relating to the foundation screw piling sub-contract, and the need to remake several tilt-slab concrete wall panels damaged during Cyclone Gabrielle in February 2023. The Contractor is making efforts to recover some of the time extensions in other trades. Many South Taranaki sub-contractors will provide their trades throughout the project.
17. After the close of tenders and award of the contract, the project was impacted by many cost escalations. As of 31 December 2022, escalations have been approved for \$454,600. These escalations have been across several trades, with the top three being aluminium windows and doors (including glass) at \$142,600, mechanical services at \$82,500 and carpentry (timber) at \$75,000.
18. Where possible, to avoid future cost escalations on materials, the contractor has placed and confirmed orders.
19. The top risk for Te Ramanui o Ruapūtahanga is:
 - a. Construction delays caused by unavailability or lengthy timeframes for the supply of materials, or unavailability of contractors causing further cost escalations.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Likely	Moderate	Minor	Medium

Manaia Facilities

20. The Council approved \$1 m towards a new hall in Manaia however, a Detailed Seismic Assessment on the Manaia Sports Complex (the Complex) was completed and the need to also earthquake strengthen that facility raised questions about the need for two facilities in Manaia.
21. In June 2022, the Council and Iwi authority, Te Korowai o Ngāruahine Trust, signed a Heads of Agreement to jointly investigate options for a new multi-purpose shared facility in Manaia. Community hui began in July 2022, with the consultation phase being led by Te Korowai o Ngāruahine Trust.
22. Project Tūkau is the development of a business case to support a multi-purpose, multi-use Iwi and community facility based in Manaia. Te Korowai o Ngāruahine Trust secured funding from Toi Foundation to complete a business case for the Project Tūkau proposal.
23. Officers continue to work closely with Te Korowai o Ngāruahine Trust and Te Kiwai Maui O Ngāruahine on the development of the business case. The Request for Proposal (RFP) tender process has now closed and a meetings have been held to discuss a preferred supplier. To meet the conditions of the grant that Te Korowai o Ngāruahine Trust received from Toi

Foundation to complete the business case, the work must be completed before 31 March 2024. It is unlikely that the work will be complete in this timeframe, so a short extension on the grant is being sought.

24. The top two risks for the Manaia facilities are:

- a. The Manaia community remains divided on what they require causing further delays in resolving the current situation, with two facilities remaining closed.

Likelihood	Impact rating – financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Moderate	Moderate	Medium

- b. Construction delays caused by unavailability or lengthy timeframes for the supply of materials, or unavailability of contractors, which could defer starting any work and extend timeframes causing likely cost escalations.

Likelihood	Impact rating – financial	Impact rating – reputational/stakeholder	Risk rating
Likely	Minor	Minor	Medium

Eltham Town Hall

- 25. The first stage of earthquake strengthening of the Eltham Town Hall occurred in 2016, with a second stage considered but not completed at that time. In 2020/21 funding was allocated to replace the external corrugated iron cladding however, several issues with the front facade and the pump and diesel motor for the fire sprinkler system were identified, the latter needing to be replaced to meet the Building Warrant of Fitness requirements. Due to the significant expenditure required to bring the Hall up to standard, the cladding project was deferred until a design and costing for Stage 2 earthquake strengthening work could be completed. Once this is completed, the Council will need to decide whether to undertake the Stage 2 strengthening project to bring the Hall up to 67% of the New Building Standards (NBS). Funding to remedy the other issues was adopted in the 2022/23 Annual Plan. The intention is to undertake all the work simultaneously.
- 26. A structural engineer was engaged and undertook a site inspection of the Hall in late December 2021. The engineer’s commission was to provide detailed design plans and cost estimates to bring the Hall up to >67% of NBS. The Preliminary Design Features report was received and rough order costs estimate the Stage 2 strengthening costs in the vicinity of \$2 m. Future inflation may push these costs higher.
- 27. Based on these estimates, community consultation on whether to invest that level of funding, on top of the other already identified Hall projects, is recommended before a decision is made on whether to proceed. This will likely occur in conjunction with the 2024-2034 Long Term Plan (LTP).
- 28. The Project in the 2022/23 Annual Plan to replace the sprinkler system pump did not proceed as planned. Further advice identified that a straight swap of the existing pump for a new pump would not be that simple. Rebuilding to upsize the external pump housing and additional on-site water storage were added to the requirement. Further investigation and planning have been ongoing, including investigations by the Assets team for the

replacement of a section of the water main, and a GAP analysis by consultants to look at other possible options to gain Building Warrant of Fitness compliance.

29. The top three risks for the Eltham Town Hall are:

- a. The outcome of current investigative work may reveal as yet unknown structural or non-structural issues that may require additional work and as yet unidentified costs.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Minor	Minor	Medium

- b. The costs to upgrade the Eltham Town Hall are greater than the Council is prepared to invest. Community engagement and feedback received may be contrary to the Council's expectations.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Unlikely	Moderate	Minor	Medium

- c. Construction delays caused by unavailability or lengthy timeframes for the supply of materials or unavailability of contractors could defer starting any work and extend timeframes which will likely escalate the costs.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Likely	Minor	Insignificant	Medium

Waimate West Reservoir

- 30. An additional 6,000m³ reservoir was required for the Waimate West Water Supply Scheme under its Water Safety Plan to provide storage capacity of 24 hours. The reservoir is made from LDX stainless steel, which is a higher quality stainless steel than the usual 316 stainless steel. Whilst concrete would provide for a longer life, the cost was far more than the budget allowed.
- 31. Due to anticipated “long lead times”, it was originally decided to split the project into two contracts so that the tank could be ordered in advance to save time on delivery.
- 32. Stage 1 of the contract for the supply of the reservoir was awarded to Tasman Tanks and the associated Stage 2 Civil Works Package was awarded as a variation. Scheduled works have been mostly completed in December 2023.
- 33. Following the completion of the remediation works on the tank, it was filled with water and was put in operation on the second week of December 2023.
- 34. However, following the commissioning and after a few weeks of operation, several significant issues have been identified that require the new tank to be isolated from the system for the contractor to implement corrective measures.
- 35. The top risks for Waimate West Reservoir are:

- a. Delays caused by remediation work and the consequential time lost and costs incurred could potentially extend timeframes and escalate costs further.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Likely	Major	Moderate	High

- b. Delayed construction of the reservoir may hinder the ability to meet future water demand. Increased strain on existing resources. With the new reservoir not being operational as planned, the existing water tanks may have to bear an increased burden to meet the demand. This can put additional strain on those resources, potentially depleting them faster and exacerbating water supply concerns.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Moderate	Moderate	Medium

South Taranaki Business Park

- 36. Work continued on the 360m extension to Fitzgerald Lane, a 170m portion of new road and underground services and an upgraded intersection at Fitzgerald Lane and Little Waihi Road. Challenging underground conditions meant that this work took longer than anticipated but it is now nearing completion.
- 37. Following Early Contractor Involvement (ECI) workshops including discussions on capacity, timing, methodology, subcontractors, risks and mitigations, opportunities and experience, the project proceeded to a Request for Tender with the four shortlisted contractors. The tender covered the construction of roading, three waters and electrical infrastructure on Fitzgerald Lane, Little Waihi Road and Kerry Lane.
- 38. Three tender responses were received in November. Following an extensive tender assessment process comparing relevant skills and experience, track record, methodology, resources and tender price, Offshore Plumbing Services were selected as the successful contractor.
- 39. The Business Park Project Team had a planning workshop with Offshore Plumbing Services on January 15 to confirm start dates and location, the project programme and operating procedures, including fortnightly meetings between the contractor and the project team. A site blessing and individual stakeholder visits will be conducted before Offshore Plumbing Services commences work.
- 40. Land contouring work in the West End Precinct began in December. This work is in preparation for the installation of a wastewater pump station, future roading and three waters infrastructure from Fitzgerald Lane to Glover Road.

The top risks for the South Taranaki Business Park are:

- a. Significant increases in inflation are likely to affect the costs of the project. The current economic climate in New Zealand and around the world impacts contractor availability and price. Further cost increases would result in greater rate increases than anticipated.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

- b. Delays in filling the commercial lots would result in the Council funding the gap until the money is recovered as planned. This would result in higher rate increases than anticipated until costs are recovered.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Moderate	Moderate	Medium

Digital Transformation Strategy

- 41. The Enterprise Resource Programme (ERP) replacement project is underway. The incumbent provider, Technology One (TechOne) was successfully appointed to continue as our provider with a contract signed in June 2023.
- 42. The project involves three phases: Transition, Migration then Transformation. Transition is the first phase and involves moving our existing system into the TechOne cloud environment. This phase has begun and is expected to be completed within the next six months. At the same time, we can prepare for the second phase which is the migration of our existing system to the new cloud-based TechOne product, CiAnywhere. The first modules to be migrated will be our Financials and Supply Chain Management modules, with our Property and Rating modules that will be migrated later. The final transformation phase involves implementing any new modules or improvements identified during the project.
- 43. The Digital Transformation Project Manager has been recruited to manage the ERP replacement implementation, including the change management factors that will affect staff. This role will also manage other digital transformation projects for the Council.
- 44. Recruitment for extra fixed-term roles to ensure the successful rollout of the ERP system is complete with their replacement vacancies also having been filled. A further six roles will be recruited during the Migration and Transformation phases.
- 45. The top three risks for the Digital Transformation Strategy are:

- a. Insufficient time and/or resources to implement the new ERP system.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Moderate	Major	High

- b. Lack of governance for prioritising key digital transformation projects.


Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Unlikely	Moderate	Major	High

- c. Limited ability to manage the effect of digital transformation change on staff.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Minor	Moderate	Medium

Whakakapia / Conclusion

46. The Significant Projects Programme for 2023/24 has progressed slower than expected, given the challenges that were faced throughout the first and second quarters. Some major projects are now well underway and progressing satisfactorily, with some nearing completion, given the challenges with contractor availability, weather and supply of materials. Despite resourcing issues experienced in the Projects and the Assets Teams, the Council is focused on project scoping and delivery to further improve on project delivery.


Herbert Denton
Kaiarataki Tuarua Ratonga Pūhanga /
Group Manager Infrastructure Services

Appendix 1: Risk Assessment Definitions

Likelihood of Occurrence

Likelihood	Strategic risks	Business / Operational risks	Project risks
Almost certain	Event is expected to occur more than once in the next year.	Virtually guaranteed to occur. Occurs as a matter of course in this type of assignment or situation.	Virtually guaranteed to occur in this type of projects.
Likely	Event is expected to occur once in the next year.	Will probably occurs in most circumstances. Happens Commonly in this type of assignment or situation.	Will probably occurs in most circumstances. Common occurrence in similar projects.
Possible	Event could occur at least once in the next two years.	Could occur at some stage. Has happened in this type of assignment or situation before.	Could occur at some stage. Some history of occurrence in similar projects.
Unlikely	Event could occur at least once in the next three to five years.	Chance of occurring but little history. Not known to have happened in this type of assignment or situation.	Could occur. Little history but a chance of occurring in similar projects.
Very unlikely	Event is unlikely to occur in the next five years.	May occur in exceptional circumstances, remote chance of occurring. Not Known to happen in this type of assignment or situation.	May occur only in exceptional circumstances. No history but a remote chance of occurring in similar projects.

Risk Assessment Matrix

		Likelihood				
		Very unlikely	Unlikely	Possible	Likely	Almost Certain
Impact	Catastrophic	Medium	High	High	Extreme	Extreme
	Major	Medium	Medium	High	High	Extreme
	Moderate	Low	Medium	Medium	High	High
	Minor	Low	Low	Medium	Medium	Medium
	Insignificant	Low	Low	Low	Medium	Medium

D- Risk Rating

Comparative Levels of Risk	Action needed (Escalation)
Extreme	The Risk Owner immediately escalates the risk to the Senior Leadership Team, who considers escalating it to Audit and Risk Committee. Report Monthly to SLT. Strategic risks to be escalated to Audit and Risk Committee.
High	The Risk Owner immediately escalates the risk to the Risk and Internal Audit Manager, and to the Senior Leadership Team as applicable. Monitor monthly.
Medium	Monthly, the Risk Owner monitors and reviews the effectiveness of treatments and whether the risk rating has changed. Report Quarterly.
Low	No actions are required for risks with a combined score of 1-2 but keep the risks on the Risk Register and review six monthly. Keep risks with a combined score of 3-4 on the Risk Register and formally review them quarterly to make sure that the Likelihood and Consequence continues to pose a Low level. Report biannual.



