

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Finance Committee will be held on:

Date: Tuesday 17 May 2022
Time: 9.30am
Meeting Room: Council Chamber and Audio-Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
Chief Executive

Finance Committee *Komiti Tahua* OPEN AGENDA

Membership

Chairperson Cr R Pascoe
Heamana

Deputy Chairperson Cr Maxine van Oosten
Heamana Tuarua

Members	Mayor P Southgate	Cr K Naidoo-Rauf
	Deputy Mayor G Taylor	Cr A O'Leary
	Cr M Bunting	Cr S Thomson
	Cr M Gallagher	Cr E Wilson
	Cr R Hamilton	Cr D Macpherson
	Cr M Donovan	Maangai J Kana

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Amy Viggers
Mana Whakahaere
Governance

9 May 2022

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Purpose:

The Finance Committee is responsible for:

1. Monitoring Council's financial strategy, and financial performance against the Long Term Plan and Annual Plan.
2. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.

In addition to the common delegations, the Finance Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

1. To provide direction on Council's financial strategy and monitor performance against that strategy.
2. To monitor Council's financial performance against the Council's 10 Year Plan and the impact of the financial performance on services levels and rate payers' value.
3. To monitor deferred capital expenditure.
4. To develop and monitor policy related to the following matters:
 - a) financial management;
 - b) revenue generation; and
 - c) procurement and tendering.
5. To monitor the probity of processes relating to policies developed by the Finance Committee.

The Committee is delegated the following powers to act:

- Approval of operating expenditure within the Long Term Plan or Annual Plan that exceeds the Chief Executive's delegation, excluding expenditure which:
 - contravenes the Council's Financial Strategy; or
 - significantly alters any level of service outlined in the applicable Long Term Plan or Annual Plan; or
 - impacts Council policy or practice, in which case the delegation is recommendatory only and the Committee may make a recommendation to the Council for approval.
- Approval of contractual and other arrangements for supply and services, and revenue generating contracts, which:
 - exceed the Chief Executive's delegations, but
 - exclude contracts or arrangements that are reserved for the Council or another Committee's approval.
- Approval to write-off outstanding accounts greater than \$10,000 (in accordance with the Debtor Management Policy).

The Committee is delegated the following recommendatory powers:

- To set the direction of Council's Financial Strategy.
- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

Recommendatory Oversight of Policies and Bylaws:

- *Funding Needs Analysis Policy*
- *Investment and Liability Management Policy*
- *Rates Remissions and Postponements Policy*
- *Rating Policy*
- *Revenue and Financing Policy*

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1 Apologies - *Tono aroha*

2 Confirmation of Agenda - *Whakatau raarangi take*

The Committee to confirm the agenda.

3 Declaration of Interest - *Tauaakii whaipaaanga*

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 representative and any private or other external interest they might have.

4 Public Forum - *Aatea koorero*

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6727.

Council Report

Committee: Finance Committee

Date: 17 May 2022

Author: Narelle Waite

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance
Manager

Report Name: Confirmation of the Finance Committee Open Minutes of 29 March 2022

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 29 March 2022 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Finance Committee Open Unconfirmed Minutes of 29 March 2022

Finance Committee

Komita Tahua

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and audio-visual link on Tuesday 29 March 2022 at 9.32am.

PRESENT

Chairperson Cr R Pascoe
Heamana

Deputy Chairperson Cr M van Oosten
Heamana Tuarua

Members

- Mayor P Southgate (exclusively via audio-visual link)
- Deputy Mayor G Taylor (exclusively via audio-visual link)
- Cr M Bunting
- Cr M Gallagher (exclusively via audio-visual link)
- Cr M Donovan
- Cr K Naidoo-Rauf (exclusively via audio-visual link)
- Cr A O'Leary (exclusively via audio-visual link)
- Cr S Thomson (exclusively via audio-visual link)
- Cr E Wilson
- Cr D Macpherson
- Maangai J Kana (exclusively via audio-visual link)

In Attendance

- Lance Vervoort – Chief Executive
- David Bryant – General Manager People and Organisational Performance
- Chris Allen – General Manager Development
- Tracey Musty – Financial Controller
- Iain Anderson – Capital Financial Lead
- Julie Clausen – Unit Manager Strategy and Corporate Planning
- Katy Nudd – Business Planning Analyst
- Tania Hermann – Group Business Manager Infrastructure Operations
- Andrew Michl – Local Government Funding Agency

Governance Staff

- Amy Viggers – Governance Lead
- Narelle Waite – Governance Advisor
- Melanie Hill – Governance and Elected Member Support Coordinator

1. Apologies - *Tono aroha*

Resolved: (Cr Pascoe/Cr Macpherson)

That the apologies for absence from Cr Hamilton, and for early departure Crs O'Leary and Pascoe are accepted.

2. **Confirmation of Agenda - *Whakatau raarangi take***

Resolved: (Cr Pascoe/Cr Bunting)

That the agenda is confirmed.

3. **Declarations of Interest - *Tauaakii whaipanga***

No members of the Committee declared a Conflict of Interest.

4. **Public Forum - *AAtea koorero***

No members of the public wished to speak.

5. **Confirmation of the Finance Committee Open Minutes of 10 February 2022**

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 10 February 2022 as a true and correct record.

6. **Chair's Report**

The Chair spoke to the report, noting the draft Annual Plan and the ongoing Council meeting. He responded to questions from Members concerning the adjourned Council Annual Plan meeting, inflation adjustments on co-funded capital projects, the Annual Plan process, and the procurement policy.

Staff Action: *Staff undertook to organise an Elected Member Briefing concerning the procurement principles prior to a report being brought to Council.*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

7. **Capital Portfolio Monitoring Report**

The Capital Financial Lead spoke to the report, noting changes to the overall capital budgets, the Budget Detail attachments provided to show budget changes, work in progress, project risks, and project cost increase in the 2021/22 financial year. He responded to questions from Members concerning cost effect of deferrals, market predictions for cost escalation, budget contingency calculations, city growth and waters connections, play space project delays, Covid-19 related efficiencies, and market competition in the construction sector and opportunities for collaboration to mitigate this risk.

Staff Action: *Staff undertook to bring information to a future Strategic Growth Committee concerning growth impacts on waters connections.*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

Cr O'Leary retired from the meeting (10.32am) during discussion of the above item. She was not present when the matter was voted on.

8. Financial Performance & Strategy Report to 31 January 2022 *(Recommendation to the Council)*

The Financial Controller spoke to the report noting the favourable accounting and balancing the books results, revaluation gains in the accounting result, forecast balancing the books deficit, and the January non-compliance in the Counterparty credit risk measure. She responded to questions from Members concerning the forecasted balancing the books deficit and inflations effect, and the increase in operational expenditure costs.

Resolved: (Cr Pascoe/Cr Bunting)

That the Finance Committee receives the report.

That the Finance Committee recommends that the Council:

- a) approves the capital movement as identified in paragraph 32 of the 29 March 2022 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 55 to 56 of this report; and
- c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 58 to 60 of this report.

Cr Wilson noted concerns regarding the technical issues affecting the meeting and requested the meeting adjourn to address the issues.

9. Non-Financial Service Performance Report

The Business Planning Analyst took the report as read, noting the outstanding measures and measures predicted to be achieved. Staff responded to questions from Members concerning the timing for members to receive the next six-monthly update, comparison to last year's results, setting performance targets, comparison to other Councils, rubbish and recycling results, street maintenance, quality of life survey and results by suburb, and the Covid-19 response framework effects on transportation performance results.

Staff Action: *Staff undertook to provided information to Members concerning the calculation of transport performance measures considering the effects of Covid-19.*

Resolved: (Cr Donovan/Cr Bunting)

That the Finance Committee:

- a) receives the report
- b) notes that the next six-monthly update will be presented as part of the 2021/22 Annual Report.

The meeting was adjourned from 11.16am to 11.35am.

10. New Zealand Local Government Funding Agency - Half Year Report 31 December 2021 and Statement of Intent 2022/23

Andrew Michl (Local Government Funding Agency) provided a presentation, noting the financial effects of conflict in Europe, recent feedback survey, membership, LGFA purpose redirection, amendment to performance targets, and succession planning. He responded to questions from Members concerning CCO membership, lending, and supporting diversity in the agency.

Resolved: (Mayor Southgate/Maangai Kana)

That the Finance Committee:

- a) receives the half year report; and
- b) approves the New Zealand Local Government Funding Agency draft Statement of Intent 2022/23.

11. Resolution to Exclude the Public

Resolved: (Cr van Oosten/Cr Donovan)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Finance Committee Public Excluded Minutes of 10 February 2022) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)
C2. Report on overdue debtors as at 28 February 2022 and Debt write-offs 2021/22)	
C3. Rototuna Village: Public Realm Construction Contract Award		
C4. Municipal Pool Demolition and Site Restoration Delegation		
C5. CON00000830/2021 Toilet and Changing Room Design and Construction		
C6. Information Services - Spiker Software Solutions Limited		
C7. Information Services - Contract Renewals		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of

the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (a) Section 7 (2) (f) (ii)
Item C3.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C4.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C5.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C6.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C7.	to enable Council to carry out negotiations	Section 7 (2) (i)

The meeting went into Public Excluded session at 11.53am.

The meeting was declared closed at 2.12pm.

Council Report

Committee: Finance Committee

Date: 17 May 2022

Author: Iain Anderson

Authoriser: Chris Allen

Position: Capital Financial Lead

Position: General Manager
Development

Report Name: Capital Portfolio Monitoring Report

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Finance Committee on the financial performance of the capital portfolio for the nine months ended 31 March 2022.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Finance Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report is to be read in conjunction with the Financial Performance and Strategy Report to 31 March 2022.
4. This is the first year of the 2021-31 Long Term Plan (LTP). The LTP approved capital expenditure budget is \$328.7m and the approved revenue budget is \$101.6m
5. Since the LTP these budgets have been amended through changes approved by Council through the Finance Committee. The impact of the changes as at 31 January 2022 (meeting date 29 March 2022) was expenditure is now \$308.4m and the associated revenue is \$93.8m. The amended budget is referred to as the Forecast budget.
6. Additional changes since 31 January 2022 are a further \$33.1m in deferrals and other minor changes of \$0.4m. These changes reduce the Annual forecast to \$274.9m. The impact of these changes has been reflected in the Financial Strategy position to 31 March 2022. These additional deferrals take the total deferrals for the year to \$123.7m.
7. As reported previously the annual forecast had been stated \$110.0m and this was the amount used for the 2022/23 Annual Plan workshops. In light that we are already at \$123.7m, the revised the annual forecast of deferrals is now expected to be between \$135m to \$145m.
8. The total actual capital expenditure for the nine months ended 31 March 2022 is \$175.7m, while the associated actual capital revenue for the same period is \$64.1m.
9. Capital work in progress (WIP) is \$500.5m, within this amount is \$113.5m of assets that are in service but have not yet been capitalised. To negate the impact on the operating result, an estimate of the depreciation amount and been made and is reflected in the Annual Monitoring Report for the nine months ended 31 March 2022.
10. There has been a reduction in the value of outstanding WIP and the organisation continues to ensure all outstanding WIP is capitalised by the end 30 June 2022.

11. 11 projects across the portfolio have been flagged as having a risk(s). Three have been classified red and all other classified as orange. Since the previous report five projects have returned to green and two new projects are identified as having risk. This brings the total number of projects to 12.
12. Each individual project and risk are listed in paragraphs 51-61.
13. There continues to be two portfolio risks:
 - i. increase in costs due to the ongoing COVID environment; and
 - ii. increase in costs due to current economic issues.
14. Staff consider the matters to be of low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Programme Summary and Significant Highlights

15. The following definitions are relevant:
 - i. Portfolio: refers to the total organisational capital work budget for 2020-21. As per the approved 2021-31 LTP the portfolio is \$328.7m. This is subsequently modified through the Forecast, including deferrals from prior years;
 - ii. Programme: refers to the nine programmes that are referred to in this report, which when added together equal the portfolio; and
 - iii. Project: refers to the individual project under a particular programme. These projects may have funding from multiple activities and occur across multiple years.
16. **Attachment 1** contains an overview of the nine programmes. Since the previous LTP a new programme summary has been included for the Central City. Each overview contains a summary of the key achievements and a graphical representation of the financial performance. The nine programmes are:
 - 1) Central City,
 - 2) City Wide Community,
 - 3) City Wide Waters,
 - 4) Peacocke,
 - 5) Rotokauri,
 - 6) Rototuna,
 - 7) Ruakura,
 - 8) Transport Improvement, and
 - 9) Renewal and Compliance.
17. **Attachment 2** a summary schedule of the budget changes. It lists the type of budget change for both expenditure and revenue. The changes are grouped by each Finance Committee meeting.
18. **Attachment 3** contains a full schedule of the capital expenditure budgets. This schedule is presented using the external activities rather than the nine programmes. This detail relates to the summary table in paragraph 31.
19. **Attachment 4** contains a full schedule of the capital revenue budgets. This schedule mirrors the project detail in Attachment 2. This is a new attachment and is presented to give more visibility over the capital revenue budgets and changes. This detail relates to the summary table in paragraph 31.

Capital Expenditure Forecast Groups

20. For the purposes of this Capital Portfolio Monitoring report, there are three main types of capital budget movement that will impact on the forecasted total spend for this financial year. They are:
- i. **Deferrals and Brought Forwards:** These are approved budgets where a timing change has been identified. The timing change is either, a deferral, where the budget is moved out to a future year or a brought forward where the future budget is brought forward to the current year.
 - ii. **Capital Savings:** these are permanent reductions in the budget. The savings are tied back to the Organisation savings targets established through the 2021-31 LTP; and
 - iii. **Other Changes:** these are new budgets that either did not previously exist or is an amendment to an existing approved budget.
21. These three types apply to all programmes except the Renewals and Compliance Programme. This programme is managed as whole over the first 3 years (see paragraph 23).

Renewals and Compliance

22. This programme has been managed as a 3-year programme. This has proven to be successful in managing the renewals programme across a large and diverse range of assets. It has also allowed new projects to be accommodated within the financial envelope.
23. The approved budget for the 3-year programme from the 2021-31 LTP is \$235.3m, there is \$25.4m in associated capital revenue. Once deferrals for the prior years are included the total budget increases to \$247.7m.

Capital Expenditure Actual

24. The actual capital expenditure for the nine months ended 31 March 2022 is \$175.7m [\$158.0m]. The amount in the brackets is the comparative from the previous financial year.

Capital Revenue Actual

25. The actual capital revenue for the five months ended 31 March 2022 is \$64.1m [\$44.6m]. The amount in the brackets is the comparative from the previous financial year.
26. Capital revenue provides a significant revenue stream for Council, for the 2021/22 financial year the annual forecast is \$93.8m. The revenue received is directly related to asset creation.
27. Revenue is broadly categorised into two sources, NZTA Waka Kotahi subsidies and other Capital Contributions. Examples of other are, contributions received towards network connections, Government Grants such as Water Stimulus Funding or Te Awa Cycleway and Multi Party funding agreement like the Ruakura Spine Road.
28. The following table provides further detail on the revenue breakdown.

**Breakdown of Capital Revenue
for the Year ending 30 June 2022**

	As at 31 March 22	Annual Forecast	Annual Approved LTP	Annual Variance
NZTA Capital Subsidy	32,100	46,881	60,479	(13,598)
NZTA Renewal Subsidy	6,300	8,246	8,246	0
Contributions and Grants	25,700	37,349	32,863	4,486
	64,100	92,476	101,588	(9,112)

Capital Forecast

29. This section includes changes that are being recommended to the Approved 2021-31 LTP. Changes in this section are classified in the three groups described in paragraph 20.
30. The changes included here are reflected in the Financial Strategy results published in the Financial Performance and Strategy Report.
31. The following table summarises the budget changes It starts with the approved 2021-31 LTP and then shows the approved changes by meeting and by forecast group. A full table can be found in **Attachment 2**.

	Expenditure	Revenue
Opening Budget as at 1 July 2021	328,668	101,588
Opening Deferrals & b/fwds	51,463	(3,890)
<u>Current Year Changes</u>		
+/- Deferrals & b/fwds	(123,660)	(17,569)
+/- Savings	(95)	(39)
+/- Water Stimulus	6,353	4,603
+/- Changes	12,186	7,781
Forecast Budget as at 31 March 2022	274,916	92,475

32. The table above has been amended to include the work programme being funded by the Water Stimulus funding. This programme of work is funded through the central government contribution and was not part of the Approved 2021-31 LTP. This work programme is schedule for completion June 2022.
33. A detailed schedule of the expenditure and the revenue can be found in **Attachment 3** and **4**.