Pūrongo-Whakamārama Information Report

6

To	Risk and Assurance Committee
From	Kaiwhakahaere Pūtea / Senior Accountant, Garry Morris
Date	14 February 2024
Subject	Outstanding Debt as at 31 December 2023

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. This report contains financial variance information relating to aged trial balances for all debtors and the variance of outstanding debt for rates up to 31 December 2023.
2. The aged trial balance for rates has increased between September and December 2023 by \$8,304 to \$1,383,854.
3. The aged trial balance for water has increased for the same period by \$417,993 to \$2,336,960. \$511,640 of this debt was current and due primarily to increased consumption in quarter two.
4. The aged trial balance for other debt increased between September and December 2023 by \$98,302 to \$3,336,306.
5. In addition to this, overdue debt (1 to >90 days) increased by \$29,733 to \$3,152,700.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the outstanding debt report as at 31 December 2023.

Whānui / General

6. The outstanding balance of rates has increased by \$137,885 from December 2022 to December 2023 and the rates debt as at 31 December 2023 is 3.04% or \$1,383,854.
7. Total debt older than 90 days (excluding rates) is \$2,407,592, up from December 2022 when it was \$1,673,588. The increase is primarily due to one invoice totalling \$1,040,726. This 90-day plus debt is further broken down in the attached table and graph.
8. Details of the number of debtors in each application are also provided. Debtors across all applications (excluding rates), totalled 8,066 as at 31 December 2023. This is down from

9,118 on 31 December 2022, but up from 7,450 on 30 September 2023. Most of the increase since 30 September is due to the annual infringements for unpaid dog registrations being raised in November. Of the 5,204 debtors with debt older than 90 days, 4,404 are for infringements, and 414 are for dog registrations.

9. The normal debt recovery process includes 30, 60 and 90-day statements, which are sent to sundry debtors. If there are no debt recovery agreements in place, the usual practice after 90 days is to send the outstanding debt to a debt collection agency. Infringement debts go to the courts, who administer this debt.



Garry Morris

**Kaiwhakahaere Pūtea /
Senior Accountant**



[Seen by]

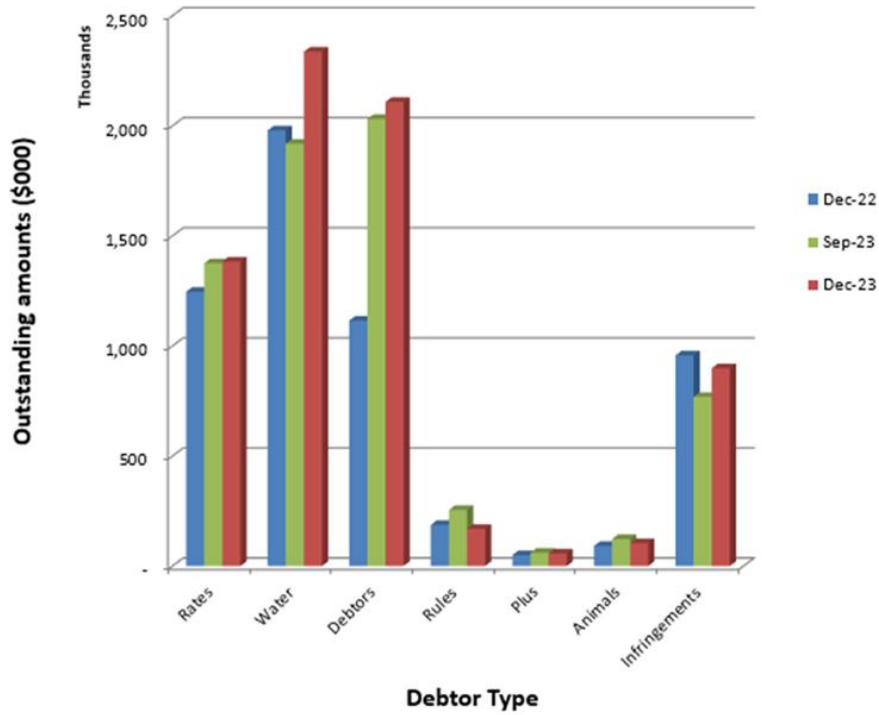
Vipul Mehta

**Pouhautū Āheinga Pakihi/
Head of Business Enablement**

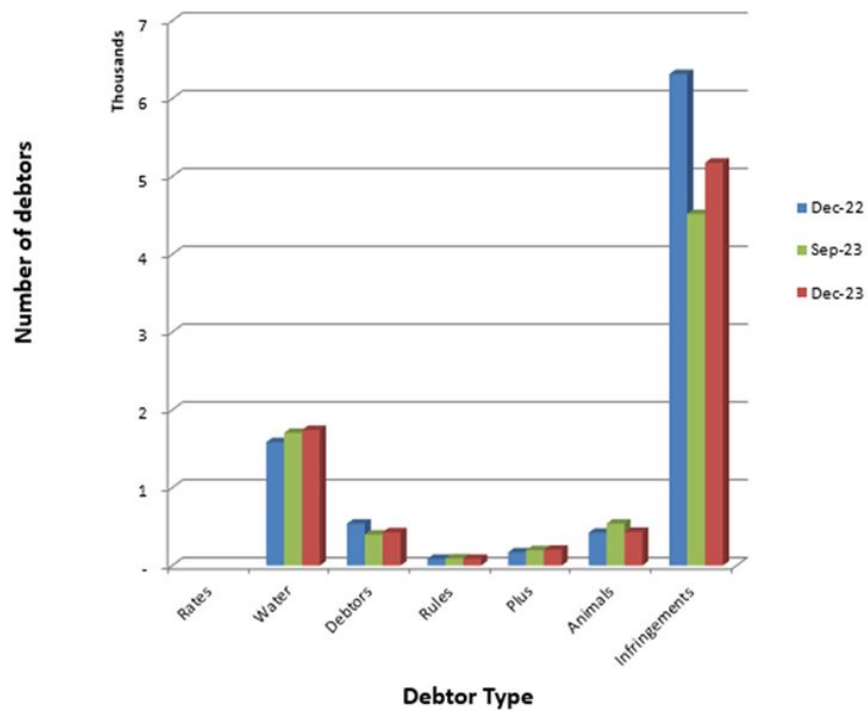
Aged Trial Balance Report - December 2023				
	Dec-22	Sep-23	Dec-23	Variance
Rates				
Not past due	1,245,963.25	1,375,550.06	1,383,853.83	8,303.77
Past due 1-60 days				
Past due 61-90 days				
Past due >90 days				
Total	1,245,969.26	1,375,550.06	1,383,853.83	8,303.77
Water				
Not past due	1,716,193.87	1,525,007.46	2,036,647.07	511,639.61
Past due 1-60 days	24,533.13	105,442.84	76,498.27	-28,944.57
Past due 61-90 days	92,324.01	92,340.45	72,012.86	-20,327.59
Past due >90 days	146,404.01	196,175.90	151,801.56	-44,374.34
Total	1,979,455.02	1,918,966.65	2,336,959.76	417,993.11
Sundry Debtors				
Not past due	196,205.40	462,951.92	325,291.67	-137,660.25
Past due 1-60 days	302,862.72	1,239,369.14	306,875.88	-932,493.26
Past due 61-90 days	20,614.12	148,706.05	156,694.02	7,987.97
Past due >90 days	595,447.63	180,455.47	1,319,775.86	1,139,320.39
Total	1,115,129.87	2,031,482.58	2,108,637.43	77,154.85
Rules (Certs and Rams)				
Not past due	-	-	-	0.00
Past due 1-60 days	96,632.81	75,038.02	73,410.95	-1,627.07
Past due 61-90 days	7,578.90	21,936.65	1,984.00	-19,952.65
Past due >90 days	82,717.86	157,850.38	93,360.33	-64,490.05
Total	186,929.57	254,825.05	168,755.28	-86,069.77
Plus (IQPs, BWO, Health & I				
Not past due	-	-	-	0.00
Past due 1-60 days	19,155.75	46,625.50	31,521.90	-15,103.60
Past due 61-90 days	13,473.50	7,485.25	2,752.75	-4,732.50
Past due >90 days	16,924.25	6,689.75	22,105.50	15,415.75
Total	49,553.50	60,800.50	56,380.15	-4,420.35
Animals				
Not past due	-	30,876.16	-	-30,876
Past due 1-60 days	51.70	1,093.60	1,518.39	425
Past due 61-90 days	230.50	4,972.97	85.50	-4,887
Past due >90 days	90,943.55	85,479.50	102,311.89	16,832
Total	91,122.35	122,422.23	103,915.78	-18,506.45
Infringements (with court)				
Not past due	26,198.00	15,168.00	158,627.00	143,459.00
Past due 1-60 days	173,269.00	32,255.20	17,653.00	-14,602.20
Past due 61-90 days	16,262.00	11,627.10	4,100.00	-7,527.10
Past due >90 days	741,150.36	709,423.40	718,237.33	8,813.93
Total	956,879.36	768,473.70	898,617.33	130,143.63
Total				
Not past due	3,184,566.52	3,409,553.60	3,904,419.57	494,865.97
Past due 1-60 days	616,401.71	1,499,824.30	507,478.39	-992,345.91
Past due 61-90 days	150,483.03	287,068.47	237,629.13	-49,439.34
Past due >90 days	1,673,587.66	1,336,074.40	2,407,592.47	1,071,518.07
Total	5,625,038.92	6,532,520.77	7,057,119.56	524,598.79

Aged Trial Balance Report - December 2023				
Number of debtors				
	Dec-22	Sep-23	Dec-23	Variance
Water				
Not past due	1,429	1,552	1,594	42
Past due 1-60 days	4	4	4	-
Past due 61-90 days	74	63	54	9
Past due >90 days	79	87	90	3
Total	1,586	1,706	1,742	36
Sundry Debtors				
Not past due	97	123	98	25
Past due 1-60 days	141	71	131	60
Past due 61-90 days	15	30	17	13
Past due >90 days	285	174	181	7
Total	538	398	427	29
Rules (Certs and Rams)				
Not past due	-	-	-	-
Past due 1-60 days	48	42	36	6
Past due 61-90 days	8	10	9	1
Past due >90 days	30	40	42	2
Total	86	92	87	5
Plus (IQPs, BWO, Health & I				
Not past due	-	-	-	-
Past due 1-60 days	87	137	120	17
Past due 61-90 days	34	26	9	17
Past due >90 days	49	34	73	39
Total	170	197	202	5
Animals				
Not past due	-	20	-	20
Past due 1-60 days	5	10	16	6
Past due 61-90 days	7	40	2	38
Past due >90 days	411	469	414	55
Total	423	539	432	107
Infringements (with court)				
Not past due	160	99	654	555
Past due 1-60 days	597	167	94	73
Past due 61-90 days	75	56	24	32
Past due >90 days	5,483	4,196	4,404	208
Total	6,315	4,518	5,176	658
Total				
Not past due	1,686	1,794	2,346	552
Past due 1-60 days	882	431	401	30
Past due 61-90 days	213	225	115	110
Past due >90 days	6,337	5,000	5,204	204
Total	9,118	7,450	8,066	616

**Outstanding Debt comparison - value of debtors
December 2022, September 2023 and December 2023**



**Outstanding Debt comparison - volume of debtors
December 2022, September 2023 and December 2023**





Pūrongo-Whakamārama Information Report

6

To	Risk and Assurance Committee
From	Pouhautū Rautaki me te Whaitikanga / Head of Strategy and Governance, Becky Wolland
Date	14 February 2024
Subject	2024 - 2034 Long Term Plan Update

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The purpose of this report is to provide the Risk and Assurance Committee (the Committee) with an update on the development of the 2024 - 2034 Long Term Plan (LTP) and ask the Committee to consider the risks associated with delivering the LTP on time.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee;

- a) Receives the 2024 - 2034 Long Term Plan Update Report; and
- b) Considers the risks associated with the delivering the 2024 - 2034 Long Term Plan by 30 June 2024.

Kupu Whakamārama / Background

2. Section 10 of the Local Government Act (LGA) 2002 sets out the information to be included in the Council's LTP. A timeline for the LTP project has been developed and signed off by the Senior Leadership Team.
3. In late 2023 the new National-led coalition government announced their intention to repeal the three waters legislation and to restore council ownership and control of water assets. Local authorities are now required to include information on three waters in their long term plans which requires ten years of budgets, capital works programmes and planning to be updated and added to the draft. This is a significant amount of rework, particularly for the smaller councils who did not have resources to prepare this work while also working on the transition to a water entity. The government has provided three options for local authorities to consider and provide some relief to make the preparation of a full LTP more manageable:

- i. Proceed with the current adoption deadline of 30 June 2023 with an audited consultation document.
 - ii. Proceed with the current adoption deadline of 30 June 2024 with an un-audited consultation document. Auditors will be required to audit the underlying long term plan information while consultation is underway.
 - iii. Extend the adoption deadline to 30 September 2024 with an audited consultation document.
4. Each of the options above carry an element of risk for the Council. However, after considering the impacts and risks the preferred option considered the most appropriate for this Council is option ii. Option ii provides time to prepare and include information on three waters while also allowing for consultation to proceed within the timeframes set out in the original timeline.
 5. South Taranaki has operated under the assumption that three waters would not be incorporated into this LTP. Therefore, Option i, which involves proceeding with an audited consultation document and aiming for adoption by 30 June, does not provide sufficient time for preparation and inclusion of three waters.
 6. Option iii, to move the adoption date to 30 September 2024 raises a number of risks and complications with striking the rates. Legal advice provided to the sector has indicated to proceed with caution under this option.
 7. A report will be presented to the Council at their Ordinary meeting on 19 February to formally obtain approval to proceed with Option ii.
 8. The Council have adopted a number of policies and information for inclusion in the LTP, i.e. Revenue and Financing Policy, Significance and Engagement Policy, groups of activities, vision and outcomes, and Iwi-Council Partnership Strategy. The two policies will need to be altered to include three waters and resubmitted to the Council for approval.
 9. We are working with the Council's auditors, Deloitte to formulate a methodology for the audit of the LTP. We also anticipate that the Office of the Auditor General will provide audit guidelines for those local authorities who have selected option ii.

Risks

10. The Office of the Auditor General recommends that likely risks associated with the adoption of the long term plan are identified throughout the project. This report provides an update on the risks identified and any new risks.
11. Given the risks involved in preparing this Long Term Plan, the make-up of the project group has been changed to ensure that it is being managed at the highest level.

- a) Capability of officers and resources available within the Council to undertake the work required to produce a long term plan, alongside business as usual.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

There are currently no vacancies that would prevent the Council developing the LTP, however this is continuously monitored.

- b) Capability of officers and resources available within the Council to undertake the work required to produce a long term plan, alongside a civil defence emergency or severe weather event.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

In the event of a civil defence emergency resources and timeframes would be monitored and updated as required. Areas of risk would be reported to this Committee. It is anticipated that if there was a severe weather event that the Severe Weather Emergency Recovery Act or similar legislation, would be put in place by the government which would provide some relief with LTP preparation.

- c) Capacity of officers and resources available alongside other major projects, such as government reforms and the development and delivery of the Digital Transformation Strategy.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

There are currently resources in place to manage large projects such as the Digital Transformation Strategy and government reforms (although these are now largely on hold). Areas of risk would be reported to this Committee.

- d) Capacity of officers to undertake a full and accurate review of Asset Management Plans (AMPs).

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

Given the government’s announcement to include three waters there is a strong emphasis for the Assets and Projects teams to review the information in the AMPs and update as required.

- e) Capacity and availability of auditors to complete the audit review, hot review, and audit report.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

We are working with the Council’s auditors, Deloitte to formulate a methodology for the audit of the LTP, particularly since the consultation document will no longer be audited (pending the Council’s approval on 19 February). We also anticipate that the Office of the Auditor General will provide audit guidelines for those local authorities who have selected option ii.

- f) Capacity and resources available to prepare accurate three waters information into the LTP.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Medium	Major	Moderate	High

We are prioritising the preparation of three waters information for inclusion in the LTP with the basic information required due to be completed by 31 January 2024. The frequency of the LTP project team meetings has increased to track progress and identify issues. This is being monitored closely by the Senior Leadership Team.

- 12. Two risks have been removed; the work required if the removal of three waters is delayed and the repeal of three waters transition to entities.

Legislative Considerations

- 13. Section 10 of the Local Government Act (LGA) 2002 sets out the information to be included in the Council’s Long Term Plan.



Becky Wolland

**Pouhautū Rautaki me te Whaitikanga /
Head of Strategy and Governance**



[Seen by]

Fiona Aitken

**Tumu Whakahaere /
Chief Executive**



Pūrongo-Whakamārama Information Report

6

To	Risk and Assurance Committee
From	Kaitātari Pakihi me te Whakararu / Business and Risk Analyst, Anna Officer
Date	14 February 2024
Subject	Risk and Assurance Committee - Workplan

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Risk and Assurance Committee Workplan (the Workplan) for 2023/24 - 2026/27 includes key reports, policies for review and workshops, for the next three years.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the Risk and Assurance Committee Workplan for the period 2023/24 – 2026/27.

Whakawhiti Kōrero / Discussion

2. The Workplan includes key policies for review, regular reports and upcoming workshops. The Risk and Assurance Committee (the Committee) may review the Workplan at any stage and add or remove items.

Whakakapia / Conclusion

3. The Workplan for 2023/24 - 2026/27 is attached and includes key Council work that the Committee will review.

Anna Officer

**Kaitātari Pakihi me te Whakararu /
Business and Risk Analyst**

[Seen by]

Vipul Mehta

**Pouhautū Āheinga Pakihi /
Head of Business Enablement**

Focus Areas	2024						
Meeting dates TBC	February	March	May	June	August	September	November
LTIF	Mercer	SIPO Adoption	Mercer		Mercer		Mercer
Quarterly Reporting	Quarterly Report Capital Works Project Process Report		Quarterly Report Capital Works Project Process Report		Quarterly Report Capital Works Project Process Report		Quarterly Report Capital Works Project Process Report
Annual Report 2023/24		2023-24 Annual Report Audit Arrangement Letter			Interim Annual Report 2023/24		Deloitte Audit Management Report
Risk Management	Update on Insurance Renewal 2023-24	Risk Management Status Report SLT Strategic Risk Review Report		Risk Management Status Report	Insurance Renewal 2024-25	Risk Management Status Report	
Internal Audit		Internal Audit Status Report Insurance Internal Audit Report Emergency Management Internal Audit Report		Internal Audit Status Report Privacy Compliance Internal Audit Report		Internal Audit Status Report	
Regular Update Reports	Committee Workplan Debtors report	Committee Workplan Health and Safety Cybersecurity Report ERP Update	Committee Workplan Debtors report	Committee Workplan Health and Safety Cybersecurity Report Privacy Breach Report Insurance Report	Committee Workplan Debtors Report	Committee Workplan Health and Safety Cybersecurity Report ERP Update	Committee Workplan Debtors report
Additional Committee Sessions	To be confirmed	To be confirmed	To be confirmed	To be confirmed	To be confirmed	To be confirmed	
2024-2034 Long-Term Plan		2024-2034 LTP Audit Arrangement Letter		2024-2034 LTP Update Three Waters Update			
Workshops	SIPO Workshop						SIPO review workshop

Focus Areas	2025						
Meeting dates TBC	February	March	May	June	August	September	November
LTIF	Mercer & SIPO Adoption		Mercer		Mercer		Mercer
Quarterly Reporting	Quarterly Report Capital Works Project Process Report		Quarterly Report Capital Works Project Process Report		Quarterly Report Capital Works Project Process Report		Quarterly Report Capital Works Project Process Report
Annual Report 2024/25		2024-25 Annual Report Audit Arrangement Report			Interim Annual Report 2024/25		Deloitte Audit Management Report
Risk Management		Risk Management Status Report		Risk Management Status Report	Insurance Renewal 2025-26	Risk Management Status Report	
Internal Audit		Internal Audit Status Report		Internal Audit Status Report		Internal Audit Status Report	
Regular Update Reports	Committee Workplan Debtors report SIPO Report	Committee Workplan Health and Safety Cybersecurity Report ERP Update	Committee Workplan Debtors report	Committee Workplan Health and Safety Cybersecurity Report Privacy Breach Report Insurance Report	Committee Workplan Debtors Report	Committee Workplan Health and Safety Cybersecurity Report ERP Update	Committee Workplan Debtors report
Additional Committee Sessions	To be confirmed	To be confirmed	To be confirmed	To be confirmed	To be confirmed	To be confirmed	
Annual Plan	Annual Plan 2025/26 Update		Annual Plan 2025/26 Update				
Workshops							

FOCUS AREAS	2026						
Meeting dates TBC	February	March	May	June	August	September	November
LTIF	Mercer & SIPO Adoption		Mercer		Mercer		Mercer
Quarterly Reporting	Quarterly Report		Quarterly Report		Quarterly Report		Quarterly Report
	Capital Works Project Process Report		Capital Works Project Process Report		Capital Works Project Process Report		Capital Works Project Process Report
Annual Report 2025/26		2025-26 Annual Report Audit Arrangement Report			Interim Annual Report 2025/26		Deloitte Audit Management Report
Risk Management		Risk Management Report		Risk Management Report	Insurance Renewal 2026-27	Risk Management Report	
Internal Audit		Internal Audit Report		Internal Audit Report		Internal Audit Report	
Regular Update Reports	Committee Workplan	Committee Workplan	Committee Workplan	Committee Workplan	Committee Workplan	Committee Workplan	Committee Workplan
	Sipo Report	Health and Safety Cybersecurity Report		Health and Safety Privacy Breach Report Three Waters Update		Health and Safety Cybersecurity Report	
Additional Committee Sessions	To be confirmed	To be confirmed	To be confirmed	To be confirmed	To be confirmed	To be confirmed	
LTP 2027-37		LTP 2027/37 Timeline		LTP 2027/37 Pre-consultation timeline		2027/37 LTP Update	
Workshops			Mercer Investment workshop for new committee members				SIPO Review



Pūrongo-Whakamārama Information Report

6

To	Risk and Assurance Committee
From	Kaihautū Whakawhanake Pakihi / Business Development Manager, Scott Willson
Date	14 February 2024
Subject	South Taranaki Business Park Update Report

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. At the March 2023 meeting, the Risk and Assurance Committee (the Committee) was provided with information regarding key assumptions associated with the South Taranaki Business Park (STBP). This included timing, cost, recovery of cost and risks. The Committee requested that Council staff provide a quarterly report with a detailed assessment of the risks. This report provides an update on project progress and outlines risks, consequences, and mitigation.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the South Taranaki Business Park Update Report.

Whakawhiti Kōrero/Aromātai / Discussion/Evaluation

Project Update

2. The design of the STBP three waters and roading infrastructure (including detailed design of SH3 upgrades) is nearing completion. Consultation about the proposed roading plans for the business park has continued with key stakeholders including New Zealand Transport Agency – Waka Kotahi.
3. Work continued on the 360m extension to Fitzgerald Lane, a 170m portion of new road and underground services and an upgraded intersection at Fitzgerald Lane and Little Waihi Road. Challenging underground conditions meant that this work took longer than anticipated but it is now nearing completion.
4. Following Early Contractor Involvement (ECI) workshops including discussions on capacity, timing, methodology, subcontractors, risks and mitigations, opportunities, and experience the project proceeded to a Request for Tender with the four shortlisted contractors. The tender covered the construction of roading, three waters and electrical infrastructure on Fitzgerald Lane, Little Waihi Road and Kerry Lane.

5. Three tender responses were received in November. Following an extensive tender assessment process comparing relevant skills and experience, record of accomplishment, methodology, resources and tender price Offshore Plumbing Services were selected as the successful contractor.
6. The Business Park project team had a planning workshop with Offshore Plumbing Services in January to confirm start dates, location, project programme and operating procedures including fortnightly meetings.
7. The next phase of work will begin at Little Waihi Road on 26 February with construction on this road expected to take around five months. Upgrading Little Waihi Road first allows for the remainder of the construction programme to have less impact on traffic movements and substantially reduces traffic management complexity and cost.
8. Land contouring work in the West End Precinct began in December. This work is in preparation for the installation of a wastewater pump station and future roading and three waters infrastructure from Fitzgerald Lane to Glover Road.
9. Council staff continue to support the local developer with marketing activity for the West End Precinct development. The marketing campaign is to promote the 30 lot commercial hub with sections ranging from 1,180m² – 14,880m². There are four completed and tenanted sites and several more currently underway.
10. The STBP was the host of the Taranaki Chamber of Commerce Network of Trades event, at White Electrical on 14 November. The event was an opportunity to provide an update of project progress and to generate interest from businesses looking to establish in the Business Park.
11. It is likely that the Council will receive approximately \$1.3 million (m) through contributions within the next 12 months.
12. As of 31 December 2023, the overall project costs are;

Activity	Total Project Budget	Total Project Forecast	YTD Spent - Total	31/12/2023	Last Year Actual	2021/22 Actual	2020/21 Actual
24 - Stormwater	4,046,876.00	1,883,270	674,908	119,096	442,517	110,014	3,282
25 - Wastewater	6,665,253.00	5,927,749	935,080	393,648	486,658	54,774	0
22 - Water Supply	3,443,196.00	3,150,900	2,417,733	21,616	2,099,781	188,725	107,611
23 - Roading	7,868,935.00	9,121,862	2,102,113	1,182,802	848,737	70,574	0
Other	0.00	1,451,869	0	0	0	0	0
Total	22,024,260.00	21,535,650.00	6,129,833	1,717,162	3,877,692	424,087	110,892

13. With the project scope and costs well defined, Council staff are working with Powerco to complete a cost share agreement for power infrastructure. A capital contribution modelling process is underway to confirm the materials to be funded and the overall capital contribution for the electrical reticulation. It is anticipated that Powerco will fund 30-50% of reticulation costs for the Business Park.