Capital Deferrals

34. For the nine months ended 31 March 2022 deferrals valued at \$123.7m have been formally identified.
35. Included with the \$123.7m is \$14.3m that relates to the Renewals and Compliance Programme. While the budget still needs to be deferred this programme is managed as a 3 year programme, refer paragraph 22 and 23.
36. These budgets have been moved out of the 2021/22 financial year. Future scheduling of this work is being considered as a part of the 2022/23 Annual Plan.
37. This is an increase of \$33.1m since the previous report, the capital revenue associated with this level of deferral is \$1.9m.
38. The level of deferrals is constantly reviewed based on actual progress to date. This results in changes to the final forecast as the year progresses and more certainty is known.
39. The final year end forecast of deferral had been estimated at \$110m. However, based on 31 March 2022 result this is now revised upwards to between \$135m and \$145m.
40. In response to the number of deferrals the Development Group have initiated a series of discussions across the full capital portfolio to identify why the deferrals continues to be high. Deferrals impact across a number of areas, particularly our Financial Strategy but also our ability to deliver the capital programme Council has presented in it LTP.
41. These discussions are designed to identify the primary causes. This will then allow the appropriate solutions to be considered and implemented.

42. This work started in early May 2022 and is expected to be completed by early June 2022. Once definitive outcomes have been agreed these will be reported back to the Finance Committee.

Capital Savings

43. For the nine months ended 31 March 2022 no capital savings have been identified.

Capital Changes

44. There are no major changes as at 31 March 2022.

Work in Progress (WIP)

45. The total value of WIP for the five months ended 31 March 2022 is \$500.6m, inclusive of vested assets.

46. The breakdown by status is:

- i. Current – \$387.1m (77.3): this is legitimate WIP and reflects the assets that cannot be capitalised until they are complete and in use; and
- ii. Outstanding – \$113.5m (22.7%): these are assets are in service, but the capitalisation process has not yet been completed. This group is treated with priority. Depreciation is applicable but not yet charged.

47. The level of WIP at 31 March 2022 shows a slight decrease in the amount of outstanding WIP. This indicates the current organisational effort to address the outstanding balance is producing a positive result. While pleasing these efforts will need to be maintained over a sustained period to get a permanent solution.

48. The direct financial impact is the depreciation expense is understated. To ensure that we do not understate an assessment of the depreciation value has been made and recorded as an expense on the Statement of Comprehensive Revenue and Expense.

Project Risks – update

49. Overall, 11 projects have been identified as having a significant risk profile.

50. Since the previous report:

- 5 have returned to green status
 - i. Central City River Crossing and Connection
 - ii. Ferrybank Park Enhancement – Municipal Pool Site
 - iii. West Town Belt – Founders Theatre Site Upgrade
 - iv. Play Spaces
 - v. Te Wetini Drive Extension
- 2 new projects have had risks identified
 - i. Rototuna Park
 - ii. Gordonton Road Corridor

51. Of the 11 three are classified as red all others are orange. Red status indicates significant risk that will require Council decision. Orange status indicates significant risks that are being monitored and managed.

Ward Street – Tristram to Anglesea

52. Timing Risk. This project was programmed for delivery in 2022 & 2023 in the LTP – noting also that the project is budgeted assuming Waka Kotahi NZTA financial assistance. This project is dependent on alignment with adjacent Tūāpapa development which is not currently planned for this three-year period. A report will be presented to an upcoming Infrastructure Operations Committee meeting to identify options and reset baselines for this project.

Alexandra Street Upgrade

53. This project is planned to support and align with development works in the CBD including the current Union Square development and give effect to the city centre urban design guidelines which are currently under development. This project requires further development and agreement of the scope, time and cost baselines to support subsequent delivery. Works to inform this are progressing.

Sports Park Improvements

54. This is timing risk. This project delivers improved levels of serves and capacity at Sports parks through improved drainage, surfaces and floodlights. There is a dependency on specialist equipment/materials from abroad and with current supply chain delays due to COVID it is unlikely they will arrive as expected. Therefore, a deferral is a likely to be requested.

Wairere Drive Extension and Bridge over the Waikato River

55. Cost Risk. The current Peacocke Strategic Transport contract has an issue with high-cost escalation. Through the 22/23 Draft Annual Plan the budget had been increased by \$18.1m to allow for the cost escalation. However as continue to see high inflation further increases could be required in the future.

Peacocke Road Urban Upgrade

56. Cost Risk. This project is currently in the detailed design phase. There is a cost risk subject to market pricing at the time of tender, which will be further understood over the next 6 months.

Peacocke East/West Minor Arterial Road

57. Cost Risk. This project is currently in the construction procurement phase. There is a cost risk subject to market pricing at the time of tender, which will be further understood over the next 6 months.

Rototuna Village Transport and Open Spaces

58. The extension of Turakina Rise and Bourn Brook Avenue is delayed due to a resource consent issue relating to an existing open drain. Works are still planned to progress on North City Road and other open space development areas, and staff are continuing to work with Waikato Regional Council on the resource consent approval.

Rototuna Park

59. Timing Risk. This is development of Hare Puki and Mangaiti into sports parks. This now has a estimate completion date of June 2022.

Te Awa Cycleway Extension

60. Timing risk. The project is scheduled and forecast for completion in mid-2022, however staff continue to work closely with the contractor to monitor progress.

Wairere Drive – Cambridge to Cobham

61. Timing and Cost Risk. There are some quality issues on site that will delay the project and may result in additional costs. The extent of risk will be known by the next report to Finance Committee.

Gordonton Road Corridor

62. Timing risk and Cost Risk. There have been issues with service relocations by 3rd parties. Design is now complete and out for tender to begin as soon as power is relocated.

Portfolio RisksCost Escalation

63. This risk was first reported to Finance Committee on 24 August 2021. Due to the current economic conditions this risk continues and as such will continue to be reported to this Committee.
64. Through the 2022/23 Annual Plan process Council has resolved to increase the capital budgets by 7% for those projects that staff identified as most likely to be at risk of cost escalation. This had the impact of an increase in the capital programme of \$10.6 million in 2022-23 and \$9.7 million in 2023-24.
65. This increase is an estimate. If this estimate proves to be inadequate under these current economic conditions i.e., inflation then staff would report the financial impacts back through the six weekly reporting cycle to the Finance Committee. At that time the actual cost impact would be known and the therefore the impact on the financial strategy could be understood.

COVID Contract Claims

66. Currently Council is not aware of any further or additional claims.
67. Since the last report the country has returned to the orange light setting and all indicators are the Omicron peak has been reached. However, there continues to be some disruption through absenteeism caused by the isolation rules. Staff continue to maintain communication with contractors and consultants to understand impacts if any.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

68. Staff confirm that matters and recommendations within this report comply with Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

69. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future ('the 4 well-beings').
70. The subject matter of this report has been evaluated in terms of the 4 well-beings during the process of developing this report as outlined below.
71. The recommendations set out in this report are consistent with that purpose.

Social

72. Work is currently underway to understand social procurement opportunities across our portfolio, which involves enhanced recognition and valuing of social benefits through particularly our selection of contractors.

Economic

73. Delivery of our capital works portfolio is required for the city to continue to grow and generate employment and wealth.

Environmental

74. Across the capital portfolio, environmental consideration is integrated throughout the project life cycle, including through design, procurement, and construction.
75. In the procurement phase all physical works contracts include a component to incorporate environmental and sustainability considerations into tender evaluation, where contractor initiatives such as materials reuse, energy requirements, electric vehicle utilisation, carbon offsets etc. can be valued.
76. Across the portfolio several works projects and programmes are specifically focussed on enhancing Hamilton's natural environment or ensuring effects of city development are not at the detriment of the natural environment.

Cultural

77. Across the portfolio, engagement and partnership with iwi is continuing at a project level, and work is underway to further align and partner at programme and portfolio levels to identify opportunities for enhanced partnership and shared outcomes. This is particularly in regard to alignment with objectives of the Waikato Tainui Environmental Plan – Tai Tumu Tai Pari Tai Ao.

Risks - *Tuuraru*

78. There are no known risks associated with the recommendations in this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

79. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed the matters and recommendations in this report have a low level of significance.

Engagement

80. Community views and preferences are already known to the Council through the 2021-31 10-Year Plan.
81. Given the low level of significance determined, the engagement level is low, and no further engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Programme Sheets

Attachment 2 - Budget Summary Table

Attachment 3 - Capital Expenditure Budget Detail

Attachment 4 - Capital Revenue Budget Detail

CENTRAL CITY PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

Ahuahungia te pokapuu o teetehi taane e arohaina ai e te tangata

Shaping a Central City where people love to be

Through delivering the Central City programme, we are investing in our Central City, opening it up to the Waikato River, encouraging people to live and work here, and making it easy to access and move around in. The outcome will be a Central City that is more inclusive, vibrant and prosperous.

The key goals for the 3 year capital programme are:

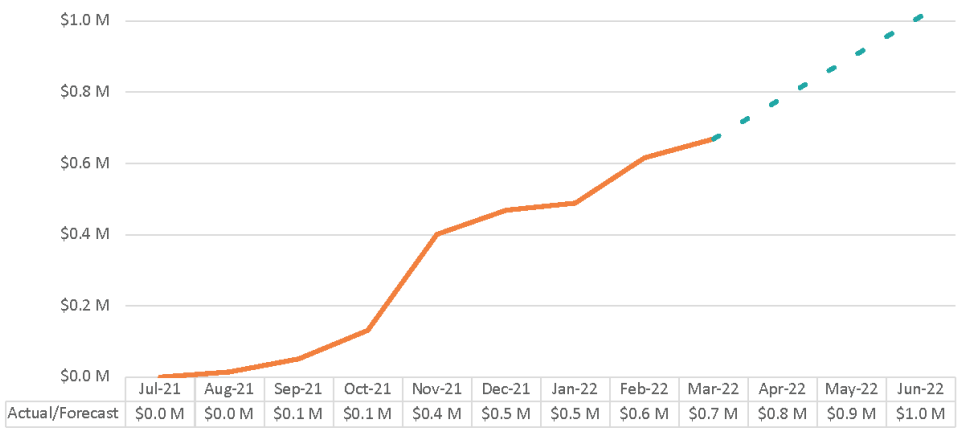
- Aligning with the development of Regional Theatre ensure connection between Victoria Street, the Theatre and the Waikato River through the development of Embassy Park and the Sapper Moore-Jones and Victoria Street theatre access. These improvements will make sure to the spaces are safe, accessible, and enjoyable for a wide range of users.
- The enhancement of the Ferrybank Park through the demolition of the municipal pool in readiness for site restoration and interpretation.
- The upgrade of the Founders Theatre site to create a better place for events, community activities and recreation for Hamiltonian and attract residents to housing in the central city.
- Begin upgrades to Alexandra Street to align with the new design guidelines for the central city
- Construction underway for the Central City River Crossing and Connections. The bridge would create a new way for people to walk, bike, scoot to and from the central city, as well as the other neighbourhoods across the river.
- Upgrade of the Tristram/Collingwood intersection.
- Updating of the front entrance of the Museum with airlock doors and upgrading of the foyer.
- The upgrades at Wellington Street Beach to add to the liveliness and attractiveness of the beach as well as promoting the Maaori heritage and identity.

The key capital programme milestones for 2021/22 include:

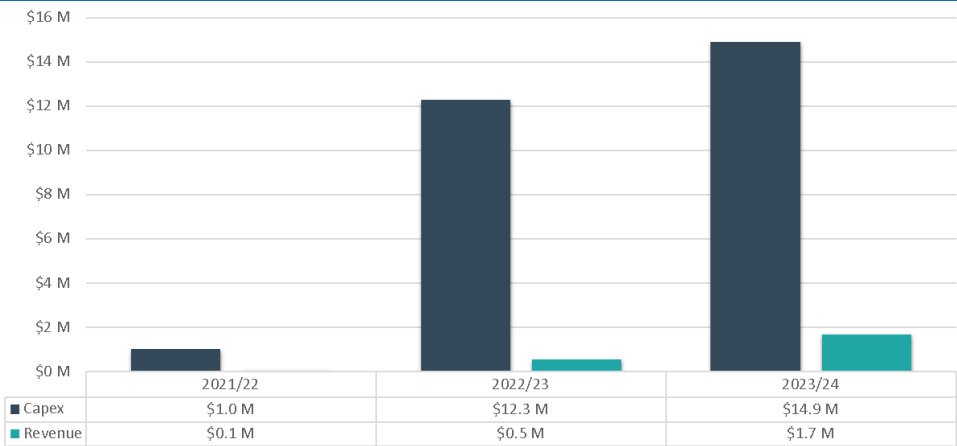
2021/22 Milestone	Performance
Tristram/Collingwood Intersection Upgrade complete.	<div>Following the report to the Infrastructure Operations Committee the scope is now confirmed with final layout plans going to the May 2022 Committee meeting for final approval. Timing of the intersection upgrade is to be coordinated and in advance of the ACC building opening.</div>
Investigation, scope and design complete or underway for: <ul style="list-style-type: none">• Embassy Park• Sapper Moore-Jones and Victoria Street• Alexandra Street• Museum Road Entrance• Wellington Street Beach	<div>On Track</div>
Municipal Pool demolition and site restoration design underway.	<div>On Track</div>
Central City River Crossing and Connections business case and Funding Strategy complete.	<div>This Business Case will form part of the University Link Business Case which is now underway. Funding application as part of Infrastructure Acceleration Fund has passed first stage and negotiations are underway.</div>

FINANCIAL PERFORMANCE

2021-22 Performance



3 Year Forecasted Budget



CENTRAL CITY PROGRAMME CAPITAL REPORT

Key Projects																	
Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Central City River Crossing and Connections	Hamilton Central City Growth will be supported by increased walking and biking connectivity, enhanced by new walking and cycling infrastructure. The bridge will support this as well as acting as a destination and centrepiece for wider riverside developments and supporting the long-held desire to face the central city towards the river. The business case for this project will be delivered as part of the University Link business case.	On Hold	\$27.6 M	\$0.0 M	tbc	<div>Investigation</div>											
Embassy Park (River Plan South End Precinct)	To support the Waikato Regional Theatre development, we're making some improvements to the public spaces in the area. This will create a better connection between Victoria Street, the Theatre and the Waikato River.	On Hold	\$5.1 M	\$0.0 M	\$5.1 M	<div>InvestigationDesignConstruction</div>											
Sapper Moore-Jones and Victoria St - Theatre Access & Pedestrian Environment	In alignment with the Waikato Regional Theatre Development, we're making some improvements to vehicle and pedestrian access to the area. These improvements will make sure the spaces are safe and accessible to a wide range of users and make it a more enjoyable space to spend time in.	On Hold	\$1.0 M	\$0.0 M	\$1.0 M	<div>InvestigationConstruction</div>											
Ferrybank Park Enhancement - Municipal Pool Site	Demolition of the pools in readiness for site restoration and interpretation. The conversion of the site into a park space will reconnect the community to the river, enhance our green space, and provide more space for play and recreation within the central city.	On Hold	\$1.4 M	\$0.3 M	\$1.4 M	<div>ProcurementConstruction</div>											
West Town Belt Implementation - Founders Theatre Site Upgrade	The Founders Theatre site is a significant public green space in the central city. Enhancing central city green spaces is key to attracting residents to housing in the central city. The upgrade will create a better place for events, community activities and recreation for Hamiltonians.	On Hold	\$4.0 M	\$0.0 M	\$4.0 M	<div>InvestigationDesignProcurementConstruction</div>											
Alexandra Street Upgrade	Alexandra Street will be transformed to align with the new design guidelines for the central city. Upgrades will result in a street that celebrates place and safe movement of people. Alexandra Street upgrades will improve the central city walking and cycling experience, integrating movement and place to better reflect character and identity. Scope and timing of implementation to be confirmed in early 2022.	On Track	\$5.1 M	\$0.0 M	\$5.1 M	<div>Investigation</div>											
Tristram/Collingwood Intersection Upgrade	Upgrade the walking and cycling network around the Tristram/Collingwood roundabout in alignment with development of the new ACC building to deliver a safer, more efficient transport network for all users.	On Track	\$3.2 M	\$0.3 M	\$3.2 M	<div>InvestigationProcurementConstruction</div> <div>InvestigationDesignConstruction</div> <div>Current Forecast</div>											
Museum Road Entrance Upgrade	Upgrading Waikato Museum so it is fit for the future; through updating the front entrance with airtight doors and upgrading the foyer to better maintain and protect art works and taonga we need to upgrade the road entrance.	On Track	\$3.8 M	\$0.0 M	\$3.8 M	<div>InvestigationDesignConstruction</div>											
River Plan - Wellington Street Beach	The upgrades at Wellington Street Beach will add to the liveliness and attractiveness of the beach as well as promoting the Maori heritage and identity. Protecting the water and soil quality also protects native vegetation and strengthens the natural environment along the Waikato River.	On Track	\$1.2 M	\$0.0 M	\$1.2 M	<div>InvestigationDesign</div>											
Ward Street - Tristram to Anglesea	Develop Ward Street to be safe for people to move around. This is necessary to cater for the increasing number of pedestrian and cyclists moving along Ward Street and surrounding areas. Timing is expected to align with the Tūāpapa development which is not currently planned for this 3 year period. A report will come to an upcoming Infrastructure Operations Committee.	On Track	\$4.6 M	\$0.1 M	\$4.6 M												



Project status

- Project is on track
- Project has significant risks that are being monitored and managed
- Project has significant risks that will require Council decision

CITY WIDE WATERS PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

He wai tonu ka whai ture, ka haapai hoki i te tupuranga

Ensuring the provision of essential water services that allow for future growth and compliance

The Citywide Waters programme ensures we can continue to keep up with new specifications, policy and standards implemented by government (compliance) and make sure our infrastructure can adapt to the pressures of growth (resilience) in our water supply, wastewater, and stormwater.