14. The footprint of the Business Park and residential development west of the Business Park will be included in the revised District Plan, including estimated costs, method of recovery and recovery amount. The revised District Plan will be released for consultation in the second half of 2024.

Risks

15. The main risks associated with the STBP are:

a) **Cost escalation**

Significant increases in inflation are likely to affect the costs of the project. The current economic climate in New Zealand and around the world impacts on contractor availability and price. Further cost increases would result in greater rate increases than anticipated.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Major	Moderate	High

b) **Costs not recovered in full**

In the event that some lots remain unoccupied, the Council would not recover contributions as expected. This would result in ratepayers funding the gap through increased rates.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Moderate	Moderate	Medium

c) **Costs take longer to recover than anticipated**

Delays in filling the commercial lots would result in the Council funding the gap until the money is recovered as planned. This would result in higher rate increases than anticipated until costs are recovered.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Moderate	Moderate	Medium

d) **Substandard infrastructure**

The quality of infrastructure installed by developers does not meet South Taranaki District Council standards. This could result in the product not being fit for purpose or cause ongoing maintenance issues.

Likelihood	Impact rating – financial	Impact rating – reputational/stakeholder	Risk rating
Possible	Minor	Moderate	Medium

e) **Roading delays**

The Waka Kotahi New Plymouth to Hāwera Safety Study could impact on the roading design, speed limits and timing of construction.

Likelihood	Impact rating - financial	Impact rating – reputational/stakeholder	Risk rating
Unlikely	Moderate	Moderate	Medium

f) **Delays to the project timeline**

Lack of suppliers able to deliver within the timeframe due to either demand, restricted supplies or COVID-19. This could result in the project timeframe for completion not being met.

Likelihood	Impact rating – financial	Impact rating – reputational/stakeholder	Risk rating
Unlikely	Minor	Major	Medium

Mitigations/Treatments

16. The Council has established the Business Park Governance Group (the Group) to monitor progress on the Business Park project, procurement, timing, costs, risks etc. The Group includes several senior Council officers and the Business Park Project Director together with an external consultant. The group meet monthly or earlier if required. This ensures that the wider team is kept up to date. Issues are reported and acted on. The key risks highlighted above are discussed and monitored as part of the group discussion.
17. The Business Park Project Control Group (PCG) are in regular contact with Waka Kotahi. The designs for intersection upgrades at SH3 have been workshopped with Waka Kotahi to gather feedback on proposed speed limits in the area and approval for the roading plans for the stretch of highway around Fitzgerald Lane and Kerry Lane. These meetings have provided the PCG with confidence to move into detailed design and to upgrade these intersections according to the ideal timeline for the Business Park. It is not reliant on any other work that Waka Kotahi have planned between Hāwera and New Plymouth.
18. Ongoing processes, including site visits, are in place to ensure that the quality of the infrastructure work is reviewed. Any changes to the forecast will be budgeted through the Long-Term Plan or Annual Plan process. The Committee and the Council will be kept informed of any significant changes to the above risks through regular reporting.

Whakakapia / Conclusion

19. The purpose of this report is to inform the Committee about progress and major risks associated with the Business Park project. A comprehensive risk register is monitored and updated at fortnightly meetings.



Scott Willson
**Kaihautū Whakawhanake Pakihi /
Business Development Manager**



[Seen by]
Rob Haveswood
**Kaiarataki Ratonga Hapori /
Group Manager Community Services**



Pūrongo-Whakamārama Information Report

6

To	Risk and Assurance Committee
From	Pouhautū Āheinga Pakihi / Head of Business Enablement, Vipul Mehta
Date	14 February 2024
Subject	Update on Insurance Renewal Programme for 2023-24

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. In May 2023, the Risk and Assurance Committee (the Committee) together with the Council agreed to self-insurance for above-ground assets for material damage to the value of \$136 million (m), subject to the Department of Internal Affairs' (DIA) and Insurance companies' approvals.
2. The DIA approval was received on time, before June 2023, but negotiations with the insurance companies were only concluded in late November 2023.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the information report on Insurance Renewal 2023-24 progress.

Kupu Whakamārama / Background

3. As part of the insurance renewal process for the 2023/24 financial year, the Committee and the Council agreed to self-insuring above-ground assets to the value of \$136 (m), subject to the DIA and insurance companies' approval. The DIA approval was received at the end of June 2023.
4. At the end of June 2023, the Council's insurance broker (Marsh) informed that the insurance companies were not in favour of the Council self-insuring up to \$136 (m) worth of assets to only insure part of the replacement costs. Since this was communicated by the insurance companies at the last minute, the Council decided to insure all assets for full replacement costs until the best suitable option was found to achieve the aim of self-insuring assets of up to \$136 (m) and to find savings in insurance premiums.
5. The Committee and the Council have already agreed to self-insure \$136 (m) worth of assets by partly insuring all assets. In other words, the risk appetite was up to \$136 (m). The Council had several discussions with Marsh to find the best suitable option to achieve these goals.

6. During the discussions two options were explored to achieve the goal. One, to only self-insure high-value assets to the total value of \$136 (m). The second option was to self-insure all assets below the value of \$8 (m), including the Hāwera Administration Building (valued at \$12 (m)). The second option was the Council's preferred option. Option two was preferred because in a total destruction scenario, the overall impact would be the same in both options. However, option one exposes the Council to a much greater risk for high-value assets especially if a fire was to destroy the high-value assets.
7. Both options were discussed with Marsh and QBE Insurance on behalf of the other insurance companies currently insuring Taranaki councils. The Senior Leadership team approved the preferred option as per the risk appetite in late November 2023. This meant the maximum risk for the fire damage would be limited to the value of up to \$12 (m). The chances of a fire destroying more than one asset at the same time is highly unlikely.

Existing Council Policy

8. The Council approved a risk appetite of \$136 (m) as self-insurance for the material damage policy in November 2023.

Legislative Considerations

9. A decision to self-insurance is not inconsistent with the Local Government Act 2002 or any other legislation.

Whakakapia / Conclusion

10. The Council was unable to achieve the goal to self-insuring assets to the maximum of \$136 (m) and reduce premiums in the 2023/24 year as per expectations. However, the agreed option to self-insure all assets below the value of \$8 (m), including the Hāwera Administration Building (valued at \$12 (m)) provides a similar outcome that the Council were hoping to achieve.

Vipul Mehta
**Pouhautū Āheinga Pakihi /
 Head of Business Enablement**

[Seen by]
 Fiona Aitken
**Tumu Whakahaere /
 Chief Executive**



Pūrongo-Whakamārama Information Report

To	Risk and Assurance Committee
Date	14 February 2024
Subject	Mercer Quarterly Investment Monitoring Report – December 2023

6

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Risk and Assurance Committee are being asked to receive the Mercer Quarterly Investment Monitoring Report – December 2023 for their information.

Taunakitanga / Recommendation

THAT the Risk and Assurance Committee receives the Mercer Quarterly Investment Monitoring Report – December 2023.



South Taranaki District Council Long Term Investment Fund

Quarterly Report

December 2023



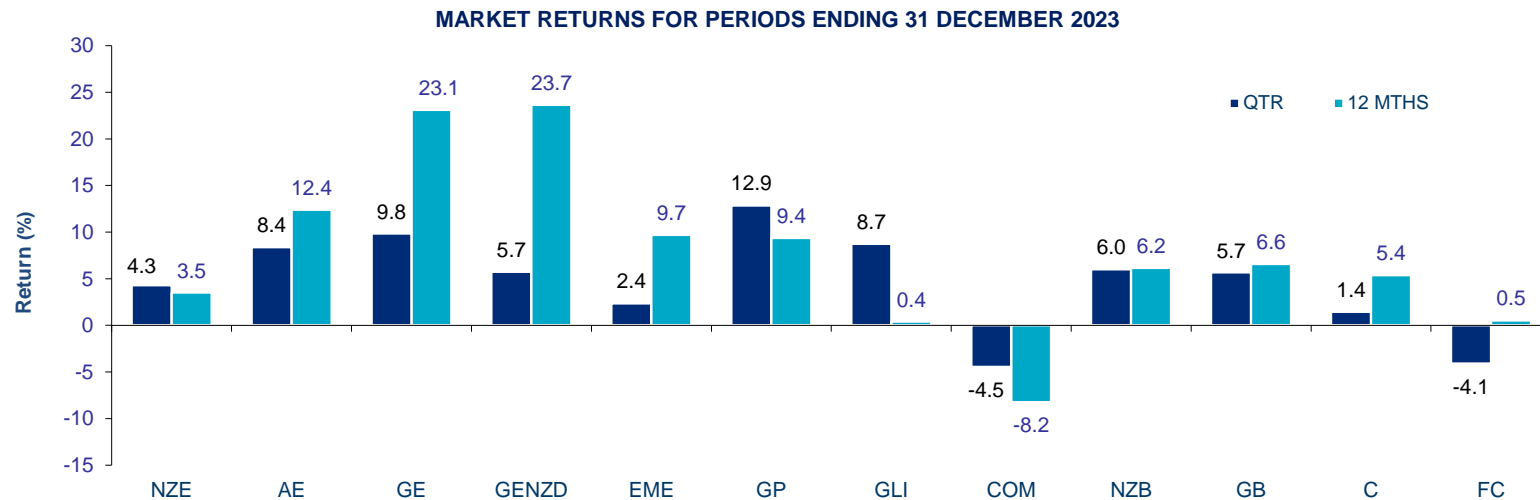
welcome to brighter

Table of Contents

1	Executive Summary	Page 2
2	Portfolio Performance Overview	Page 3
3	Asset Allocation	Page 4
4	Performance Attribution - 3 Years	Page 5
5	Manager and Asset Class Performance (Net of Fees)	Page 6
6	Manager and Asset Class Performance (Gross of Fees)	Page 8
7	Performance vs Peers	Page 10
8	Reserving Position	Page 11
9	Investment Environment	Page 12

Investment Environment – NZ Quarterly Market Review

31 December 2023

**NOTE:**

NZE (NZ Equities); AE (Australian Equities Local Currency); GE (Global Equities Local Currency); GENZD (Global Equities NZ Dollars); EME (Emerging Market Equities in NZ Dollars); GP (Global Listed Property Hedged); GLI (Global Listed Infrastructure); COM (Global Commodities Hedged); NZB (New Zealand Bonds); GB (Global Bonds Aggregate Hedged); C (New Zealand Cash); FC (Foreign Currency Effect). The Foreign Currency Effect is simply the difference between the local currency and unhedged overseas share returns.

All returns in the following commentary are in local currency terms, unless stated otherwise.

The December 2023 quarter ended on a positive note, as most asset classes delivered strong returns after a poor start in October. This included the strongest set of monthly returns in over three years in November. The rally was further fueled by declining yields across most maturities in December, particularly following the US Federal Reserve's more dovish stance at its meeting on 13 December. Many now expect a series of rate cuts through 2024. Inflation rates in the US, UK and Eurozone all decreased over the quarter with core inflation in the US reaching a two-year low of 4%. The MSCI World Index finished the quarter up 9.8% (in local currency).

Returns from Australasian equities were also positive, with the S&P/NZX 50 Index and S&P/ASX 200 Index returning 4.3% and 8.4% (local currency) respectively. The Australian market experienced a broad-based rally led by strong returns from the resources sector. In New Zealand, business confidence reached a two-year high, indicating a positive outlook in the market.

Government bonds benefitted from expectations of dovish monetary policy, which saw bond yields fall in the face of tight market conditions. The Bloomberg Global Aggregate Bond Index finished the quarter up 5.7%. Corporate bonds fared particularly well in November's mini-boom, as the soft-landing scenario looked increasingly likely. Local bond markets ended the quarter up 6.0% as domestic yields also fell. The RBNZ left the Official Cash Rate untouched throughout the quarter at 5.50%.