The key goals for the 3 year capital programme are to:

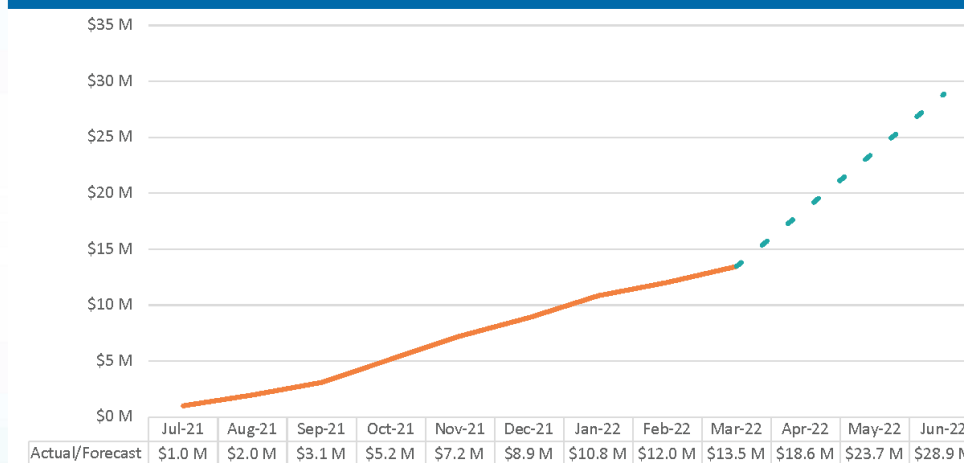
- Complete the Pukete Wastewater Treatment Plant Bioreactor Retrofits (3b) and New Inlet Works Facility (3c) upgrades and to have commenced the design of the Pukete 4 upgrade.
- Complete the mid-section of the Western Interceptor duplication and to have commenced the investigation work to confirm the Upper Network reticulation.
- Designate Strategic Wastewater Bulk Storage sites and to have commenced construction of one.
- Upgrade of the Fitzroy Pump Station and Snell Drive Sewer Pump station diversion complete.
- Waioara 2 Water Treatment Plant upgrade including the wash water upgrade complete.
- Complete the Newcastle Demand Management Zone water project.
- Complete Eastern Reservoirs Bulk Ring Mains as part of the Waikato River Bridge project.
- Progress the ICMP and Erosion Control programme.
- Work with active developers to upsize infrastructure if necessary.

The key capital programme milestones for 2021/22 include:

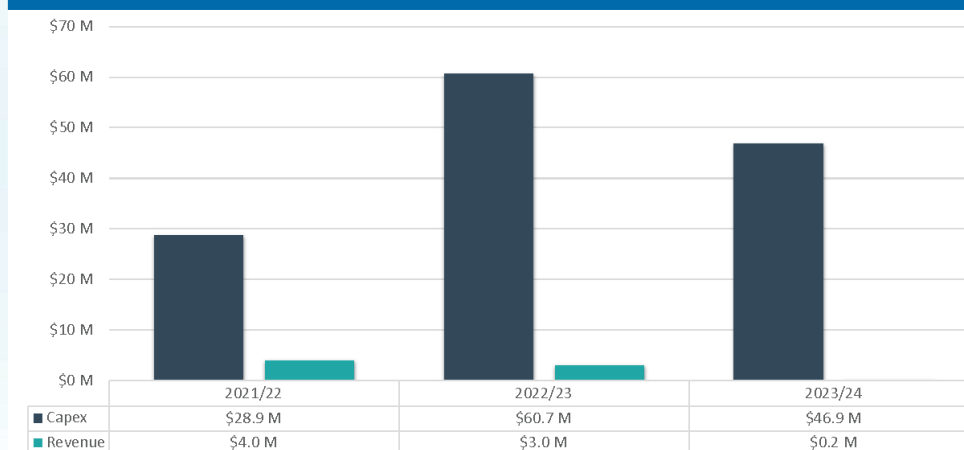
2021/22 Milestone	Performance
Pukete Bioreactor Retrofits (3b) and New Inlet Works Facility (3c) design completed.	▲ Design complete late 2022/23
Newcastle Demand Management Zone contract awarded and construction underway.	● On Track
Waioara 2 capacity upgrade design complete, and construction underway.	● On Track
Mangaonua stormwater erosion control and gully restoration works underway.	● On Track
Snell Drive Wastewater Pump station upgrade complete.	▲ Contract awarded and on track for completion late 2022
Preferred options confirmed for Wastewater Bulk Storage sites.	● On Track

FINANCIAL PERFORMANCE

2021-22 Performance



3 Year Forecasted Budget



CITY WIDE WATERS PROGRAMME CAPITAL REPORT

KEY PROJECTS

Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Pukete 3 Wastewater Treatment Plant Capacity Upgrade - Bioreactor Retrofits (3b)	Modification of the existing Bioreactors to promote a higher treatment performance and operational efficiency		\$3.5 M	\$0.3 M	\$3.5 M	Design				Procurement				Construction			
Pukete 3 Wastewater Treatment Plant Capacity Upgrade - New Inlet works Facility (3c)	A new dedicated inlet screenings facility to replace the original inlet works		\$19.4 M	\$0.1 M	\$19.4 M	Design				Procurement				Construction			
Waioara 2 Water Treatment Plant Capacity Upgrade	Major capacity upgrade on the water treatment plant including an upgraded chemical facility and additional treatment process to increase the overall plant capacity by 30%.		\$39.6 M	\$19.7 M	\$39.6 M	Design				Procurement				Construction			
Newcastle Water Reservoir and Supply Network Upgrade	Installing new water pipes and upgrading the reservoir pump station to improve functionality, network operations and resilience.		\$16.8 M	\$6.6 M	\$16.8 M	Design				Procurement				Construction			
Mangaonua Stormwater Erosion Control and Gully Restoration	Part of the Ruakura Superhub development, including planting of over 100,000 native plants and creation of DOC style access tracks. Design, consenting and land access/procurement agreements are well advanced to enable construction commencement in early 2022.		\$4.3 M	\$0.4 M	\$4.3 M	Design				Procurement				Construction			
Wastewater Bulk Storage	Wastewater master plans have identified storage volumes and conceptual locations for a number of bulk storage facilities over the entire city. Work is underway for the first phase of storage facility feasibility assessment being the confirmation of location, form and designation.		\$41.0 M	\$0.2 M	\$41.0 M	Investigation				Design				Construction			
Snell Diversion to Far Eastern Interceptor	A strategic wastewater network capacity upgrade project to construct one Sewer Pump Station (SPS) at the Snell Drive reserve and also the installation of a new Pipeline (Rising Main and Gravity main).		\$7.5 M	\$0.6 M	\$7.5 M	Design				Construction							

Project status



Project is on track

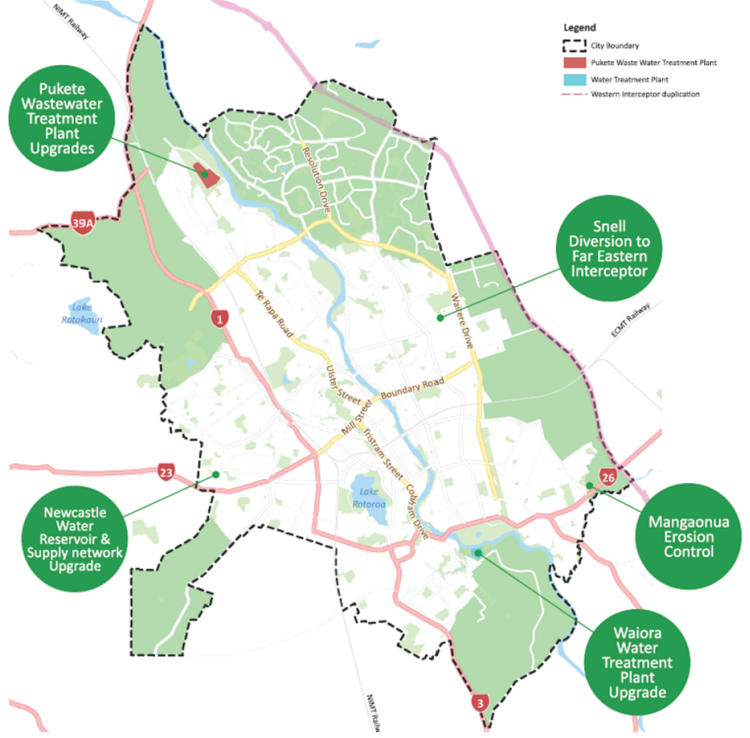


Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision

MAP



Snell Drive Wastewater Upgrade



Hamilton
City Council
Te kaunihera o Kirikiriroa

CITY WIDE COMMUNITY PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

Whakapai atu te mauri o ngaa waahi taangata me ngaa waahi wairua auaha Improving the vibrancy of our social and creative spaces

Through delivering the Community programme, we are investing in places and spaces across our city, that can be enjoyed by all Hamiltonians and the people who visit us here. The outcome will be a city that's easy to live in and a fun city with lots to do.

The key goals for the 3 year capital programme are:

Completion of the Zoo Waiwhakareke Entry Precinct including:

- Stage 1A (Zoo entry building and Waiwhakareke connections)
- Stage 1B (Viewing Tower, Rongoa Walkway and Walkway Canopy)
- Stage 2 includes carparks for the Zoo and Waiwhakareke (bringing both sides of the precinct together with stormwater management and landscaping) and also includes the urbanisation of Brymer Road.

• Completion of the Savannah Accommodation project, at the Zoo.

• The ongoing development of the Hamilton Gardens including the Egyptian Garden, Palm Court, upgraded Visitor Arrival Centre and design of the Medieval Garden.

• Covering of the Lido Pool.

• Completion of the following:

- 9 new or upgraded playgrounds
- Sports park drainage and irrigation improvements at 3 parks
- Sports park floodlighting and safety lighting improvements at 3 parks
- Sports park toilet and changing room improvements at 3 parks

• Delivery of a purpose-built facility for Pukete Neighbourhood House to operate community outreach services.

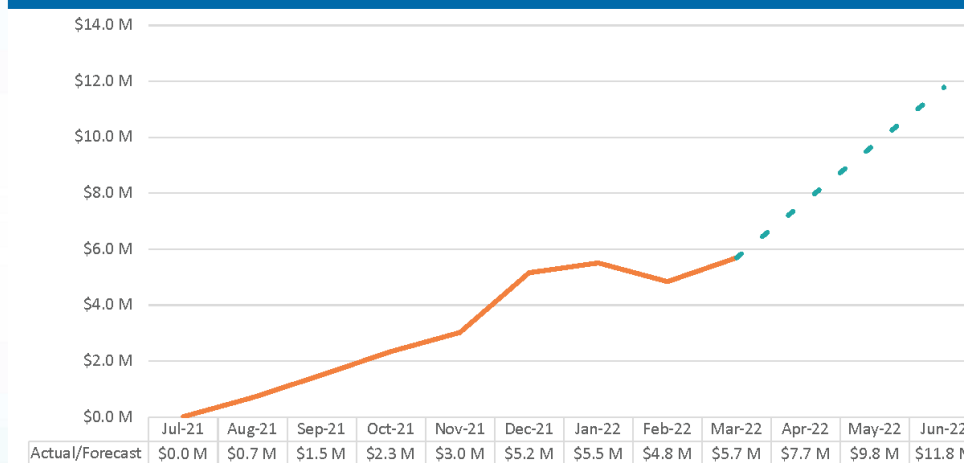
• Commence the construction of gully connections to enable deliver of the Nature in the City Strategy and Implementation Plan.

The key capital programme milestones for 2021/22 include:

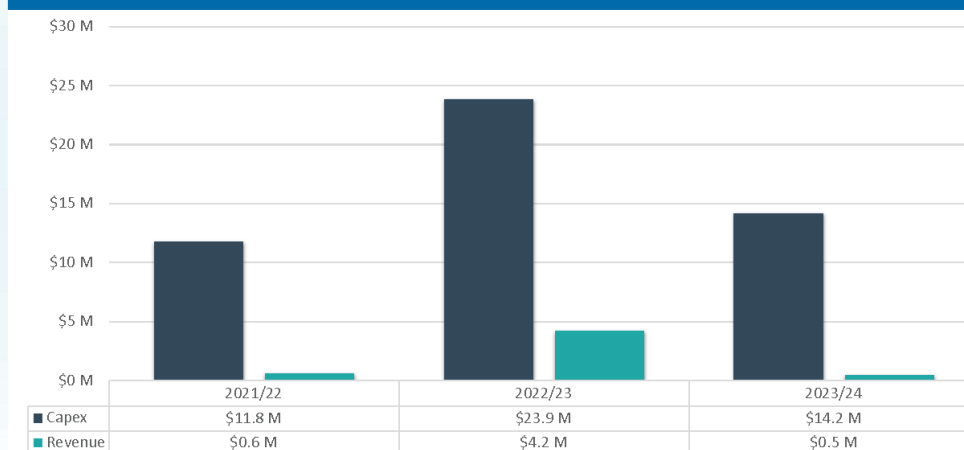
2021/22 Milestone	Performance
Stage 1A and 1B completion of Zoo Waiwhakareke Entry Precinct. Stage 2 construction started	Stage 1 all on track for completion by June 2022, except the Tower which will be completed October 2022.
Zoo Savannah Accommodation investigation complete	On Track
Egyptian Garden and Palm Court open	On Track
Hamilton Gardens Visitor Arrival Centre design complete	On Track
Lido Pool Cover investigation complete	On Track
Mahoe Park & Zoo playgrounds upgraded	On Track
Drainage and irrigation improvements at Flagstaff and Swarbrick parks completed	Due to weather and club season constraints, completion is planned for mid 2023.
Floodlighting and safety lighting at Korikori Park and Porritt Stadium installed	Work is now tendered with completion planned for the end of 2022.
Toilet and changing room improvements at Deanwell Park complete	Material Delays
Programme set up with scoping of works complete for Nature in the City	On Track
Pukete Neighbourhood House investigation complete	On Track

FINANCIAL PERFORMANCE

2021/22 Performance



3 Year Forecasted Budget



Zoo
Playground
Opening

**Hamilton
City Council**
Te kaunihera o Kirikiriroa

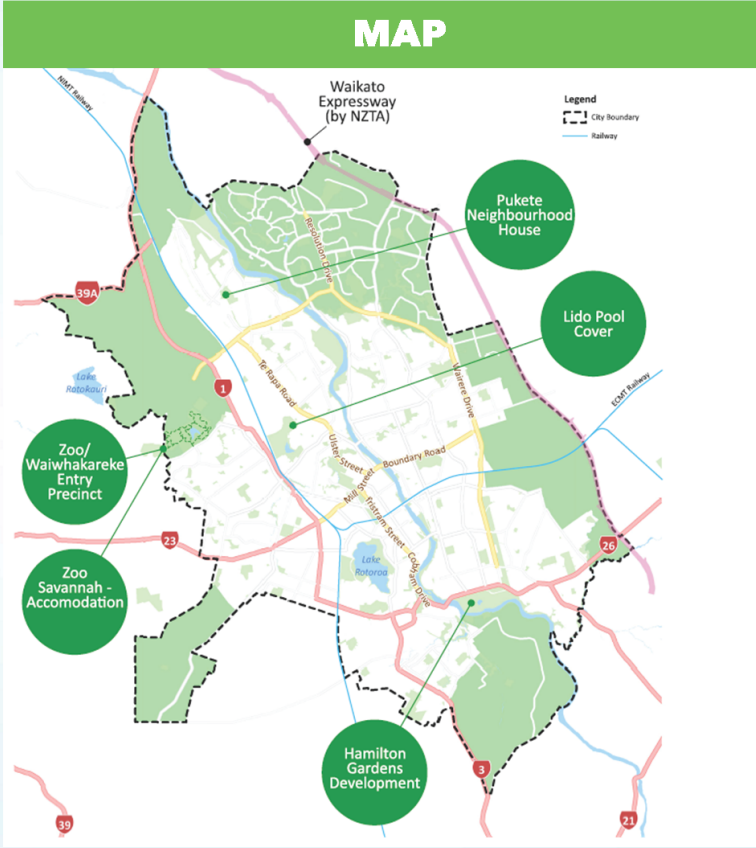
CITY WIDE COMMUNITY PROGRAMME CAPITAL REPORT