The real estate sector proved to be a strong performer in the final quarter of the year, as global real estate investment trusts (REITs) outperformed traditional equities and bonds. A future easing of interest rates has opened the door to a more positive lending environment, in turn making the property sector more appealing. Tensions in the Middle East weighed on oil prices, resulting in WTI Crude Oil falling -20.8% over the quarter, in spite of another round of supply cuts by OPEC. This contributed to Commodities being the only major asset class to suffer negative returns over the quarter, returning -4.5%.

Executive Summary

31 December 2023

Performance (net of fees)	Market Value \$	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (%pa)	5 Years (%pa)	10 Years (%pa)	Since Inception	Inception Date
STDC Total Fund	146,508,657	5.9	2.8	9.6	2.8	5.9	6.7	7.0	Jul-2002
STDC Total Fund Benchmark		6.3	3.6	10.5	2.3	5.5	6.5	6.9	
Excess Return		-0.4	-0.8	-0.9	0.5	0.4	0.2	0.1	

Fund Performance

The overall return (net of investment fees) for the South Taranaki District Council ("Fund" or "Council") for the December 2023 quarter was 5.9%, 0.4% below its benchmark return.

The Fund's long-term investment objective is 4.0% p.a. after inflation and fees. Over the past 10 years, the investment return (after inflation and fees) is 3.6% p.a. Over this period the gross return has been 6.7% p.a., while inflation has been 2.7% p.a. and fees 0.4% p.a.

Manager Performance

During the December quarter, First Sentier Global Listed Infrastructure (+2.7%) and Harbour NZ Fixed Interest (+0.5%) outperformed their respective benchmarks. In contrast, Mercer Listed Global Property (-0.9%) and Wellington Global Bonds (-0.4%) underperformed their respective benchmarks over the quarter. All other Managers performed broadly in line with their benchmarks.

Of the managers with 3 years performance history, Nikko Trans-Tasman Equities (+2.1% p.a.), Mercer Global Equities Low Volatility (+1.7% p.a.) and Harbour NZ Core Fixed Interest (+1.0% p.a.) outperformed their respective benchmarks over the last 3 years. In Contrast, ANZ Global Equities (-2.3% p.a.), Mercer Listed Property (-0.9% p.a.) and Wellington Global Bonds (-0.5% p.a.) underperformed their respective benchmarks over the last 3 years.

Asset Allocation

As at 31 December 2023, the Council's investment assets totalled \$146.5 million. The overall allocation to growth assets was 61.2% versus a target of 60% at quarter end. An overweight position in Global Equities (+13.1%) and underweight positions in Global Equity Low Volatility (-6.5%) and Global Property (-5.0%) were the largest deviations from benchmark allocations at quarter end.

On the 14th of December 2023, the Mercer Global Listed Property and Mercer Global Equities Low Volatility portfolios were fully liquidated.

All sector allocations at the end of the quarter were within the prescribed asset allocation ranges except Global Equities. The allocation to Global Equities is outside its SIPO range as a result of the investment into ANZ Global Equities from the liquidation of Mercer Global Listed Property and Mercer Global Equities Low Volatility. The remaining amounts in Mercer Global Listed Property and Mercer Global Equities Low Volatility relate to fee rebates and will be redeemed in due course.

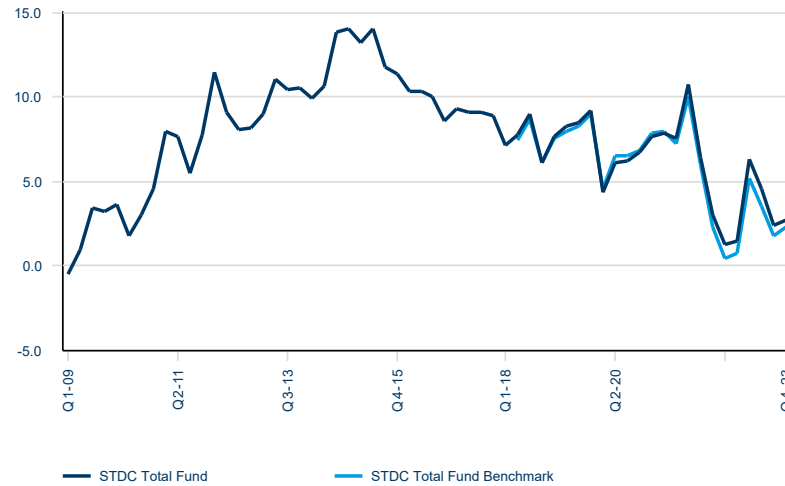
Reserving Position

At the end of the quarter the Fund's Investment Fluctuation Reserve was estimated at \$0.5m, or approximately 0.4% of the real capital base at quarter end (\$145.9m). Further detail on the Fund's reserving position is outlined in Section 8.

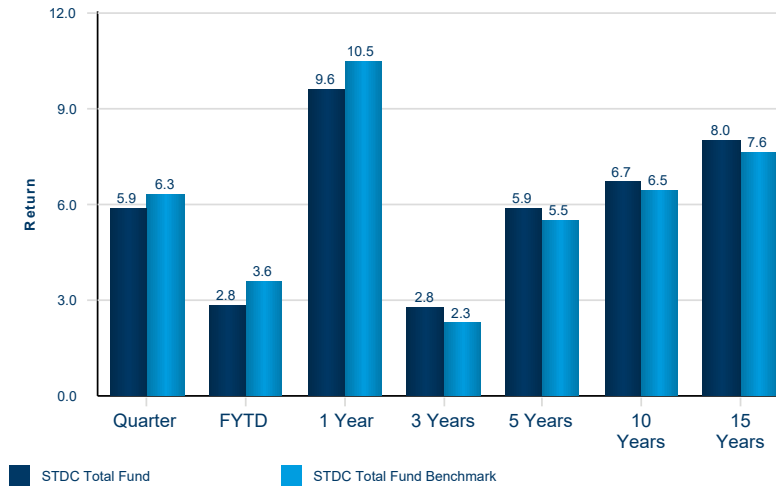
Portfolio Performance Overview

31 December 2023

Rolling 3 Yrs Total Return (net of fees)



Return Summary (net of fees)



Fund Performance

The overall return (net of investment fees) for the South Taranaki District Council for the December 2023 quarter was 5.9%, 0.4% below its benchmark return.

The Fund's long-term investment objective is 4.0% p.a. after inflation and fees. Over the past 10 years, the investment return (after inflation and fees) is 3.6% p.a. Over this period the gross return has been 6.7% p.a., while inflation has been 2.7% p.a. and fees 0.4% p.a.

The net real return target was reduced from 5% to 4.5% in December 2014, and from 4.5% to 4% in September 2017. The South Taranaki District Council has agreed to raise the net real objective to 4.25%.

Objective 10 Years

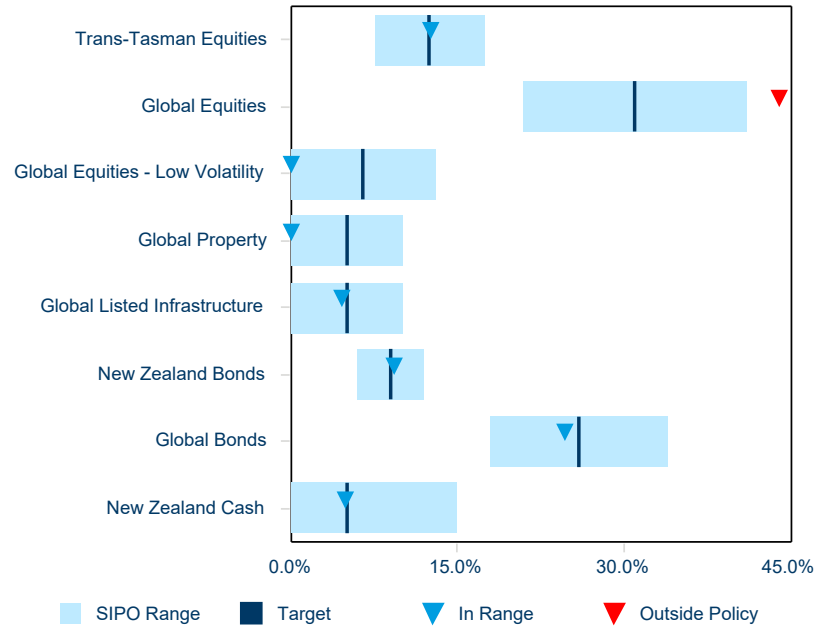
	(%pa)
Target net real return (after inflation and fees)	4.0
Actual	3.6

6

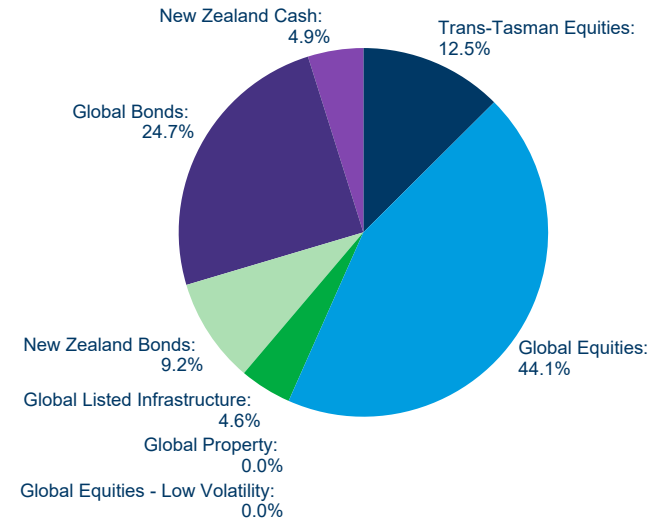
Asset Allocation

31 December 2023

Actual versus Strategic Asset Allocation



Actual Allocation: \$146,508,656.9



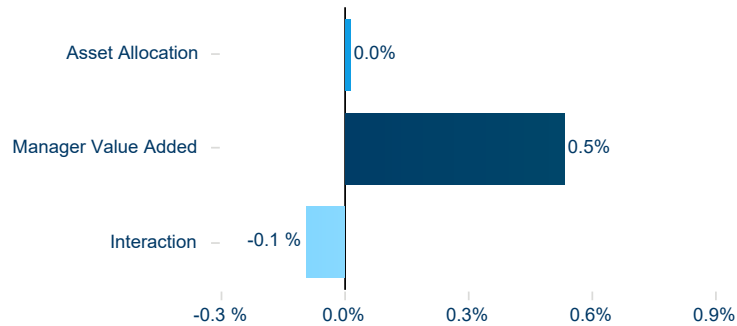
	Actual (\$)	Actual (%)	SIPO Target (%)	Difference (%)	Difference (\$)	SIPO Range (%)	Within Range
Trans-Tasman Equities	18,345,010	12.5	12.5	0.0	31,428	7.5 - 17.5	Yes
Global Equities	64,623,445	44.1	31.0	13.1	19,205,761	21.0 - 41.0	No
Global Equities - Low Volatility	2,670	0.0	6.5	-6.5	-9,520,392	0.0 - 13.0	Yes
Global Property	1,869	0.0	5.0	-5.0	-7,323,563	0.0 - 10.0	Yes
Global Listed Infrastructure	6,667,690	4.6	5.0	-0.4	-657,743	0.0 - 10.0	Yes
New Zealand Bonds	13,504,525	9.2	9.0	0.2	318,746	6.0 - 12.0	Yes
Global Bonds	36,249,608	24.7	26.0	-1.3	-1,842,643	18.0 - 34.0	Yes
New Zealand Cash	7,113,839	4.9	5.0	-0.1	-211,594	0.0 - 15.0	Yes
Total	146,508,657	100.0	100.0	0.0			