Key Projects																	
Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Lido Pool Cover	Construction of a building or semi-permanent cover over the existing Lido pool at Waterworld to enable pool usage in winter while also enabling summer open space swimming.		\$5.8 M	\$0.0 M	\$5.8 M	Investigation				Design				Construction			
Pukete Neighbourhood House	Building of a purpose built facility (attached to Te Rapa Sportsdrome) for Pukete Neighbourhood House (PNH) to operate community outreach services. This enables Te Rapa Sportsdrome to be fully utilised as a indoor sporting facility.		\$2.0 M	\$0.0 M	\$2.0 M	Investigation				Design				Construction			
						Baseline Programme											
						Current Forecast											
Play Spaces	The renewal and upgrade of playgrounds across the City. Budget shown includes both playground upgrades and renewals. The budget shown is for 2021/22 to 2023/24.		\$2.2 M	\$0.7 M	\$2.2 M									Construction			
Sports Park Improvements	These projects will deliver improvements to drainage, sports field surfaces and flood lights to improve levels of service and increase capacity of Sports Parks. The budget shown is for 2021/22 to 2023/24. Amber due to a timing risk with getting specialist equipment/materials into NZ.		\$6.1 M	\$0.2 M	\$6.1 M									Construction			
Nature in the City	Undertake ecological restoration and development in the city's main gully systems and enrichment planting, improved access paths and land acquisition in selected Reserve. The restoration works include site preparation, native vegetation planting and ongoing maintenance. Timeline to be developed through the investigation phase.		\$19.3 M	\$0.0 M	\$19.3 M	Investigation											
Hamilton Gardens Development - Egyptian Garden and Palm Court	The completion of the Egyptian Garden and Palm Court.		\$2.0 M	\$1.6 M	\$2.0 M	Construction											
						Baseline Programme											
						Current Forecast											
Hamilton Gardens Development - Visitor Arrival Centre	The extension of the visitor arrival and retail space as well as planning and enabling works for future developments		\$3.2 M	\$0.1 M	\$3.2 M	Design				Construction							
Zoo Waiwhakareke Entry Precinct	Creating a shared entry precinct with Hamilton Zoo and Waiwhakareke Natural Heritage Park. The project includes stage 1 (New Zoo Entry building and connection to Waiwhakareke) and stage 2 (New visitor car parks and Brymer Road urbanisation).		\$17.8 M	\$7.0 M	\$17.8 M					Construction							
Zoo Savannah - Accommodation	This project will deliver an accommodation option based on a safari-style experience overlooking the Savannah exhibit where the giraffes and zebras gather. The project continues the redevelopment and revitalisation programme identified in the Zoo's Master Plan. Year 1 funding is allocated for investigation of options to be undertaken.		\$4.7 M	\$0.0 M	\$4.7 M	Investigation				Design				Construction			
						Baseline Programme											
						Current Forecast											
Project status																	

Project is on track

Project has significant risks that are being monitored and managed

Project has significant risks that will require Council decision



PEACOCKE PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

Ko te whakakitenga moo te whenua Peacocke - Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Peacocke.
The vision for the Peacocke Programme is to enable the development of an attractive and sustainable community in the Peacocke Growth Cell.

Over the next 10 years, Peacocke is projected to deliver a third of Hamilton’s medium-term housing needs and 26% of Hamilton’s long-term housing needs. The Peacocke capital programme includes the delivery of the strategic network infrastructure, community facilities and infrastructure, and associated ecological protection and enhancement. \$290.4M of the approximately \$420M 10 year capital programme is funded through the Housing Infrastructure Fund interest-free loan, with most of the infrastructure planned for completion by 2025.

The key goals for the 3 year capital programme are:

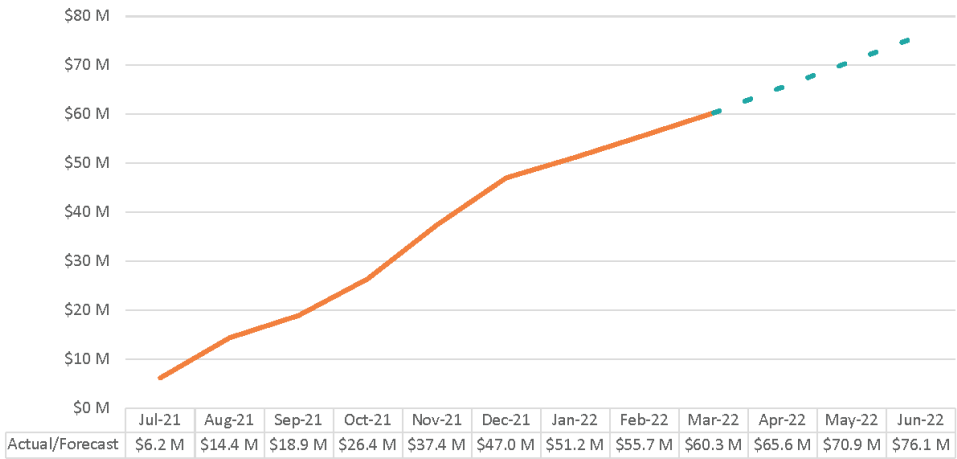
- Land acquisition for key wastewater and Southern Links transport projects
- Completing Notice of Requirement and Land acquisition for the northern sports park
- Implementation of key transport and wastewater for network infrastructure projects including:
 - Wairere Drive Extension and the northern part of the Peacocke Road Urban Upgrade (Completion 2023)
 - Peacocke Northern Transfer Main (Completion 2022)
 - Peacocke Main Transfer Pump Station (Completion 2023)
 - East-West Minor Arterial Road (Design under way - Construction 2022 - 2024)
 - Peacocke Road Urban Upgrade Southern Section (Design under way - Construction 2022 - 2024)
 - North-South Wastewater (Design under way - Construction 2022 - 2024)
- Approval of the Integrated Catchment Management Plan (ICMP) for Mangakootukutuku
- Implementation of environmental mitigation and enhancement associated with projects.
- To work with active developers to upsize infrastructure if necessary.

The key capital programme milestones for 2021/22 include:

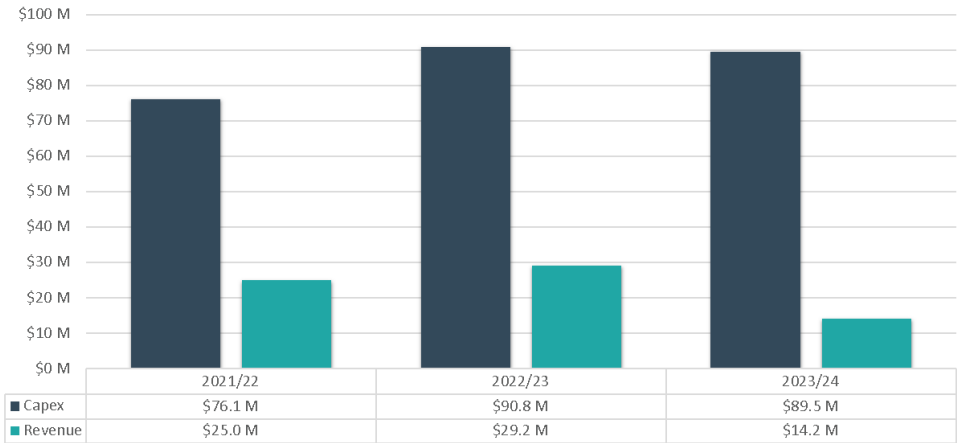
2021/22 Milestone	Performance
Completion of the Northern Transfer Main project	● On Track
Commence erection of the Waikato River Bridge superstructure	● On Track
Commence construction of the Peacocke main transfer pump station	● On Track
Complete design and commence procurement for Peacocke Road, the East-West minor arterial, and north-south strategic wastewater	● On Track
Resolve the remaining property objection and commence Land Valuation Tribunal process	● On Track

FINANCIAL PERFORMANCE

2021-22 Performance



3 Year Forecasted Budget

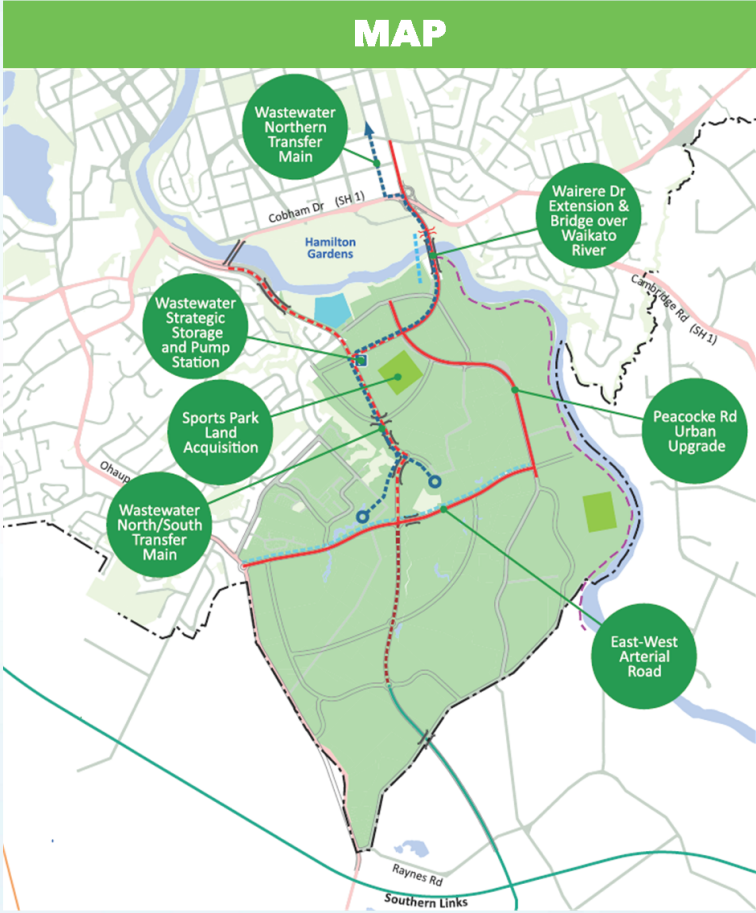


Waikato River Bridge

PEACOCKE PROGRAMME CAPITAL REPORT

KEY PROJECTS													
Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Wairere Drive Extension and Bridge over Waikato River to Peacocke North-South Arterial including Peacocke Road Urban Upgrade (north)	Construction of a new major arterial road connection into Peacocke, including a bridge across the Waikato River and strategic utility connections. Budgets are HCC Peacocke Programme only and do not include third party works (e.g. private developer agreement). Unexpectedly high cost escalation is being decided on by Council through the Annual Plan.		\$142.4 M	\$83.0 M	\$160.5 M								Construction
Wastewater Northern Transfer Main (Peacocke to Far Eastern Interceptor at Crosby Road)	Construction of approximately 7.5km of dual wastewater pressure pipelines to connect the Peacocke Strategic Wastewater pump station to the Far Eastern Interceptor (parts at and south of river being delivered as part of Wairere Drive Extension).												Construction
Peacocke Strategic Wastewater Pumpstation (N4)	Construction of a new major wastewater transfer pump station and associated storage, including connections to the existing wastewater network in Fitzroy to optimise early performance and relieve demand on the city's western network.		\$78.4 M	\$33.5 M	\$78.4 M	Design							Construction
Peacocke North/South strategic wastewater	Construction of approximately 2km of wastewater pressure pipelines to connect future development around the planned Peacocke East-West Arterial to the Peacocke Strategic Wastewater pump station including two bridges across gullies.												Construction
Peacocke Road Urban Upgrade (south)	This will upgrade the existing rural Peacockes Road between the Wairere Drive Extension works and the East West Minor Arterial to appropriate urban road standards to support development in east and south Peacocke. Likely higher than budgeted tender prices as a result of changes in standards, covid and high cost escalation.		\$7.3 M	\$0.6 M	\$7.3 M	Design							Construction
Peacocke East/West Minor Arterial Road (Stage 2)	This minor arterial road connection will link Peacockes Road in the east with Ohaupo Rd/State Highway 3 (SH3) in the west. Likely higher than budgeted tender prices as a result of changes in standards, covid and high cost escalation. Budget is shown as higher than last report as some stormwater works have been moved from another project to this one.		\$52.1 M	\$2.4 M	\$52.1 M	Design							Construction
Land Acquisition	The purchase of land to allow for the construction of infrastructure. Peacocke Land		\$38.2 M	\$18.9 M	\$38.2 M								Procurement
Sports Park Land Acquisition	The land purchase and basic development of two sports parks in Peacocke.		\$37.5 M	\$9.4 M	\$37.5 M								Procurement
Project status													

- Project is on track
- Project has significant risks that are being monitored and managed
- Project has significant risks that will require Council decision



Waikato River Bridge

ROKOKAURI-NORTHWEST PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

To ensure Hamiltonians enjoy a connected, vibrant, attractive and prosperous Rotokeauri-Northwest community

The Rotokeauri-Northwest growth cell refers to Rotokeauri Stage 1, Rotokeauri Stage 2 and Te Rapa North (including Te Awa Lakes). Rotokeauri-Northwest neighbourhood will one day be home for up to 20,000 people.

The key goals for the 3-year capital programme are:

- To complete the designation and preliminary design of the the Rotokeauri Transport arterial.
- To complete the preliminary design and consenting requirements of the Rotokeauri Green Swale.
- To work with active developers to upsize infrastructure if necessary.

The key project milestones for 2021/22 include:

2021/22 Milestone	Performance
To have an approved business case for the transport arterials and to have lodged a designation.	● Business case complete and in process of being approved. Designation ready to lodge.
To have awarded the detailed design and consent activities for the Rotokeauri Green Swale.	● On Track
Completion of the Te Wetini Drive extension which is developer lead.	● On Track

Te Wetini
Drive
Extension

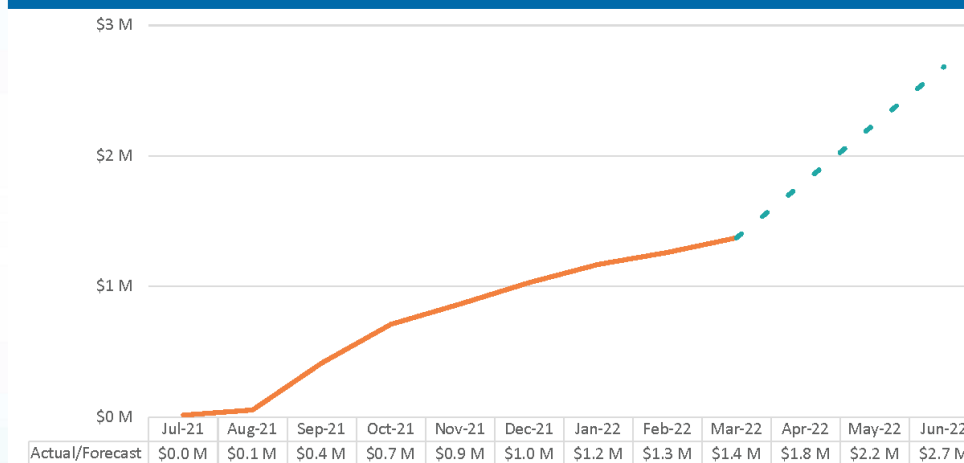


Te Wetini
Drive
Extension

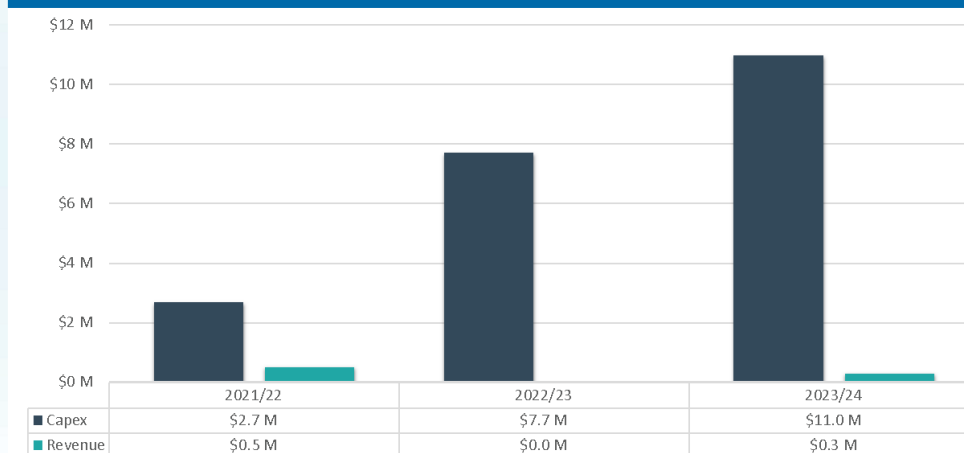


FINANCIAL PERFORMANCE

2021-22 Performance



3 Year Forecasted Budget



ROTOKAURI-NORTHWEST PROGRAMME CAPITAL REPORT

KEY PROJECTS

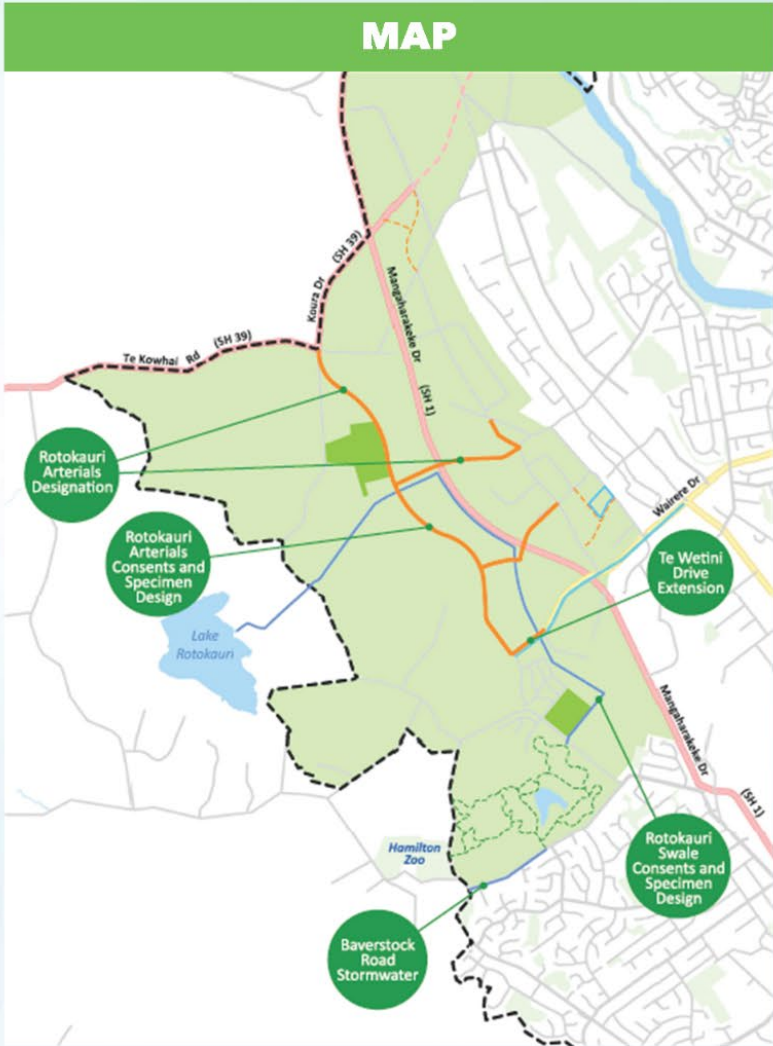
Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Baverstock Rd Stormwater	An aggregated wetland to treat and attenuate stormwater from existing and future development.		\$1.2 M	\$0.0 M	\$1.2 M	Procurement				Construction							
Rotokauri Swale Consent & Design	Securing consents and Specimen Design for the Rotokauri Greenway Corridor		\$9.1 M	\$0.3 M	\$9.1 M	Procurement								Design			
Rotokauri Rooding Arterial	Protecting land corridors required for future rooding development and progressing design.		\$6.5 M	\$3.0 M	\$6.5 M					Investigation							
Te Wetini Dr Extension (Transport Only)	To extend Te Wetini Drive from Akoranga Road to the new Rotokauri north-south minor arterial.		\$1.2 M	\$0.4 M	\$1.2 M					Construction							

Project status

Project is on track

Project has significant risks that are being monitored and managed

Project has significant risks that will require Council decision



ROTOTUNA PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Rototuna

Enabling the development of an attractive and sustainable community in the Rototuna growth area

Rototuna in the city’s north-east is currently Hamilton’s primary residential greenfield development area. With development of the area already well advanced and thousands of Hamiltonians calling this area home, the focus of our programme is to provide strategic infrastructure to support the final stages of development and to provide and enable development of facilities to support thriving and liveable communities.

The key goals for the 3 year capital programme are to:

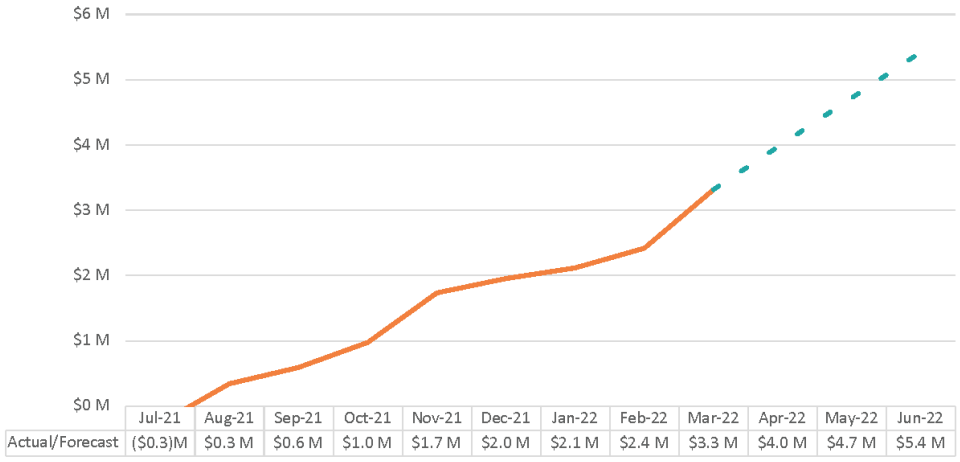
- Complete the Borman/Horsham Extension and urban upgrade project.
- Complete the Rototuna Village Community facility project including provision of the supporting infrastructure.
- Purchase of an additional neighbourhood reserve.
- To work with active developers to upsize infrastructure if necessary.

The key project milestones for 2021/22 include:

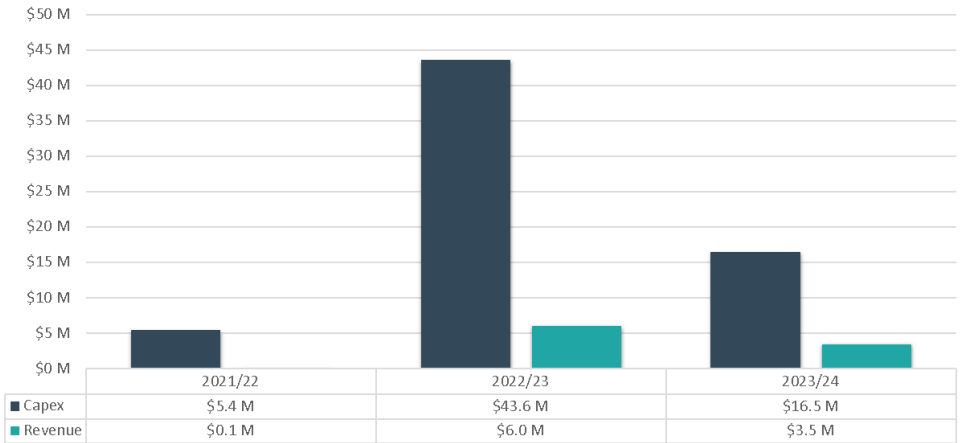
2021/22 Milestone	Performance
Contract is awarded for the Borman/Horsham Extension and urban upgrade project.	● On Track
The library building is under construction.	● On Track
The North City Road from Fergy Place to Boum Brook Avenue upgrade project is under construction.	● On Track
The neighbourhood reserve land acquisition is under contract.	▲ No suitable land has become available yet.
Pragma North East Rototuna development has agreement for service provisions and development is in progress.	● On Track

FINANCIAL PERFORMANCE

2021-22 Performance



3 Year Forecasted Budget



ROTOTUNA PROGRAMME CAPITAL REPORT

Key Projects																	
Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Borman Horsham Urban Upgrade and Extension	Design development for the extension of this key piece of road which will include associated urban upgrades and a new intersection at Horsham Downs Road. Procurement is planned for July 2022 with construction commencing October 2022.		\$23.9 M	\$1.1 M	\$23.9 M	<div><div>Design</div><div>Procurement</div><div>Construction</div></div>											
						<div>Baseline Programme</div>											
Rototuna Village - Community Facilities (Library)	Development of new library, community hub, play spaces, village square and carparks.		\$20.1 M	\$2.6 M	\$20.1 M	<div><div>Design</div><div>Procurement</div><div>Construction</div></div>											
						<div>Current Forecast</div>											
Rototuna Village Transport and Open Spaces	Transport network upgrades through the Rototuna Village area including Turakina/Bourn Brook extensions. The extension of Turakina Rise is delayed as staff work with Waikato Regional Council on the resource consent approval.		\$12.6 M	\$1.2 M	\$12.6 M	<div><div>Design</div><div>Procurement</div><div>Construction</div></div>											
						<div>Baseline Programme</div>											
Resolution Drive Extension	The extension of Resolution Drive (north) to connect to the new Waikato Expressway. Waka Kotahi is constructing this as part of the Waikato Expressway. The completion date for the project is now June/July 2022.		\$10.4 M	\$9.3 M	\$10.4 M	<div><div>Construction</div></div>											
						<div>Baseline Programme</div>											
Rototuna Parks and Reserves Upgrades	Development of Hare Puke Park and Mangaiti Park into sports parks. Improving walking/cycling networks, playground and recreational space at Te Manatu Park. Delays to construction, revised programme has completion at the end of June 2022.		\$2.6 M	\$2.6 M	\$2.6 M	<div><div>Construction</div></div>											
						<div>Baseline Programme</div>											
						<div>Current Forecast</div>											
Project status																	



Project status

Project is on track

Project has significant risks that are being monitored and managed

Project has significant risks that will require Council decision



RUAKURA PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

To ensure Hamiltonians enjoy a connected, vibrant, attractive and prosperous Ruakura community

Ruakura will become New Zealand’s largest integrated development, which will be anchored by a 30ha inland port operation. Once developed, Ruakura will become home for up to 8000 Hamiltonians, and will deliver major economic, social, environmental, and cultural benefits to the Waikato and New Zealand.

Overall, programme activity across Ruakura is going well and delivery of key infrastructure for the area is progressing. Staff continue to work in partnership with Tainui Group Holdings (TGH) and Central Government to enable the development of Ruakura and the Ruakura Superhub.

The key goals for the 3 year capital programme are:

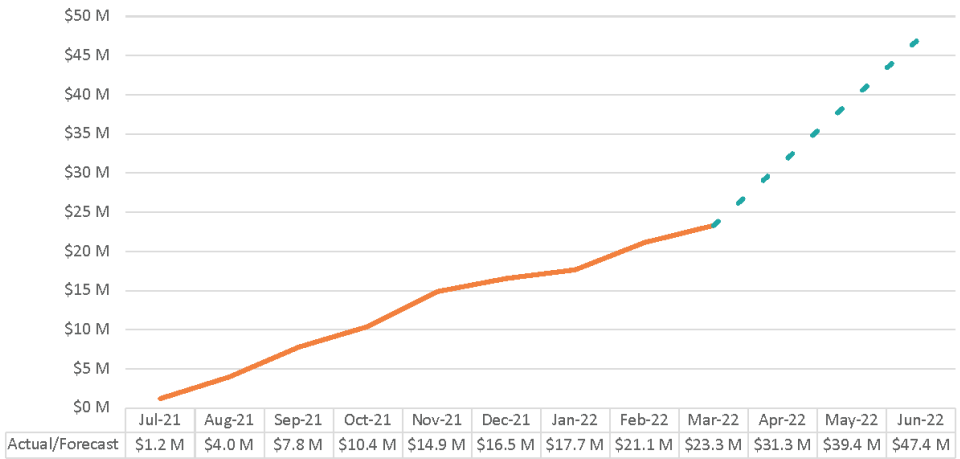
- To provide strategic transport, wastewater infrastructure and water infrastructure that allows the Ruakura Superhub to develop.
- To complete a business case and specimen design for the Ruakura Eastern Transport Corridor connecting the superhub to central and north Hamilton.
- To work with active developers to upsize infrastructure if necessary.

The key project milestones for 2021/22 include:

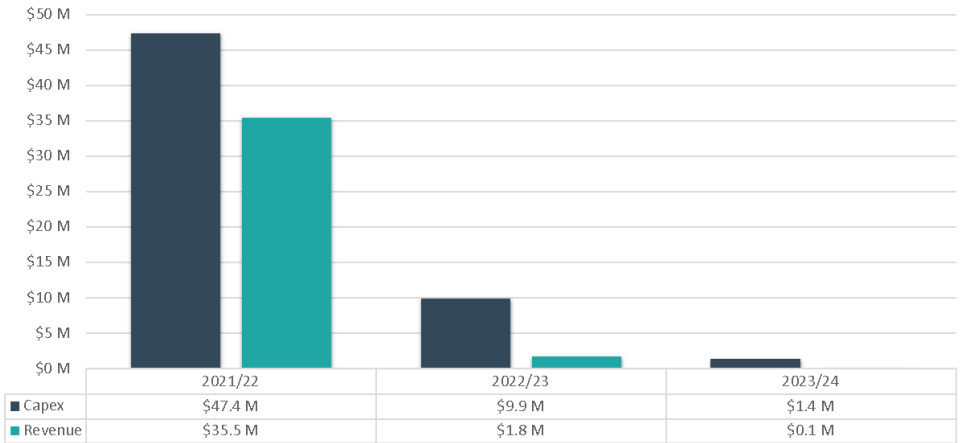
2021/22 Milestone	Performance
Completion of the Ruakura Road urban upgrade and the Ruakura Road West connection (Ruakura Eastern Transport Corridor Stage 1).	● On Track
Completion of strategic wastewater and water infrastructure.	● On Track
Works underway to protect the Mangaonua stream (see City Wide Waters Programme).	● On Track
An agreement on the preferred concept for the Ruakura Eastern Transport Corridor (Stage 2).	▲ Business case yet to proceed. Point of entry to business case in approval process with Waka Kotahi NZTA.