6

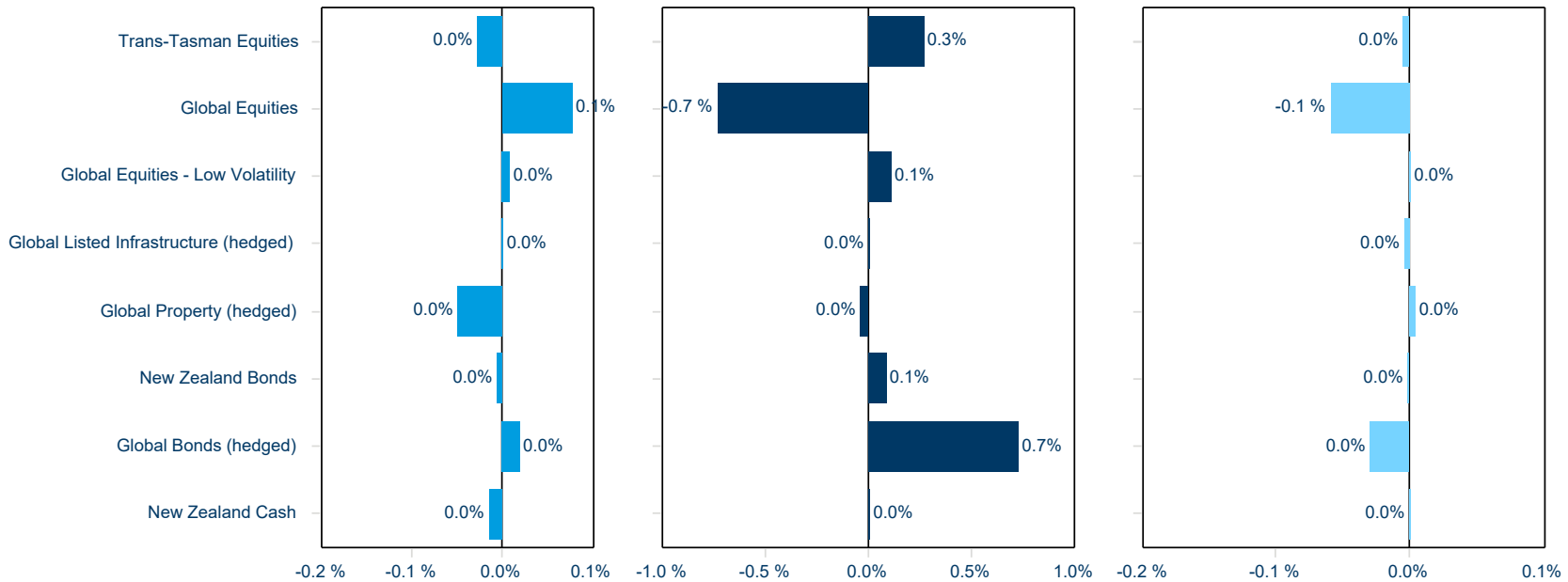
Performance Attribution - 3 Years

31 December 2023

Total Value Added Relative to Benchmark: 0.5%



Total Asset Allocation: 0.0% **Total Manager Value Added: 0.4%** **Total Interaction: -0.1%**



6

Manager and Asset Class Performance (Net of Fees)

31 December 2023

	Allocation		Performance (net of fees)							
	Market Value \$	% of Portfolio	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (%pa)	5 Years (%pa)	10 Years (%pa)	Inception (%pa)	Inception Date
STDC Total Fund	146,508,657	100.0	5.9	2.8	9.6	2.8	5.9	6.7	7.0	Jul-2002
STDC Total Fund Benchmark			6.3	3.6	10.5	2.3	5.5	6.5	6.9	
Excess Return			-0.4	-0.8	-0.9	0.5	0.4	0.2	0.1	
Trans-Tasman Equities	18,345,010	12.5	4.0	-1.0	4.7	-1.4	6.9	8.8	9.1	Oct-2008
S&P/NZX 50 Index without ICs			4.2	-1.2	2.6	-3.5	6.0	9.5	9.2	
Excess Return			-0.2	0.2	2.1	2.1	0.9	-0.7	-0.1	
Nikko Trans-Tasman Equities	18,345,010	12.5	4.0	-1.0	4.7	-1.4	6.9	-	5.9	May-2018
S&P/NZX 50 Index without ICs			4.2	-1.2	2.6	-3.5	6.0	-	6.0	
Excess Return			-0.2	0.2	2.1	2.1	0.9	-	-0.1	
Global Equities	64,623,445	44.1	7.4	3.2	17.9	6.0	11.9	10.4	10.6	Oct-2008
STDC Global Equities Composite BM			7.4	5.3	21.8	8.3	12.1	10.1	9.6	
Excess Return			0.0	-2.1	-3.9	-2.3	-0.2	0.3	1.0	
ANZ Global Equities	64,623,445	44.1	7.4	3.2	17.9	6.0	11.9	10.4	10.6	Oct-2008
STDC Global Equities Composite BM			7.4	5.3	21.8	8.3	12.1	10.1	9.6	
Excess Return			0.0	-2.1	-3.9	-2.3	-0.2	0.3	1.0	
Global Equities - Low Volatility	2,670	0.0	1.7	-0.3	9.4	9.8	7.8	-	8.0	Apr-2015
MSCI World Minimum Volatility Index			1.8	0.7	7.8	8.1	8.4	-	8.5	
Excess Return			-0.1	-1.0	1.6	1.7	-0.6	-	-0.5	
Mercer Global Equities Low Volatility	2,670	0.0	1.7	-0.3	9.4	9.8	7.8	-	8.0	Apr-2015
MSCI World Minimum Volatility Index			1.8	0.7	7.8	8.1	8.4	-	8.5	
Excess Return			-0.1	-1.0	1.6	1.7	-0.6	-	-0.5	
Global Listed Infrastructure (hedged)	6,667,690	4.6	13.0	2.0	-1.1	3.5	5.5	8.0	9.3	Jul-2012
STDC Global Infrastructure Benchmark			10.3	0.6	-1.7	3.4	5.0	-	-	
Excess Return			2.7	1.4	0.6	0.1	0.5	-	-	
First Sentier Global Listed Infrastructure	6,667,690	4.6	13.0	2.0	-1.1	3.5	5.5	8.1	7.8	Dec-2013
STDC Listed Infrastructure Benchmark			10.3	0.6	-1.7	3.4	5.0	7.6	7.7	
Excess Return			2.7	1.4	0.6	0.1	0.5	0.5	0.1	

Manager and Asset Class Performance (Net of Fees)

31 December 2023

	Allocation		Performance (net of fees)							
	Market Value \$	% of Portfolio	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (%pa)	5 Years (%pa)	10 Years (%pa)	Inception (%pa)	Inception Date
Global Property (hedged)	1,869	0.0	14.5	8.6	10.5	0.3	2.4	5.4	7.6	Jun-2010
STDC Global Property Composite BM			15.4	9.4	10.1	1.2	1.7	4.6	7.1	
Excess Return			-0.9	-0.8	0.4	-0.9	0.7	0.8	0.5	
Mercer Listed Property	1,869	0.0	14.5	8.6	10.5	0.3	2.4	-	2.4	Nov-2017
STDC Global Property Composite BM			15.4	9.4	10.1	1.2	1.7	-	1.3	
Excess Return			-0.9	-0.8	0.4	-0.9	0.7	-	1.1	
New Zealand Bonds	13,504,525	9.2	6.5	4.6	6.9	-1.4	1.2	3.4	4.6	Oct-2008
NZ Bonds Composite Index			6.0	4.3	6.2	-2.4	0.5	2.9	3.9	
Excess Return			0.5	0.3	0.7	1.0	0.7	0.5	0.7	
Harbour NZ Core Fixed Interest	13,504,525	9.2	6.5	4.6	6.9	-1.4	1.2	-	1.4	Dec-2018
NZ Bonds Composite Index			6.0	4.3	6.2	-2.4	0.5	-	0.7	
Excess Return			0.5	0.3	0.7	1.0	0.7	-	0.7	
Global Bonds (hedged)	36,249,608	24.7	4.0	3.5	5.7	0.4	2.5	4.0	5.0	Oct-2008
Bloomberg Global Agg Index (NZD-H)			5.7	3.8	6.6	-2.4	1.0	3.2	4.7	
Excess Return			-1.7	-0.3	-0.9	2.8	1.5	0.8	0.3	
PIMCO	11,092,112	7.6	6.0	4.3	7.5	-2.5	1.2	3.3	4.2	Jun-2011
Bloomberg Global Agg Index (NZD-H)			5.7	3.8	6.6	-2.4	1.0	3.2	3.8	
Excess Return			0.3	0.5	0.9	-0.1	0.2	0.1	0.4	
Wellington	10,920,282	7.5	5.3	3.3	4.7	-2.9	0.3	2.6	3.2	Jun-2011
Bloomberg Global Agg Index (NZD-H)			5.7	3.8	6.6	-2.4	1.0	3.2	3.8	
Excess Return			-0.4	-0.5	-1.9	-0.5	-0.7	-0.6	-0.6	
Internal Borrowing*	14,237,214	9.7	1.5	2.9	5.1	4.4	4.8	5.5	5.9	Oct-2008
New Zealand Cash	7,113,839	4.9	1.5	3.0	5.7	2.9	2.5	2.9	3.2	Oct-2008
S&P/NZX Bank Bills 90-Day Index			1.4	2.9	5.4	2.7	2.1	2.4	2.6	
Excess Return			0.1	0.1	0.3	0.2	0.4	0.5	0.6	
ANZ Cash	7,113,839	4.9	1.5	3.0	5.7	2.9	2.4	2.7	3.1	Oct-2008
S&P/NZX Bank Bills 90-Day Index			1.4	2.9	5.4	2.7	2.1	2.4	2.6	
Excess Return			0.1	0.1	0.3	0.2	0.3	0.3	0.5	

Manager and Asset Class Performance (Gross of Fees)

31 December 2023

	Allocation		Performance (gross of fees)							
	Market Value \$	% of Portfolio	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (%pa)	5 Years (%pa)	10 Years (%pa)	Inception (%pa)	Inception Date
STDC Total Fund	146,508,657	100.0	6.0	3.0	10.0	3.1	6.3	7.1	7.4	Jul-2002
STDC Total Fund Benchmark			6.3	3.6	10.5	2.3	5.5	6.5	6.9	
Excess Return			-0.3	-0.6	-0.5	0.8	0.8	0.6	0.5	
Trans-Tasman Equities	18,345,010	12.5	4.2	-0.8	5.2	-0.9	7.5	9.3	11.7	Sep-2002
S&P/NZX 50 Index without ICs			4.2	-1.2	2.6	-3.5	6.0	9.5	8.4	
Excess Return			0.0	0.4	2.6	2.6	1.5	-0.2	3.3	
Nikko Trans-Tasman Equities	18,345,010	12.5	4.2	-0.8	5.2	-0.9	7.5	-	6.5	May-2018
S&P/NZX 50 Index without ICs			4.2	-1.2	2.6	-3.5	6.0	-	6.0	
Excess Return			0.0	0.4	2.6	2.6	1.5	-	0.5	
Global Equities	64,623,445	44.1	7.5	3.4	18.4	6.5	12.5	10.9	8.4	Jul-2002
STDC Global Equities Composite BM			7.4	5.3	21.8	8.3	12.1	10.1	8.1	
Excess Return			0.1	-1.9	-3.4	-1.8	0.4	0.8	0.3	
ANZ Global Equities	64,623,445	44.1	7.5	3.4	18.4	6.5	12.5	10.9	11.1	Oct-2008
STDC Global Equities Composite BM			7.4	5.3	21.8	8.3	12.1	10.1	9.6	
Excess Return			0.1	-1.9	-3.4	-1.8	0.4	0.8	1.5	
Global Equities - Low Volatility	2,670	0.0	1.8	-0.1	9.8	10.3	8.2	-	8.5	Apr-2015
MSCI World Minimum Volatility Index			1.8	0.7	7.8	8.1	8.4	-	8.5	
Excess Return			0.0	-0.8	2.0	2.2	-0.2	-	0.0	
Mercer Global Equities Low Volatility	2,670	0.0	1.8	-0.1	9.8	10.3	8.2	-	8.5	Apr-2015
MSCI World Minimum Volatility Index			1.8	0.7	7.8	8.1	8.4	-	8.5	
Excess Return			0.0	-0.8	2.0	2.2	-0.2	-	0.0	
Global Listed Infrastructure (hedged)	6,667,690	4.6	13.1	2.2	-0.7	3.9	5.9	8.6	9.9	Jul-2012
STDC Global Infrastructure Benchmark			10.3	0.6	-1.7	3.4	5.0	-	-	
Excess Return			2.8	1.6	1.0	0.5	0.9	-	-	
First Sentier Global Listed Infrastructure	6,667,690	4.6	13.1	2.2	-0.7	3.9	5.9	8.6	8.3	Dec-2013
STDC Listed Infrastructure Benchmark			10.3	0.6	-1.7	3.4	5.0	7.6	7.7	
Excess Return			2.8	1.6	1.0	0.5	0.9	1.0	0.6	