FINANCIAL PERFORMANCE

2021-22 Performance



3 Year Forecasted Budget



RUAKURA PROGRAMME CAPITAL REPORT

KEY PROJECTS

Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Ruakura Road Urbanisation	Urban upgrade (taking the road from rural to one which fits within an urban setting) of Ruakura Road from the Waiere Drive/Ruakura Road intersection and up to the Ruakura Road and Silverdale Road intersection. Additional funding secured from Crown Infrastructure Partners to complete project.	On Track	\$12.6 M	\$8.8 M	\$12.6 M	Construction				Construction				Construction			
Ruakura Eastern Transport Corridor (Stage 1) - Expressway to Ruakura/Silverdale	Jointly funded by HCC, TGL and PDU the construction of a new road from Silverdale Road/Ruakura Road intersection to the Waikato Expressway Ruakura Interchange to allow the development of the Ruakura Inland Port.	On Track	\$41.0 M	\$21.6 M	\$41.0 M	Construction				Construction				Construction			
Ruakura Eastern Transport Corridor (Stage 2)	Planning, investigation and design for the future extension of the eastern transport corridor through the Ruakura development area.	On Track	\$3.5 M	\$0.0 M	\$3.5 M	Investigation				Design				Design			
Far Eastern Interceptor Stage 2 (delivered by TGH)	HCC contribution to new wastewater pipe to service development. Northern section has been completed. Deferral required for Southern Interceptor funding which will be delivered by Tainui Group Holdings. \$1.3M of savings have been realised in previous financial years.	On Track	\$8.8 M	\$2.5 M	\$8.8 M	Procurement				Construction				Construction			
Ruakura Trunk Watermains	Remaining strategic networks to service development areas - planned to be delivered by Tainui Group Holdings.	On Track	\$2.0 M	\$0.0 M	\$2.0 M	Procurement				Construction				Construction			

Project status



Project is on track

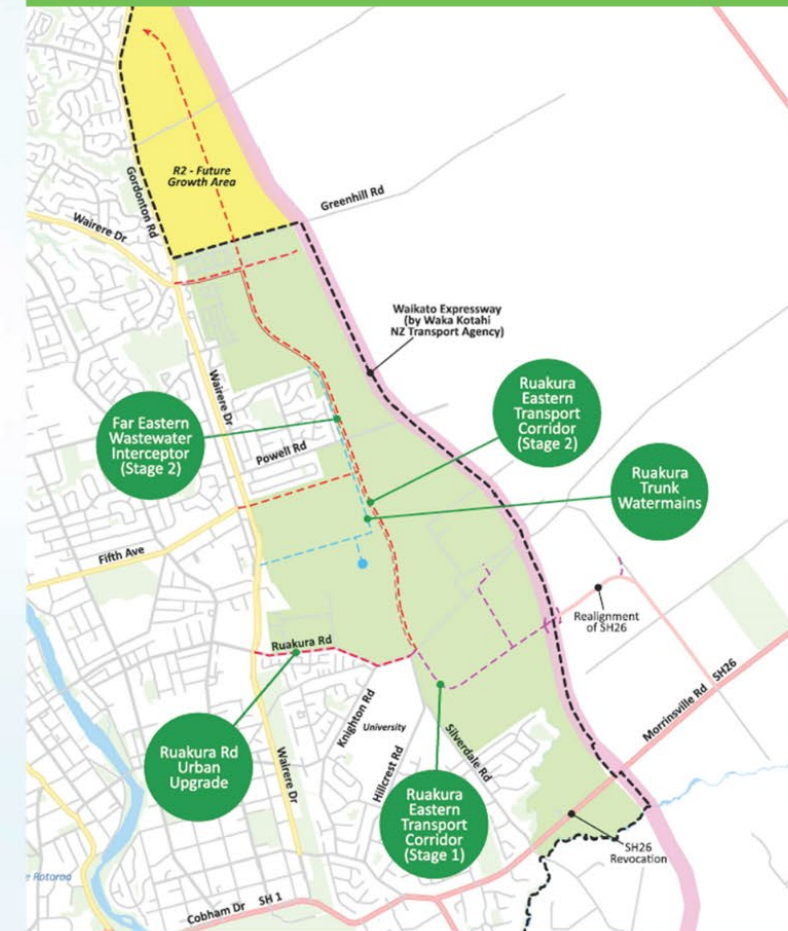


Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision

MAP



Ruakura Road Urbanisation



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

TRANSPORT IMPROVEMENT PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

Kia tika ano te hanga rori maa; Aahienga whakatupu, whakapai atu haumarū, me whakawhaanui atu ngā koowhiringa waka

Delivering a balanced transport system through; Enabling growth, improving safety, and improving transport choice

A great transport system is vital to the success of a thriving urban city like Hamilton. This programme delivers on improving the wellbeing of Hamiltonians through a city that's easy to live in and where our people love to be. The focus of this programme is:

- Safety - Everyone experiences a safe and enjoyable journey
- Choice - Everyone has travel options for moving around the city

The key goals for the 3 year capital programme are to:

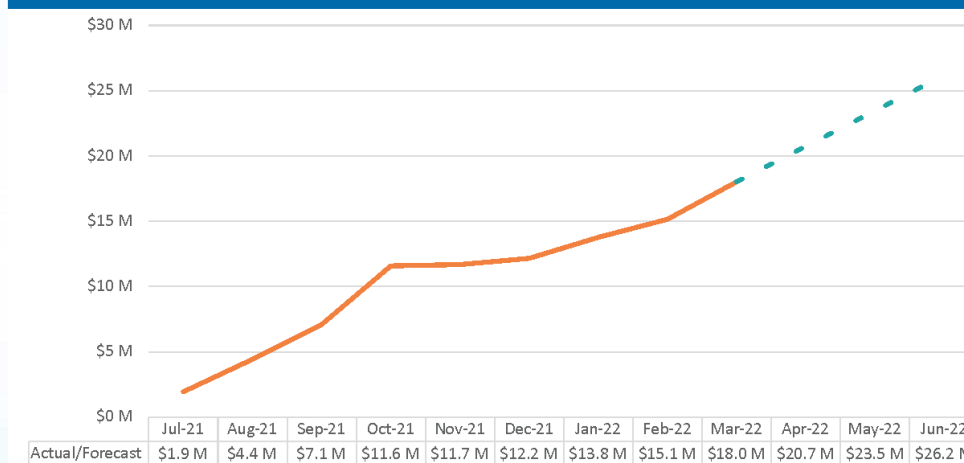
- Complete the Ring Road/Cobham Drive interchange.
- Complete the Te Awa River Ride.
- Complete the Transport Centre Rejuvenation project.
- Be well progressed on construction of the School Link project which is part of Eastern Pathways.
- Complete pre-implementation work on university link and be in a good position to request implementation funding.
- Complete the business case for Biking and Micromobility and commence delivery of priority works.
- Effectively deliver the low-cost low-risk works programmes to significantly improve safety of our intersections and networks across the city and to promote public transport, walking and cycling.

The key project milestones for 2021/22 include:

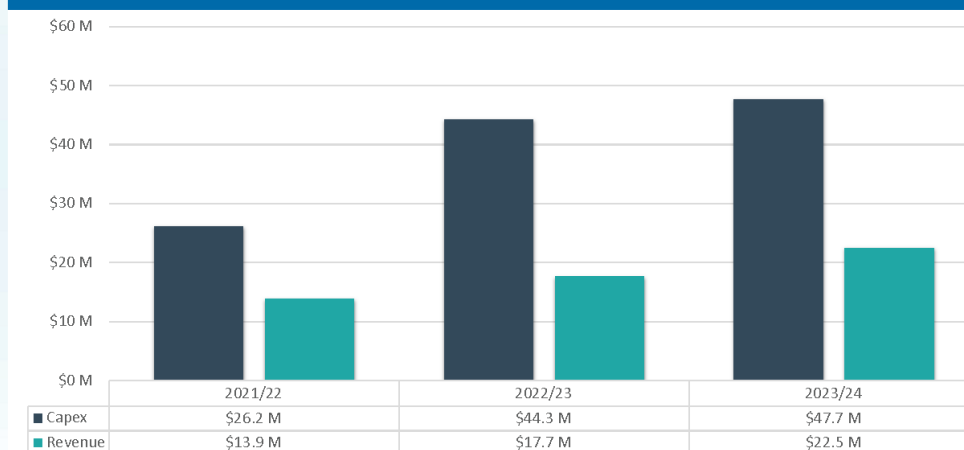
2021/22 Milestone	Performance
Completion of the Ring Road/Cobham drive interchange.	▲ Current forecast is to complete by September 2022
Design underway for Transport Centre Rejuvenation.	● On Track
Design started for School Link northern section and pre-implementation funding approved.	● On Track
Improvements underway at Gordonton/Puketaha and Gordonton/Darjon intersections.	▲ Due to Covid 19 WEL Networks wasn't undertaking service relocations due to limit power shutdowns. This project is now due for completion Mid 2023. Design is complete and tendered and will begin following power relocations.
Effective delivery of low-cost low-risk programmes in alignment with council priorities.	▲ Large programme approved by Waka Kotahi requiring additional scoping and design works to meet programme.
Completion of the Te Awa River Path.	▲ Current forecast is to be completed by mid 2022

FINANCIAL PERFORMANCE

2021/22 Performance



3 Year Forecasted Budget



TRANSPORT IMPROVEMENT PROGRAMME CAPITAL REPORT

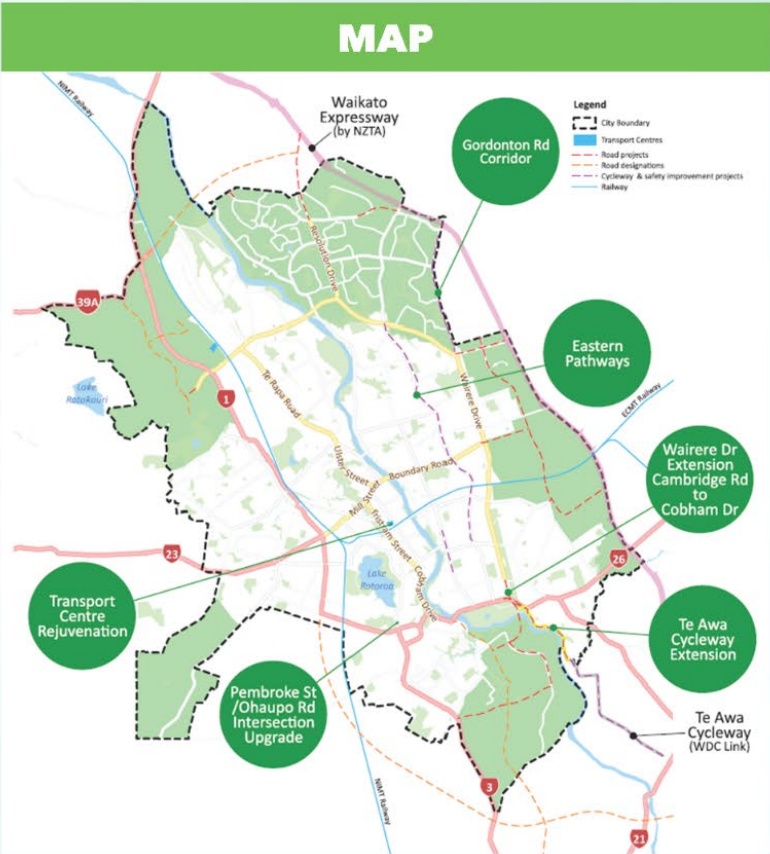
KEY PROJECTS

Project Name		Project Description		Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2021/22				2022/23				2023/24			
								Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Te Awa Cycleway Extension		The completion of the Hamilton section of the Te Awa River Ride from Mangonua Stream to Hamilton Gardens. This is amber due to issues with construction delays. Completion due mid 2022.			\$5.8 M	\$4.5 M	\$5.8 M	<div>Construction</div> <div>Baseline Programme</div> <div>Construction</div> <div>Current Forecast</div>											
Transport Centre Rejuvenation		Ongoing improvements to, and upgrades of, the Transport Centre will encourage public transport use and support the transition to Anglesea Street as a public transport priority corridor.			\$8.8 M	\$0.5 M	\$8.8 M	<div>Investigation</div> <div>Design</div> <div>Procurement</div> <div>Construction</div>											
Biking & Micro-Mobility Citywide Programme		Safer routes will offer biking and micro-mobility as alternate modes of transport as identified by the Biking and Micro-mobility Business Case. Budget was adjusted through the 7 December 2021 Infrastructure Operations Committee. Delivery programme is currently being delivered. The budget shown is for 2021/22 to 2023/24.			\$13.5 M	\$0.0 M	\$5.1 M												
Pembroke/Ohaupo Intersection Upgrade		Upgrade of Pembroke/Ohaupo Intersection for Public Transport priority.			\$4.2 M	\$0.0 M	\$4.2 M	<div>Investigation</div> <div>Design</div> <div>Procurement</div> <div>Construction</div>											
Eastern Pathways		The School link, University Link and connections to these routes. This project offers transport choice along these busy corridors by prioritising and creating good infrastructure for public transport, walking/cycling and micro-mobility. The forecast budget shown is for 2018/19 to 2023/24 and is in line with the 22/23 Annual Plan request.			\$34.6 M	\$2.8 M	\$29.1 M	<div>Investigation</div> <div>Design</div> <div>Procurement</div> <div>Construction</div>											
Gordonton Road corridor (Wairere to Borman)		Intersection Improvements at Gordonton/Puketaha. Please note the Darjon/Gordonton intersection upgrade budget is currently included in the Low Cost Low Risk – Road to Zero programme and this will be combined with this project. Amber due to issues with service relocations by third parties. Design is complete and out for tender to begin as soon as power is relocated.			\$4.7 M	\$0.3 M	\$4.7 M	<div>Design</div> <div>Procurement</div> <div>Construction</div> <div>Baseline Programme</div> <div>Procurement</div> <div>Construction</div> <div>Current Forecast</div>											
Wairere Drive Extension - Cambridge Road to Cobham Drive		The final connection of the Hamilton Ring Road will see Cobham Drive raised to allow the four-laned Wairere Drive to pass underneath it. It will also include extensions of shared walking and biking paths. This is a large complex contract with a number of significant risks that need monitoring and managing.			\$63.0 M	\$54.5 M	\$63.0 M	<div>Construction</div> <div>Baseline Programme</div> <div>Construction</div> <div>Current Forecast</div>											

Project is on track

Project has significant risks that are being monitored and managed

Project has significant risks that will require Council decision



RENEWALS & COMPLIANCE PROGRAMME CAPITAL REPORT

PROGRAMME UPDATE

Ko te tiaki aa taatou hua hei tika moo toona whaingā

Looking after the assets we have and making sure they are fit for purpose

The Renewals and Compliance programme for the next 3 year period has begun. Significant staff effort is being put into organising the programme for the next three years and building on the successful delivery and processes that have already been established. Staff in each of the subprogramme areas are confirming scopes and delivery plans for the future renewals of the assets. Some multiyear contracts to help deliver ongoing renewal programmes are being tendered and procurement planning is progressing. These will be presented to Council for approval over the coming months.

There were some renewals and compliance projects that had funding carried over from last financial year. Work on these projects is continuing and these projects will be completed over coming months.

**Innes Common
Toilets**

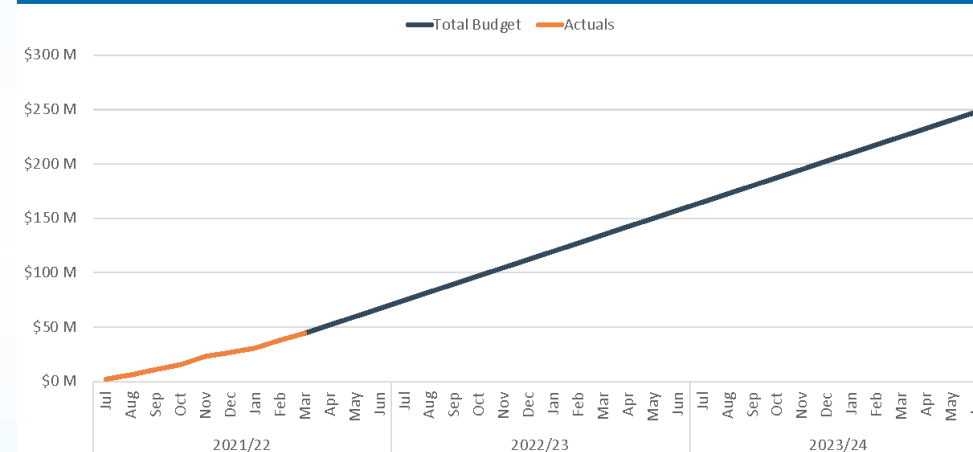


**Maeroa
Reservoir
Roof
Replacement**

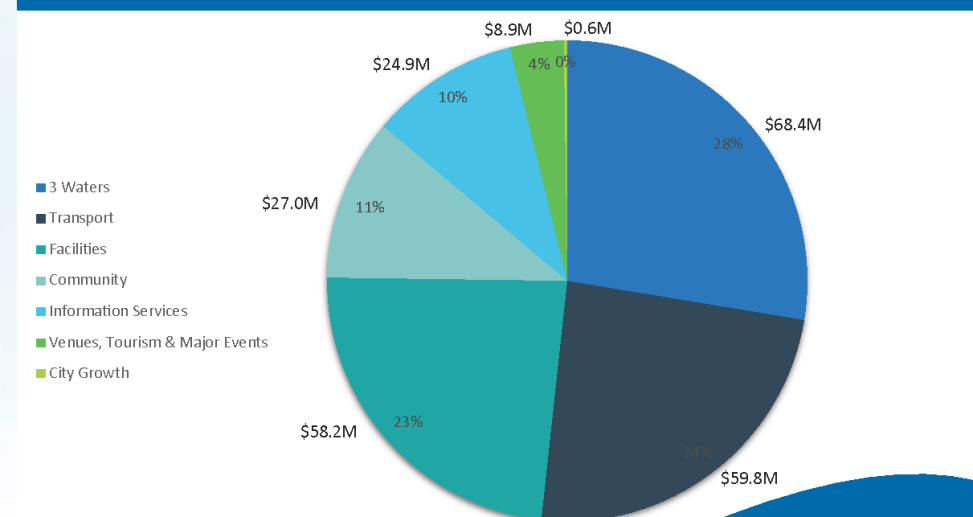


FINANCIAL PERFORMANCE

Capital Expenditure Y1-Y3



Total Budget Y1-Y3



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**Summary of Changes to the Capital Budget
for the 2021-22 Financial Year**

Finance Committee Meeting Date	Opening	As at 1 Jul	As at 31 Aug	As at 31 Oct	As at 30 Nov	As at 31 Jan	As at 31 Mar	2021/22
Expenditure in 000's								Total
Approved Budget	328,668	333,533	386,235	386,235	386,835	351,295	308,384	328,668
Deferrals & b/fwds	0	51,463	0	0	(40,459)	(50,128)	(33,072)	(72,197)
Savings	0	0	0	0	0	0	(95)	(95)
Water Stimulus	4,865	1,238	0	0	0	250	0	6,353
Changes	0	0	0	600	4,919	6,967	(300)	12,186
Closing Expenditure Budget (Forecast)	333,533	386,235	386,235	386,835	351,295	308,384	274,917	274,916
Revenue in 000's								Total
Approved Budget	101,588	101,588	97,698	98,867	98,867	94,070	93,769	101,588
Deferrals & b/fwds	0	(3,890)	0	0	(9,863)	(5,807)	(1,898)	(21,458)
Savings	0	0	0	0	0	0	-39	(39)
Water Stimulus	0	0	0	0	4,353	250	0	4,603
Changes	0	0	1,168	0	713	5,257	644	7,781
Closing Revenue Budget (Forecast)	101,588	97,698	98,867	98,867	94,070	93,769	92,475	92,475

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LIST OF CAPITAL PROJECTS

For the 2021-22 Financial Year

CAPITAL EXPENDITURE											
	Type	LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Community Services											
CE19017 - Rototuna Community Facilities	G - Growth	7,095	10,576	11,176	11,176	1,603	1,365	-	-	-	2,968
CE21044 - Libraries Development	LOS - Level of service	294	294	294	294	-	-	-	-	-	-
CE21046 - Aquatic Facilities Development	LOS - Level of service	1,048	1,048	1,048	1,048	159	-	-	-	-	159
CE10005 - Libraries Collection Purchases	R - Renewal	980	980	980	980	980	-	-	-	-	980
CE10006 - Library Operational Renewals	R - Renewal	171	171	171	171	171	-	-	-	-	171
CE10007 - Library Building Renewals	R - Renewal	3,047	3,217	3,217	3,217	3,217	(1,810)	-	-	-	1,407
Total Community Services		12,635	16,287	16,887	16,887	6,130	(445)	-	-	-	5,685
Overhead and support units											
CE21026 - Information Services Upgrades	LOS - Level of service	5,415	5,415	5,415	5,415	5,415	-	-	-	-	5,415
CE10053 - Tenancy Inducement Renewals	R - Renewal	-	-	-	-	-	-	-	3	-	3
CE10151 - Strategic Property Renewals	R - Renewal	85	85	85	85	85	-	-	3	-	88
CE10152 - Network and Infrastructure	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10153 - Core Business Applications	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10158 - Fleet Vehicle Renewals	R - Renewal	1,944	2,013	2,013	2,013	2,013	-	-	-	-	2,013
CE15155 - Mobility and eServices	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE19024 - IS Major Upgrades	R - Renewal	-	-	-	119	119	-	-	-	-	119
CE21014 - Corporate Building Renewals	R - Renewal	2,754	2,869	2,869	2,869	2,869	-	-	(5)	-	2,864
CE21025 - Information Services Renewals	R - Renewal	4,070	4,570	4,570	4,451	4,451	-	-	-	-	4,451
Total Overhead and support units		14,268	14,952	14,952	14,952	14,952	-	-	-	-	14,952
Parks and Recreation											
CE15033 - Land purchase future reserves	G - Growth	-	406	406	406	-	-	-	-	-	-
CE19007 - Peacocke Parks Development	G - Growth	1,190	2,116	2,116	2,116	2,116	(1,945)	-	-	-	171
CE19009 - Rototuna Parks Development	G - Growth	2,000	3,208	3,208	3,208	1,258	-	-	-	-	1,258
CE21007 - Cemeteries & Crematorium Development	G - Growth	70	70	70	70	70	(25)	-	-	-	45
CE17004 - River Plan	LOS - Level of service	1,132	1,132	1,132	1,132	302	(140)	-	-	-	162
CE21006 - Nature inCityGullyRestoration&Dvlpmt	LOS - Level of service	581	581	581	581	181	-	-	-	-	181
CE21008 - Indoor Recreation Development	LOS - Level of service	675	675	675	675	25	-	-	-	-	25
CE21010 - Parks and Recreation Development	LOS - Level of service	3,030	3,030	3,030	3,289	1,733	(81)	-	-	-	1,653
CE10001 - Aquatic Facilities Building Renewals	R - Renewal	2,042	2,042	2,042	2,230	2,030	(158)	-	-	-	1,872
CE10021 - Cemetery&Crematorium Building Renwls	R - Renewal	5	5	5	5	5	-	-	-	-	5
CE10030 - Parks and Recreation Building Renewals	R - Renewal	741	761	761	761	579	(429)	-	18	-	168
CE19070 - Community Facilities Building Renewals	R - Renewal	1,620	1,620	1,620	1,711	1,443	(483)	-	(18)	-	942
CE21001 - Nursery Renewals	R - Renewal	268	268	268	268	268	(244)	-	-	-	24
CE21003 - Parks and Recreation Renewals	R - Renewal	2,686	4,156	4,156	3,940	3,940	(2,720)	-	-	-	1,220
CE21004 - Cemeteries & Crematorium Renewals	R - Renewal	113	115	115	115	115	(65)	-	-	-	50
CE21005 - Aquatic Facilities Renewals	R - Renewal	410	485	485	485	485	-	-	-	-	485
Total Parks and Recreation		16,562	20,669	20,669	20,991	14,548	(6,289)	-	-	-	8,259
Rubbish and Recycling											
CE10054 - Closed Landfill Assets Renewals	R - Renewal	450	600	600	600	270	(50)	-	-	-	220
CE10056 - RTS & HOC Asset Renewals	R - Renewal	50	90	90	90	90	-	-	-	-	90
CE15055 - Closed Landfill Management	LOS - Level of service	50	50	50	50	50	-	-	-	-	50
CE19027 - Refuse Drop Off Points	LOS - Level of service	-	43	43	43	43	-	-	-	-	43
Total Rubbish and Recycling		550	784	784	784	454	(50)	-	-	-	404
Safety											
CE21013 - Animal Control Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21015 - City Safe Renewals	R - Renewal	171	184	184	184	184	-	-	-	-	184
CE21016 - City Safe Upgrades	LOS - Level of service	-	-	-	-	-	-	-	-	-	-

CAPITAL EXPENDITURE											
Type		LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total Safety		171	184	184	184	184	-	-	-	-	184
Stormwater											
CE15059 - Rototuna Stormwater Infrastructure	G - Growth	57	2,155	2,155	1,057	80	-	-	-	-	80
CE15060 - Rotokauri SW Infrastructure S1	G - Growth	2,200	2,973	2,973	1,873	342	-	-	-	-	342
CE15062 - Peacocke Stormwater Infrastructure Stg 1	G - Growth	-	(6)	(6)	(6)	(6)	-	-	-	-	(6)
CE15063 - Peacocke SW Infrastructure Stage 2	G - Growth	4,826	11,382	11,382	11,382	11,382	(4,000)	-	-	-	7,382
CE15068 - Stormwater Customer Connections	G - Growth	25	25	25	25	350	-	-	-	-	350
CE15162 - Integrated Catchment Management Plan	G - Growth	1,151	1,180	1,180	1,180	1,180	-	-	-	-	1,180
CE21032 - Stormwater Infrastructure Upgrades	G - Growth	-	499	499	499	499	(265)	-	-	-	234
CE21066 - Ruakura stormwater infastructure	G - Growth	3,000	2,936	2,936	1,436	236	(130)	-	-	-	106
CE15067 - Comprehensive SW Consent Imp	LOS - Level of service	79	100	100	100	100	(25)	-	-	-	75
CE19026 - Erosion Control Works	LOS - Level of service	1,434	1,351	1,351	1,351	1,351	(350)	-	-	-	1,001
CE21031 - Flood Management	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21062 - Stormwater Asset Upgrades	LOS - Level of service	50	50	50	50	50	-	-	-	-	50
CE10058 - Stormwater Asset Renewals	R - Renewal	569	581	581	581	431	(200)	-	-	-	231
Total Stormwater		13,391	23,224	23,224	19,527	15,994	(4,970)	-	-	-	11,024
Transport											
CE15087 - Transportation Upgrds Allow for Devlpmnt	G - Growth	219	419	419	419	419	(100)	-	-	-	319
CE15088 - Peacocke Transport Upgrds Devlp Stg 1	G - Growth	76	3,500	3,500	3,500	3,500	(1,450)	-	-	-	2,050
CE15089 - Peacocke Transport Upgrds Devlp Stg 2	G - Growth	51,098	36,284	36,284	36,284	36,284	7,538	-	-	-	43,822
CE15090 - Rotokauri Transport Upgrds&Develop	G - Growth	6,667	8,842	8,842	8,842	7,263	(1,313)	-	-	-	5,950
CE15092 - Rototuna Trnsprtation Upgrds&Devlpmt	G - Growth	13,226	18,585	18,585	8,285	2,511	(1,024)	-	-	-	1,487
CE15093 - Ruakura Transport Upgrds&Develop	G - Growth	36,392	38,801	38,801	44,770	44,584	(60)	-	-	-	44,524
CE15096 - Cross City Connector	G - Growth	200	200	200	-	-	-	-	-	-	-
CE15097 - Northern City Crossing	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19036 - Ring Road	G - Growth	15,947	13,669	13,669	13,669	15,892	(2,000)	-	-	-	13,892
CE19037 - Hamilton Transport Model	G - Growth	60	560	560	560	560	(200)	-	-	-	360
CE19038 - Rotokauri rail platform	G - Growth	-	322	322	322	322	-	-	-	-	322
CE19057 - Biking Plan Implementation	G - Growth	11,100	15,104	15,104	8,504	6,734	111	150	-	-	6,995
CE19058 – Public Transport Mode Shift	G - Growth	-	1,317	1,317	1,317	2,116	-	-	-	-	2,116
CE21052 - Peacocke Transportation Land	G - Growth	8,712	12,840	12,840	12,840	12,840	(10,000)	-	-	-	2,840
CE21055 - Terapa Transportation Upgrds&Develop	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15095-Integrated Transport Initiatives D	G - Growth	-	-	-	100	100	(100)	-	-	-	-
CE19063-Intersection Capacity Upgrade Prgrm D	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19052 - Intersection Upgrades	LOS - Level of service	4,950	5,200	5,200	3,800	1,600	(759)	-	-	-	841
CE19062 - Bridge Resilience Programme	LOS - Level of service	-	-	-	400	-	300	-	(300)	-	-
CE19064 - Transport Centre Rejuvenation	LOS - Level of service	4,600	4,600	4,600	500	400	(160)	-	-	-	240
CE21053 - Central City Transportation Improvements	LOS - Level of service	650	650	650	650	50	-	-	-	-	50
CE21057 - Ferrybank Walking & Cycling Bridge	LOS - Level of service	500	500	500	150	150	-	(150)	-	-	-
CE21058 - Transportation Safety Improvements	LOS - Level of service	8,100	8,100	8,100	1,000	1,600	(380)	-	-	-	1,220
CE21059 - Transportation Smart Improvements	LOS - Level of service	200	200	200	200	200	-	-	-	-	200
CE21060 - Public Transport Improvement	LOS - Level of service	700	795	795	795	795	(880)	-	-	(95)	(180)
CE15085-Minor Imprvmnts Transport Network D	LOS - Level of service	-	-	-	300	300	-	-	-	-	300
CE10070 - Parking Enforcement Renewals	R - Renewal	615	1,016	1,016	1,016	431	-	-	-	-	431
CE10071 - Parking Building Renewal	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10072 - Footpath and Street Furniture Renewals	R - Renewal	3,305	3,305	3,305	3,305	3,255	(150)	-	-	-	3,105
CE10074 - Drainage (Kerb & Channel) Renewal	R - Renewal	2,390	2,390	2,390	2,390	2,390	-	-	-	-	2,390
CE10075 - Road Base Renewals	R - Renewal	5,184	5,184	5,184	5,184	5,184	(548)	-	-	-	4,636
CE10076 - Road Resurfacing	R - Renewal	5,900	5,900	5,900	5,900	5,900	-	-	-	-	5,900
CE10077 - Bridge and Structures Renewals	R - Renewal	291	391	391	391	391	-	-	-	-	391
CE10078 - Retaining Wall & Structures Renewals	R - Renewal	90	90	90	90	90	-	-	-	-	90
CE10080 - Street lighting Renewals	R - Renewal	651	651	651	651	651	-	-	-	-	651
CE10081 - Traffic Equipment Renewals	R - Renewal	942	942	942	942	942	-	-	-	-	942
CE19055 - Upgrade City Directional Signage	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21012 - Transport Building Renewals	R - Renewal	20	20	20	20	20	-	-	-	-	20
Total Transport		182,785	190,375	190,375	167,094	157,474	(11,175)	-	(300)	(95)	145,903

CAPITAL EXPENDITURE										
Type	LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Venues Tourism and Major Events										
CE21041 - VTME Security and H&S Prgrmes	LOS - Level of service	861	861	861	861	(196)	-	-	-	665
CE10047 - Waikato Stadium Property Renewals	R - Renewal	-	-	-	-	-	-	1	-	1
CE21011 - VTME Building Renewals	R - Renewal	5,558	7,362	7,362	6,052	-	-	(1)	-	6,051
CE21042 - VTME Operational Renewals	R - Renewal	1,692	1,787	1,787	1,787	(782)	-	-	-	1,005
CE10041-Claudlands-Plant & Equipment	R - Renewal	-	-	-	1,310	-	-	-	-	1,310
Total Venues Tourism and Major Events		8,111	10,010	10,010	10,010	(978)	-		-	9,032
Visitor Destinations										
CE19023 - Hamilton Gardens Development	LOS - Level of service	1,963	3,763	3,763	3,763	(600)	-	-	-	1,274
CE19028 - Collection Acquisition Fund	LOS - Level of service	42	142	142	142	(130)	-	-	-	12
CE21043 - Hamilton Zoo&Waiwhakareke Devlpment	LOS - Level of service	3,237	6,023	6,023	6,040	(545)	-	-	-	4,620
CE21045 - Museum Development	LOS - Level of service	504	504	504	504	(60)	-	-	-	52
CE21047 - Hamilton Gardens Themed Gardens	LOS - Level of service	400	400	400	400	-	-	-	-	400
CE10008 - Museum Operational Renewals	R - Renewal	74	368	368	368	(286)	-	-	-	82
CE10011 - Museum Building Renewals	R - Renewal	50	445	445	445	(68)	-	-	-	377
CE10017 - Hamilton Zoo Building Renewals	R - Renewal	1,675	1,675	1,675	1,888	(162)	-	20	-	1,746
CE10026 - Hamilton Gardens Renewals	R - Renewal	40	106	106	106	-	-	-	-	106
CE10028 - Hamilton Gardens Building Renewals	R - Renewal	132	132	132	(132)	-	-	-	-	(132)
CE21002 - Hamilton Zoo Operational Renewals	R - Renewal	2,317	2,810	2,810	2,537	(975)	-	(20)	-	1,298
Total Visitor Destinations		10,434	16,368	16,368	16,325	(2,826)	-	-	-	9,833
Wastewater										
CE15104 - Wastewater Pipe Upgrades	G - Growth	-	381	381	381	-	-	-	-	381
CE15105 - Rototuna WW Infrastructure	G - Growth	500	951	951	951	69	-	-	-	69
CE15106 - WW Network Upgrds to Allow Devlpmnt	G - Growth	-	104	104	104	104	-	-	-	104
CE15107 - Rotokauri WW Infrastructure	G - Growth	121	585	585	585	127	-	-	-	127
CE15109 - Peacocke WW Infrastructure Stage 1	G - Growth	-	214	214	2,114	2,114	-	-	-	2,114
CE15111 - Increase capacity of wastewater network	G - Growth	1,233	1,233	1,233	1,233	(90)	-	-	-	110
CE15117 - Upgrade WW Treatment Plant	G - Growth	1,700	1,700	1,700	1,700	(376)	-	-	-	824
CE15121 - WW Customer Connections to Network	G - Growth	75	75	75	75	2,000	-	-	-	2,000
CE15161 - Wastewater Master Plan	G - Growth	600	600	600	600	(500)	-	-	-	100
CE19040 - Peacocke WW Infrastructure Stg2	G - Growth	742	12,907	12,907	12,107	(5,655)	-	-	-	6,452
CE19041 - Incr capacity WW Far East Network	G - Growth	3,500	3,717	3,717	3,717	2,217	-	-	-	2,217
CE19042 - Peacocke Wastewater South Network	G - Growth	11,480	7,008	7,008	7,008	7,008	-	-	-	10,608
CE19043 - Incr capacity WW West Network	G - Growth	5,258	5,886	5,886	5,886	(1,350)	-	-	-	2,049
CE19044 - Increase capacity WW East Network	G - Growth	1,100	5,112	5,112	5,112	6,000	-	-	-	6,000
CE19050-Incrs capacity WW Central Network D	G - Growth	-	23	23	23	23	-	-	-	23
CE21073 - Subregional WW Treatment Plant	G - Growth	1,000	1,000	1,000	1,000	200	-	-	-	200
CE15103 - Wastewater Network Improvements	LOS - Level of service	1,304	1,409	1,409	1,409	409	(75)	-	-	334
CE15120 - Wastewater Treatment Plant Compliance	LOS - Level of service	490	551	551	601	601	-	-	-	601
CE10100 - Wastewater PS Asset Renewals	R - Renewal	1,063	1,063	1,063	1,013	1,013	-	-	-	1,013
CE10101 - Wastewater Asset Renewals	R - Renewal	5,000	5,002	5,002	5,002	5,002	-	-	-	5,002
CE10115 - WW Treatment Plant Asset Renewals	R - Renewal	3,029	3,793	3,793	3,793	2,568	(190)	-	-	2,378
CE15160 - Wastewater Model	R - Renewal	100	612	612	612	482	(250)	-	-	232
Total Wastewater		38,296	53,925	53,925	55,025	(4,886)	-	-	-	42,938
Water Supply										
CE15126 - Rototuna Upgrade or New Watermains	G - Growth	-	72	72	72	(55)	-	-	-	16
CE15127 - Water Pipe Upgrades	G - Growth	-	50	50	50	50	-	-	-	50
CE15128 - Rotokauri Upgrd&New Watermains Stg1	G - Growth	84	145	145	145	(84)	-	-	-	61
CE15130 - Peacocke Watermains Stage 1	G - Growth	-	-	-	-	-	-	-	-	-
CE15132 - Water ntwrk upgrdes to allow new develop	G - Growth	1,200	(164)	(164)	(164)	(164)	-	-	-	(164)
CE15134 - Wtr Dmnd Mngt-Pukete Reservoir Zone	G - Growth	-	-	-	-	-	-	-	-	-
CE15135 - Peacocke Water Distribution Mains Stg1	G - Growth	22	136	136	136	136	-	-	-	136
CE15137 - Wtr Dmnd Mgmt-NewcastleReservoirZn	G - Growth	10,000	10,048	10,048	8,548	8,548	(500)	-	-	8,048
CE15141 - Wtr Dmnd Mngt - Hillcrest Reservoir Zone	G - Growth	63	18	18	18	(18)	-	-	-	-