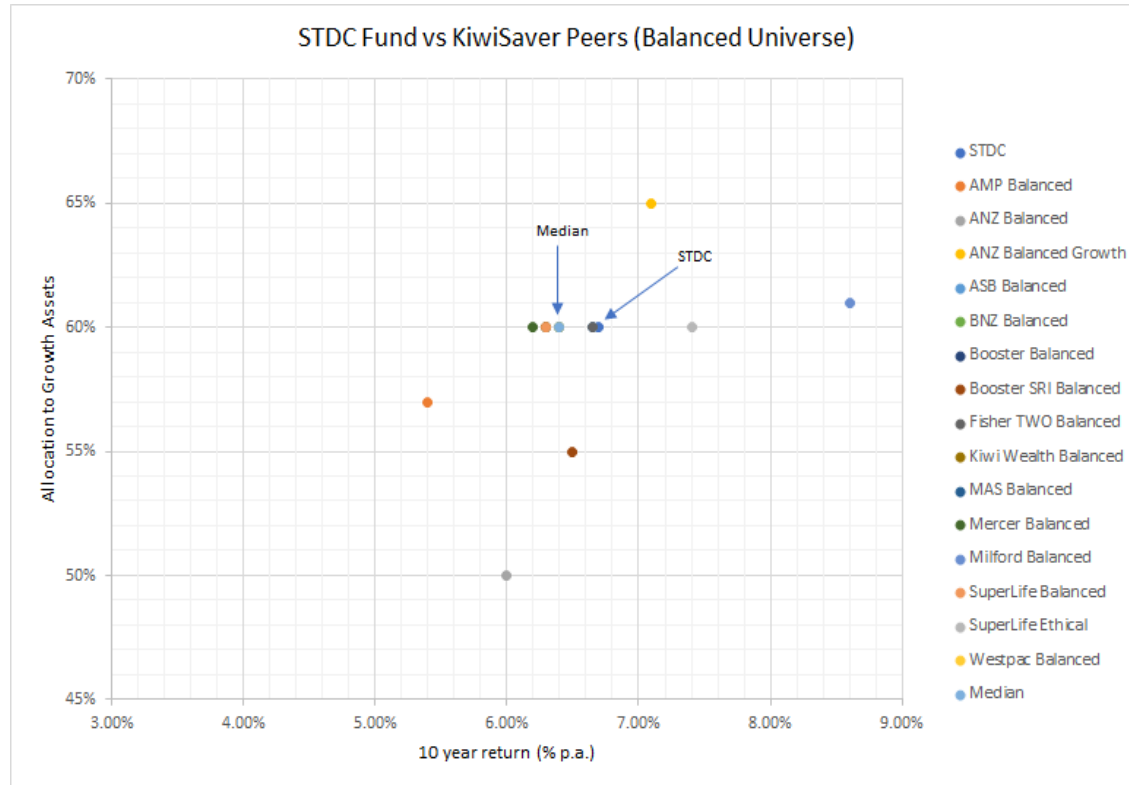
Manager and Asset Class Performance (Gross of Fees)

31 December 2023

	Allocation		Performance (gross of fees)							
	Market Value \$	% of Portfolio	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (%pa)	5 Years (%pa)	10 Years (%pa)	Inception (%pa)	Inception Date
Global Property (hedged)	1,869	0.0	14.6	9.0	11.2	1.0	3.9	6.5	8.6	Jun-2010
STDC Global Property Composite BM			15.4	9.4	10.1	1.2	1.7	4.6	7.1	
Excess Return			-0.8	-0.4	1.1	-0.2	2.2	1.9	1.5	
Mercer Listed Property	1,869	0.0	14.6	9.0	11.2	1.0	3.9	-	3.7	Nov-2017
STDC Global Property Composite BM			15.4	9.4	10.1	1.2	1.7	-	1.3	
Excess Return			-0.8	-0.4	1.1	-0.2	2.2	-	2.4	
New Zealand Bonds	13,504,525	9.2	6.6	4.7	7.2	-1.2	1.4	3.5	5.0	Jul-2002
NZ Bonds Composite Index			6.0	4.3	6.2	-2.4	0.5	2.9	4.7	
Excess Return			0.6	0.4	1.0	1.2	0.9	0.6	0.3	
Harbour NZ Core Fixed Interest	13,504,525	9.2	6.6	4.7	7.2	-1.2	1.4	-	1.6	Dec-2018
NZ Bonds Composite Index			6.0	4.3	6.2	-2.4	0.5	-	0.7	
Excess Return			0.6	0.4	1.0	1.2	0.9	-	0.9	
Global Bonds (hedged)	36,249,608	24.7	4.0	3.6	6.0	0.6	2.8	4.3	5.2	Oct-2008
Bloomberg Global Agg Index (NZD-H)			5.7	3.8	6.6	-2.4	1.0	3.2	4.7	
Excess Return			-1.7	-0.2	-0.6	3.0	1.8	1.1	0.5	
PIMCO	11,092,112	7.6	6.1	4.5	7.9	-2.0	1.7	3.9	4.8	Jun-2011
Bloomberg Global Agg Index (NZD-H)			5.7	3.8	6.6	-2.4	1.0	3.2	3.8	
Excess Return			0.4	0.7	1.3	0.4	0.7	0.7	1.0	
Wellington	10,920,282	7.5	5.4	3.5	5.1	-2.4	0.8	3.1	3.8	Jun-2011
Bloomberg Global Agg Index (NZD-H)			5.7	3.8	6.6	-2.4	1.0	3.2	3.8	
Excess Return			-0.3	-0.3	-1.5	0.0	-0.2	-0.1	0.0	
Internal Borrowing*	14,237,214	9.7	1.5	2.9	5.1	4.4	4.8	5.5	5.9	Oct-2008
New Zealand Cash	7,113,839	4.9	1.6	3.1	5.8	3.0	2.6	2.9	4.6	Jul-2002
S&P/NZX Bank Bills 90-Day Index			1.4	2.9	5.4	2.7	2.1	2.4	3.9	
Excess Return			0.2	0.2	0.4	0.3	0.5	0.5	0.7	
ANZ Cash	7,113,839	4.9	1.6	3.1	5.8	3.0	2.5	2.8	3.2	Oct-2008
S&P/NZX Bank Bills 90-Day Index			1.4	2.9	5.4	2.7	2.1	2.4	2.6	
Excess Return			0.2	0.2	0.4	0.3	0.4	0.4	0.6	

Performance versus Peers

31 December 2023



Peer Comparison

The chart opposite presents the 10 year performance of the STDC Fund relative to the performance of the Balanced Fund KiwiSaver Universe which have an allocation to growth assets ranging from 50%-65% (compared to STDC Fund's allocation to growth assets of 60%). The returns displayed in the chart are on an after fees and before tax basis.

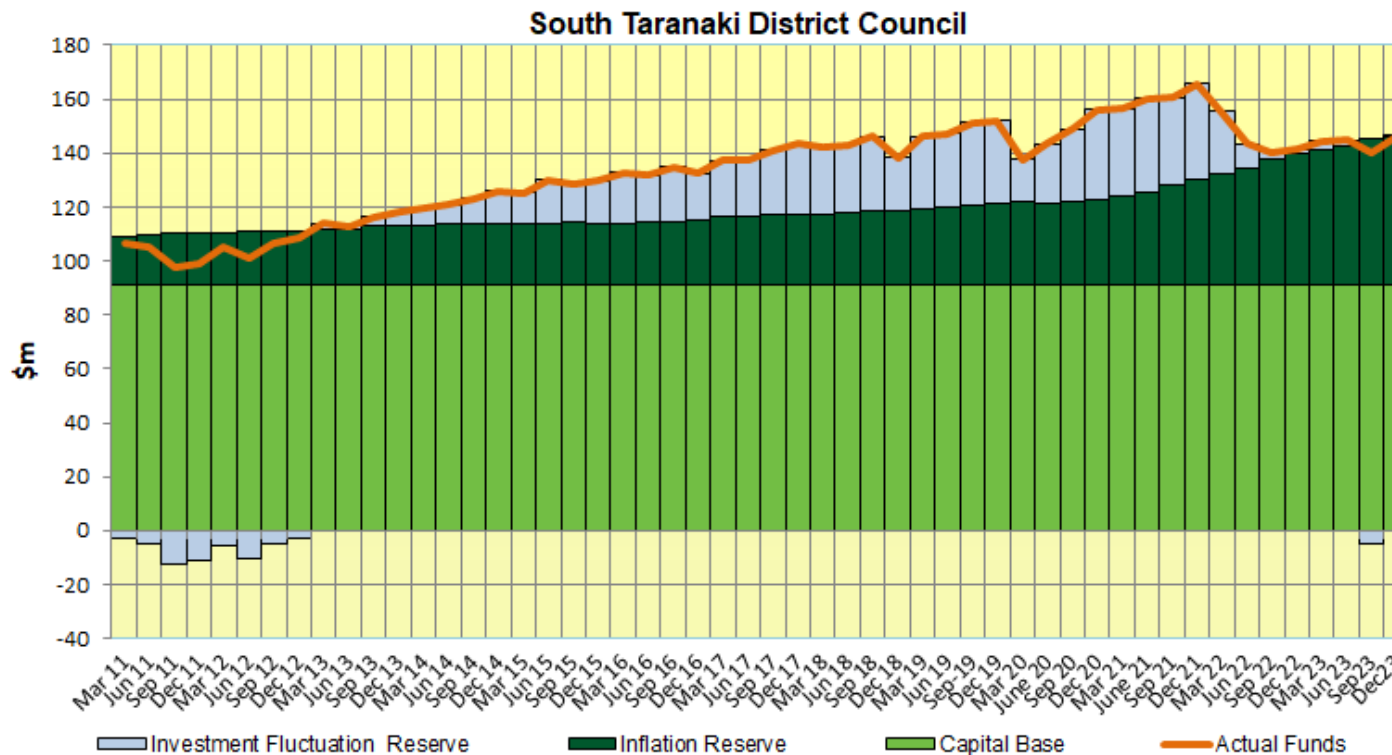
The Fund has performed well over the last 10 years (6.7% p.a.), ahead of many peers and also the median return of the KiwiSaver Balanced Fund Universe (6.4% p.a.).

Appendix B

Ending 31 December 2023

Reserving Position

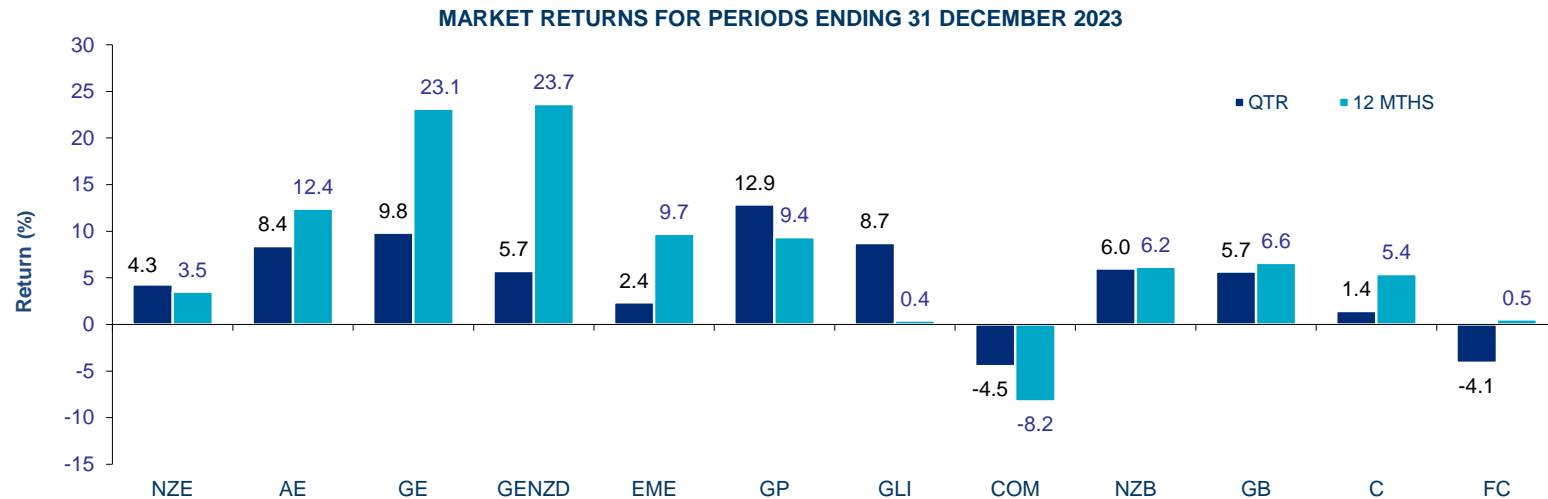
The chart below shows the Council's reserving position. The pale green bars represent the Council's capital base (\$91.4m), the dark green bars representing the inflation reserve; and together both green bars represent the Council's real capital base (\$145.9m at quarter end). The grey bars represent the Council's investment fluctuation reserve and the Council's actual assets are represented by the orange line (\$146.5m as at 31 December 2023).



- The chart shows the Council had a positive investment fluctuation reserve (estimated at \$0.5m, or approximately 0.4% of the real capital base at quarter end).

Investment Environment – NZ Quarterly Market Review

31 December 2023



NOTE:

NZE (NZ Equities); AE (Australian Equities Local Currency); GE (Global Equities Local Currency); GENZD (Global Equities NZ Dollars); EME (Emerging Market Equities Local Currency) GP (Global Listed Property Hedged); GLI (Global Listed Infrastructure); COM (Global Commodities Hedged); NZB (New Zealand Bonds); GB (Global Bonds Aggregate Hedged); C (New Zealand Cash); FC (Foreign Currency Effect). The Foreign Currency Effect is simply the difference between the local currency and unhedged overseas share returns.

All returns in the following commentary are in local currency terms, unless stated otherwise.

MARKET SUMMARY

The final chapter of 2023 started as the previous one finished, but soon recovered to see equity markets rallying back towards their 2023 highs. Both equities and bonds saw strong returns after a poor start in October, with November providing the strongest set of monthly returns in over three years.

US markets received a leg-up as investors reacted with fervour at the prospect of rate cuts in 2024. With market commentators pronouncing the rate hiking cycle to be at its end and rhetoric from the US Federal Reserve (Fed) striking a dovish tone, markets jumped at the first sign of a let-up in rates. Of particular note were the S&P 500 and NASDAQ, which were up 11.7% and 13.8%, respectively. As we have seen more than once in this cycle, Wall Street has

been much more eager in its expectation for rate cuts, pricing in sharper and more prompt rate cuts than communicated by Fed officials.

This expectation of imminent rate cuts also fed through into global bond markets, with yields falling across the curve in response. The Bloomberg Global Aggregate Bond Index (100% hedged to NZD) returned 5.7% over the quarter.

US economic data softened through the quarter, with annual CPI slowing from 3.7% to 3.2% in October and to 3.1% in November. Economic growth for Q3 was revised down to an annualised 4.9% from 5.2%. Job growth also slowed in the US as unemployment hit 3.7%.

Investment Environment – NZ Quarterly Market Review

31 December 2023

The same story played out in other territories, with weakening economic data and strong investment returns coming amidst a dovish monetary policy backdrop. The Eurozone and the UK largely followed the US, as the expectation that there would be no further rate hikes spurred equity returns. Eurozone CPI fell through the quarter, with November's data coming in at 2.4% year-on-year (y/y). In the UK, CPI dropped to 3.9% y/y, much lower than the previously predicted 4.4%. Moderating economic data gave credence to the argument for rate cuts to begin in 2024, though both central banks remained coy.

SIGNIFICANT DEVELOPMENTS

- As has been the theme for the past two years, the Fed's monetary policy decisions and accompanying talking points have dominated market sentiment. During the quarter, the Fed opted to hold rates twice, continuing their 'pause' since the end of July. The November decision triggered a strong equity rally, sending the S&P 500 up 1.9% for the day and 9.1% for the month. The December meeting also shook up the market, as the Fed projected three rate cuts in 2024, with the median projection for the 2024 end-of-year federal funds rate sitting at 4.6%. Despite the Fed predicting cuts in the new year, they were careful to hedge their bets, as they stopped short of declaring the hiking cycle over, and left the door open to further rate increases if deemed necessary.
- After six years in government, the lone-governing Labour Party suffered a major defeat in the New Zealand election, only managing 34 seats, compared to the 65 they won in 2020. This saw the return of the National Party to government, who won 48 seats, down from 50 on election night. With a majority of 62 seats needed, the National Party were forced to turn to ACT and New Zealand First, the latter of whom National had initially been reluctant to go into coalition with. The deal struck between the two parties will see Winston Peters and David Seymour share the Deputy Prime Minister position, with concessions made by all parties to align the policies of the new government.
- Geopolitical risks remained in the forefront as conflicts in Gaza and Ukraine persisted and missile attacks in December caused temporary disruptions to shipping in the Red Sea. Although the initial market effects were relatively minor, there is a looming risk of escalation that could have significant implications for oil markets.

MARKET OUTLOOK

The December quarter proved to be fruitful, with most major asset classes posting big gains. Monetary policy again took center stage, as central banks applied the brakes on interest rate hikes, before changing gears to cut rates.

Resilience has been the theme for the US economy, as it remains strong in spite of tight financial conditions. Despite inflation eating away at household purchasing power, the US consumer has kept the economy afloat. Savings built during COVID, and strong income growth have allowed consumption to remain strong. However, looking into 2024, we expect economic activity to slow as these buffers are depleted, tighter lending requirements and high interest rates continue to work their way through the system. Despite the recent 'pause', inflation is expected to continue moderating towards target levels, which will allow the Fed to proceed with interest rate cuts.

The post-COVID Chinese recovery has not gone as most observers expected, with weak economic growth and on-going real estate stresses weighing on investor confidence. Chinese equities finished the quarter down to cap off an overall poor year. In response to the slow growth, the Chinese government announced numerous stimulus measures to kickstart economic growth, including a 'white list' of approved property developers who are eligible for debt, loan, and equity financing. Looking into 2024, we expect a recovery in Chinese retail sales as consumer confidence starts to grow, while the country's move to "in-house" advanced manufacturing should assist growth. Our view remains that China are committed to doing whatever it takes in order to fulfil its 5% growth target going forwards.

Inflation continued to drop in Q4, as numbers begin to fall back closer to acceptable levels. Most major economies have found success in their fight against inflation, as tightening cycles look to have reached their end. However, central banks remain wary of the risks of easing to soon, lest a repeat of a 1970s style second wave of inflation occurs. A substantial driver of the disinflation seen in the US over 2023 has been a fall in 'non-cyclical inflation' which has fallen faster than 'cyclical inflation'. A high correlation between non-cyclical inflation and Chinese output raises questions around what a resurgent Chinese economy could mean for the rest of the world.

As we move into 2024, most global economies are in a much stronger position than this time last year. The COVID hangover that rolled over 2022, had mostly worn off in 2023, though inflation is a headache that continues to linger. Developed economies will expect to have wrangled inflation, with rate cuts expected in mid-2024, and soft-landing scenarios being achieved.

Investment Environment – NZ Quarterly Market Review

31 December 2023

SECTOR COMMENTARIES

TRANS-TASMAN EQUITIES

Trans-Tasman equities were up in Q4, with the S&P/NZX 50 and S&P/ASX 200 returning 4.3% and 8.4% (local currency), respectively. The interest rate situation remained the same on both sides of the Tasman, with both countries seemingly further along the road than global counterparts after opting to begin hiking earlier than peers. At home, business confidence had reached a two-year high, indicating a positive outlook in the market. This shift in sentiment may have been influenced by expectations of interest rates reaching their peak and the outcome of the NZ election, which resulted in the formation of a National-led Government who are perceived to be economically and business friendly.

GLOBAL EQUITIES

Equities were again the star for the quarter, as the continued strength in US tech mega-caps was this time supported by positive returns across the board. The S&P 500 finished up 11.7%, despite falling -2.1% in October. Growth stocks (7.6%) outperformed Value (3.7%), as the prospect of 2024 rate cuts was too much for the market to resist. Emerging market equities were up 5.6% but fell short of developed markets. China continues to be a drag on performance, as the much talked about post-COVID recovery continues to stutter.

PROPERTY

The real estate sector proved to be a strong performer in the final quarter of the year, as global REITs outperformed traditional equities and bonds. A future easing of interest rates has opened the door to a more positive lending environment, in turn making the property sector more appealing. Much has been said about the impact of workers not returning to the office in recent times. This has provided a cloudy sentiment over the sector, however, given the limited exposure within the FTSE EPRA NAREIT Developed Index, we consider the impact to have been somewhat overstated. The FTSE EPRA NAREIT Developed Index returned 12.9% (100% hedged to NZD) over the quarter and 9.4% over the 2023 calendar year.

LISTED INFRASTRUCTURE

Listed infrastructure assets were up for the quarter, as they benefitted from the potential end of the hiking cycle. Toll roads were a strength of portfolios as the trend to cars from public transport in the wake of COVID continues to boost the user base and frequency of use of toll roads despite the associated cost increases due to inflation. Airports have performed well, up 9%, as the post-

COVID travel boom continues to gather momentum. Mexican airport stocks were a particular highlight as a result of regulatory changes which saw increasing tariffs chargeable to airlines.

NZ BONDS AND CASH

With the Reserve Bank of New Zealand (RBNZ) leaving interest rates untouched throughout the quarter, yields on NZ Bonds fell. The yield on the NZ 10-year Government Bond, which had reached a peak of 5.6%, ended the year at 4.4%. Before the RBNZ's November meeting, the general feeling was that the OCR would be cut in the second half of 2024, however, the accompanying announcement put the kibosh on that, with forecasts indicating cuts to begin in mid-2025 and potential for another hike before then.

GLOBAL BONDS

Government bonds benefitted from expectations of dovish monetary policy as yields fell in the face of tight market conditions. The Fed opted to hold rates twice more, while the European Central Bank (ECB) and Bank of England (BoE) also kept rates flat. After the Fed's December meeting, the market began to price in three cuts in 2024 instead of two. The US 10-year Treasury yield was down 46bps to 3.89%, while the UK 10-year gilt was down 90bps to 3.54%. Corporate bonds also fared well in November's mini-boom, as soft-landing scenarios look more and more likely.

COMMODITIES

WTI Crude Oil had a torrid quarter as tensions in the Middle East weighed on prices. WTI Crude Oil fell -20.8% over the quarter to ~\$72 per barrel, after prices reached over \$90 per barrel in September. This came in spite of another round of supply cuts by OPEC ("Organisation of Petroleum Exporting Countries"), aimed at supporting prices. Tensions caused by the Israel-Hamas war have made it unsafe for supply vessels, who have been targeted by various groups in the region.

CURRENCY

The NZD was strong against most majors through Q4, particularly against the US Dollar, with a 5.4% increase for the quarter. This can be attributed to the weakening of the US dollar, which has been influenced by softening economic data. The Sterling also experienced declines against all major currencies except the USD. Meanwhile, the Yen rallied as investors speculated on the possibility of the Bank of Japan (BoJ) tightening rates following comments from its governor. However, in their final meeting of 2023, the BoJ decided to hold rates at -0.1%.

Investment Environment – NZ Quarterly Market Review

31 December 2023

CHART CONSTITUENT

Sector	Benchmark
NZ Equities	S&P/NZX 50 with Imputation Credits
Australian Equities	S&P ASX200 (AUD)
Global Equities	MSCI World Index with net dividends reinvested (in local currency)
Global Equities (unhedged)	MSCI World Index with net dividends reinvested (NZD)
Emerging Market Equities	MSCI Emerging Market Index with net dividends reinvested (in local currency)
Global Listed Property	FTSE EPRA NAREIT Developed Index (NZD hedged)
Global Listed Infrastructure	FTSE Global Core Infrastructure 50/50 (NZD hedged)
Commodities	Bloomberg Commodity Index (NZD hedged)
NZ Bonds	Bloomberg NZ Bond Composite 0+ Year Index
Global Bonds - Government	FTSE World Government Bond Index (NZD hedged)
Global Bonds – Aggregate	Bloomberg Barclays Global Aggregate Index (NZD hedged)
Cash	S&P/NZX Bank Bills 90-Day Index

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7. Whakataunga kia noho tūmatanui kore / Resolution to Exclude the Public

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1. Confirmation of minutes held on 20 November 2023. 2. Mercer Quarterly Investment Monitoring Report – December 2023 3. Mercer – Global Listed Property and Global Bonds	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No	Interest
1	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i)).
1, 2	Maintain the effective conduct of public affairs through the protection of members or officers or employees of the Council, and persons to whom Section 2(5) of the Local Government Official Information and Meetings Act 1987 applies in the course of their duty, from improper pressure or harassment (Schedule 7(2)(f)(ii)).
1	To protect the privacy of natural persons, including that of deceased natural persons (S7(2)(a)).
1, 3	To prevent the disclosure or use of official information for improper gain or advantage (s. 7(2)(j)).



Karakia

8. Karakia

Ruruku Whakakapi – Closing Prayer

Unuhia, unuhia

Unuhia ki te uru tapu nui

Kia wātea, kia māmā te ngākau, te

tinana, te wairua i te ara takatū

Kia wātea, ka wātea, āe rā, kua wātea

Rire rire hau pai marire!

Draw on, draw on,

Draw on the supreme sacredness

*To clear, to free the heart, the body and the
spirit of mankind*

To be clear, will be clear, yes is cleared.

Deeply in peace!