CAPITAL EXPENDITURE											
	Type	LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CE15144 - Upgrade Water Treatment Plant	G - Growth	14,000	13,384	13,384	5,132	4,432	-	-	-	-	4,432
CE15146 - Water Customer Connections	G - Growth	50	50	50	50	1,450	-	-	-	-	1,450
CE15148 - Ruakura Upgrade and New Watermains	G - Growth	200	200	200	200	200	-	-	-	-	200
CE15159 - Water Master Plan	G - Growth	183	183	183	183	183	-	-	-	-	183
CE19045 - Ruakura Reservoir & Assoc Bulk Mains	G - Growth	-	1,946	1,946	1,946	446	-	-	-	-	446
CE19046 - Peacocke Watermains Stage 2	G - Growth	242	573	573	573	573	-	-	-	-	573
CE21036 - Rotokauri Upgrade&New Watermains Stg2	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15133 - Water Network Improvements	LOS - Level of service	350	350	350	350	150	(75)	-	-	-	75
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS - Level of service	425	439	439	439	314	-	-	-	-	314
CE10123 - Watermain Renewals	R - Renewal	2,525	2,725	2,725	2,725	2,725	(550)	-	-	-	2,175
CE10124 - Watermain Valves & Hydrants Renewals	R - Renewal	700	705	705	705	705	-	-	-	-	705
CE10138 - Treatment Plant & Reservoir Renewals	R - Renewal	1,283	2,126	2,126	2,126	1,878	(170)	-	-	-	1,708
CE10145 - Tools of Trade Renewals	R - Renewal	40	40	40	40	40	-	-	-	-	40
CE15158 - Water Model	R - Renewal	100	297	297	297	57	-	-	-	-	57
CE16004-Eastern Bulk Main Slip D	R - Renewal	-	30	30	30	30	-	-	-	-	30
Total Water Supply		31,465	33,352	33,352	23,601	21,988	(1,452)	-	-	-	20,535
R&C Balancing Account		-	-	-	(188)	(188)	-	-	(188)	-	(188)
Total (Excl Water Stimulus)		328,668	380,132	380,732	345,192	302,031	(33,072)	-	(488)	(95)	268,563
Water Stimulus											
CE21068 - Water Stimulus – Stormwater	G - Growth	715	423	423	423	423	-	-	-	-	423
	LOS - Level of service	37	49	49	49	49	-	-	-	-	49
	R - Renewal	1,686	1,982	1,982	1,982	1,982	-	-	-	-	1,982
CE21076 - Water Stimulus – Wastewater	G - Growth	1,041	847	847	847	847	-	-	-	-	847
	LOS - Level of service	37	49	49	49	299	-	-	-	-	299
	R - Renewal	183	495	495	495	495	-	-	-	-	495
CE21039 - Water Stimulus – Water Supply	G - Growth	389	1,848	1,848	1,848	1,848	-	-	-	-	1,848
	LOS - Level of service	411	203	203	203	203	-	-	-	-	203
	R - Renewal	367	208	208	208	208	-	-	-	-	208
Total Water Stimulus		4,865	6,104	6,104	6,104	6,354	-	-	-	-	6,354
Grand Total - Capital Program		333,534	386,235	386,835	351,295	308,384	(33,072)	-	(488)	(95)	274,917

LIST OF CAPITAL PROJECTS

For the 2021-22 Financial Year

CAPITAL REVENUE											
	Type	LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Community Services											
CE19017 - Rototuna Community Facilities	G - Growth	-	-	-	-	-	-	-	-	-	-
CE21044 - Libraries Development	LOS - Level of service	(265)	(265)	(265)	(265)	-	-	-	-	-	-
CE21046 - Aquatic Facilities Development	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10005 - Libraries Collection Purchases	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10006 - Library Operational Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10007 - Library Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Community Services		(265)	(265)	(265)	(265)	-	-	-	-	-	-
Overhead and support units											
CE21026 - Information Services Upgrades	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10053 - Tenancy Inducement Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10151 - Strategic Property Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10152 - Network and Infrastructure	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10153 - Core Business Applications	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10158 - Fleet Vehicle Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE15155 - Mobility and eServices	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE19024 - IS Major Upgrades	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21014 - Corporate Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21025 - Information Services Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Overhead and support units		-	-	-	-	-	-	-	-	-	-
Parks and Recreation											
CE15033 - Land purchase future reserves	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19007 - Peacocke Parks Development	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19009 - Rototuna Parks Development	G - Growth	-	-	-	-	-	-	-	-	-	-
CE21007 - Cemeteries & Crematorium Development	G - Growth	-	-	-	-	-	-	-	-	-	-
CE17004 - River Plan	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21006 - Nature inCityGullyRestoration&Dvlpmt	LOS - Level of service	(125)	(125)	(125)	(125)	-	-	-	-	-	-
CE21008 - Indoor Recreation Development	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21010 - Parks and Recreation Development	LOS - Level of service	(73)	(73)	(73)	(73)	(73)	73	-	-	-	-
CE10001 - Aquatic Facilities Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10021 - Cemetery&Crematorium Building Renwls	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10030 - Parks and Recreation Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE19070 - Community Facilities Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21001 - Nursery Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21003 - Parks and Recreation Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21004 - Cemeteries & Crematorium Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21005 - Aquatic Facilities Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Parks and Recreation		(198)	(198)	(198)	(198)	(73)	73	-	-	-	-
Rubbish and Recycling											
CE10054 - Closed Landfill Assets Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10056 - RTS & HOC Asset Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE15055 - Closed Landfill Management	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE19027 - Refuse Drop Off Points	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
Total Rubbish and Recycling		-	-	-	-	-	-	-	-	-	-
Safety											
CE21013 - Animal Control Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21015 - City Safe Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21016 - City Safe Upgrades	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
Total Safety		-	-	-	-	-	-	-	-	-	-

CAPITAL REVENUE											
Type		LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
Stormwater											
CE15059 - Rototuna Stormwater Infrastructure	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15060 - Rotokauri SW Infrastructure S1	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15062 - Peacocke Stormwater Infrastructure Stg 1	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15063 - Peacocke SW Infrastructure Stage 2	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15068 - Stormwater Customer Connections	G - Growth	(25)	(25)	(25)	(25)	(350)	-	-	-	-	(350)
CE15162 - Integrated Catchment Management Plan	G - Growth	-	-	-	-	-	-	-	-	-	-
CE21032 - Stormwater Infrastructure Upgrades	G - Growth	-	-	-	-	-	-	-	-	-	-
CE21066 - Ruakura stormwater infrastructure	G - Growth	(2,000)	(2,000)	(2,000)	(2,000)	(175)	-	-	-	-	(175)
CE15067 - Comprehensive SW Consent Imp	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE19026 - Erosion Control Works	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21031 - Flood Management	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21062 - Stormwater Asset Upgrades	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10058 - Stormwater Asset Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Stormwater		(2,025)	(2,025)	(2,025)	(2,025)	(525)	-	-	-	-	(525)
Transport											
CE15087 - Transportation Upgrds Allow for Devlpmnt	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15088 - Peacocke Transport Upgrds Devlp Stg 1	G - Growth	(39)	(39)	(39)	(1,236)	(1,236)	179	-	-	-	(1,058)
CE15089 - Peacocke Transport Upgrds Devlp Stg 2	G - Growth	(24,530)	(23,110)	(23,110)	(13,473)	(13,473)	(4,590)	-	-	-	(18,063)
CE15090 - Rotokauri Transport Upgrds&Develop	G - Growth	-	-	-	-	-	-	(516)	-	-	(516)
CE15092 - Rototuna Trnsprtation Upgrds&Devlpmt	G - Growth	(4,000)	(1,530)	(1,530)	(2,550)	(191)	-	-	-	-	(191)
CE15093 - Ruakura Transport Upgrds&Develop	G - Growth	(32,087)	(33,255)	(33,255)	(35,486)	(35,486)	-	-	-	-	(35,486)
CE15096 - Cross City Connector	G - Growth	(102)	(102)	(102)	-	-	-	-	-	-	-
CE15097 - Northern City Crossing	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19036 - Ring Road	G - Growth	(10,366)	(10,366)	(10,366)	(7,419)	(9,026)	1,020	-	-	-	(8,006)
CE19037 - Hamilton Transport Model	G - Growth	(31)	(31)	(31)	(286)	(286)	102	-	-	-	(184)
CE19038 - Rotokauri rail platform	G - Growth	-	-	-	(114)	(114)	-	-	-	-	(114)
CE19057 - Biking Plan Implementation	G - Growth	(5,661)	(5,661)	(5,661)	(3,880)	(3,793)	(210)	-	-	-	(4,003)
CE19058 – Public Transport Mode Shift	G - Growth	-	-	-	-	-	-	-	-	-	-
CE21052 - Peacocke Transportation Land	G - Growth	(4,443)	(4,443)	(4,443)	(10,965)	(10,965)	5,100	-	-	-	(5,865)
CE21055 - Terapa Transportation Upgrds&Develop	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15095-Integrated Transport Initiatives D	G - Growth	-	-	-	-	-	51	-	-	-	51
CE19063-Intersection Capacity Upgrade Prgrm D	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19052 - Intersection Upgrades	LOS - Level of service	(918)	(918)	(918)	(332)	(230)	51	-	-	-	(179)
CE19062 - Bridge Resilience Programme	LOS - Level of service	-	-	-	(203)	-	(153)	153	-	-	-
CE19064 - Transport Centre Rejuvenation	LOS - Level of service	(2,346)	(2,346)	(2,346)	(829)	(204)	82	-	-	-	(122)
CE21053 - Central City Transportation Improvements	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21057 - Ferrybank Walking & Cycling Bridge	LOS - Level of service	(195)	(195)	(195)	-	-	-	-	-	-	-
CE21058 - Transportation Safety Improvements	LOS - Level of service	(4,131)	(4,131)	(4,131)	(714)	(1,020)	194	-	-	-	(826)
CE21059 - Transportation Smart Improvements	LOS - Level of service	(102)	(102)	(102)	(102)	(102)	-	-	-	-	(102)
CE21060 - Public Transport Improvement	LOS - Level of service	(357)	(357)	(357)	(396)	(396)	-	-	-	39	(357)
CE15085-Minor Imprvmnts Transport Network D	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10070 - Parking Enforcement Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10071 - Parking Building Renewal	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10072 - Footpath and Street Furniture Renewals	R - Renewal	(1,580)	(1,580)	(1,580)	(1,580)	(1,530)	-	-	-	-	(1,530)
CE10074 - Drainage (Kerb & Channel) Renewal	R - Renewal	(1,129)	(1,129)	(1,129)	(1,129)	(1,129)	-	-	-	-	(1,129)
CE10075 - Road Base Renewals	R - Renewal	(2,443)	(2,443)	(2,443)	(2,443)	(2,443)	-	-	-	-	(2,443)
CE10076 - Road Resurfacing	R - Renewal	(2,211)	(2,211)	(2,211)	(2,211)	(2,211)	-	-	-	-	(2,211)
CE10077 - Bridge and Structures Renewals	R - Renewal	(137)	(137)	(137)	(137)	(137)	-	-	-	-	(137)
CE10078 - Retaining Wall & Structures Renewals	R - Renewal	(43)	(43)	(43)	(43)	(43)	-	-	-	-	(43)
CE10080 - Street lighting Renewals	R - Renewal	(308)	(308)	(308)	(308)	(308)	-	-	-	-	(308)
CE10081 - Traffic Equipment Renewals	R - Renewal	(445)	(445)	(445)	(445)	(445)	-	-	-	-	(445)
CE19055 - Upgrade City Directional Signage	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21012 - Transport Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Transport		(97,603)	(94,882)	(94,882)	(86,282)	(84,768)	1,825	(363)	-	39	(83,266)
Venues Tourism and Major Events											
CE21041 - VTME Security and H&S Prgrmes	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10047 - Waikato Stadium Property Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-

CAPITAL REVENUE											
	Type	LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
CE21011 - VTME Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21042 - VTME Operational Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10041-Claudelands-Plant & Equipment	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Venues Tourism and Major Events		-	-	-	-	-	-	-	-	-	-
Visitor Destinations											
CE19023 - Hamilton Gardens Development	LOS - Level of service	(400)	(400)	(400)	(400)	-	-	-	-	-	-
CE19028 - Collection Acquisition Fund	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE21043 - Hamilton Zoo&Waiwhakareke Devlpment	LOS - Level of service	(900)	(900)	(900)	(630)	(630)	-	-	-	-	(630)
CE21045 - Museum Development	LOS - Level of service	(72)	(72)	(72)	(72)	-	-	-	-	-	-
CE21047 - Hamilton Gardens Themed Gardens	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10008 - Museum Operational Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10011 - Museum Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10017 - Hamilton Zoo Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10026 - Hamilton Gardens Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10028 - Hamilton Gardens Building Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21002 - Hamilton Zoo Operational Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Visitor Destinations		(1,372)	(1,372)	(1,372)	(1,102)	(630)	-	-	-	-	(630)
Wastewater											
CE15104 - Wastewater Pipe Upgrades	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15105 - Rototuna WW Infrastructure	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15106 - WW Network Upgrds to Allow Devlpmnt	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15107 - Rotokauri WW Infrastructure	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15109 - Peacocke WW Infrastructure Stage 1	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15111 - Increase capacity of wastewater network	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15117 - Upgrade WW Treatment Plant	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15121 - WW Customer Connections to Network	G - Growth	(75)	(75)	(75)	(75)	(2,000)	-	-	-	-	(2,000)
CE15161 - Wastewater Master Plan	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19040 - Peacocke WW Infrastructure Stg2	G - Growth	-	-	-	280	280	-	(280)	-	-	-
CE19041 - Incr capacity WW Far East Network	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19042 - Peacocke Wastewater South Network	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19043 - Incr capacity WW West Network	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19044 - Increase capacity WW East Network	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19050-Incrs capacity WW Central Network D	G - Growth	-	-	-	-	-	-	-	-	-	-
CE21073 - Subregional WW Treatment Plant	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15103 - Wastewater Network Improvements	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE15120 - Wastewater Treatment Plant Compliance	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10100 - Wastewater PS Asset Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10101 - Wastewater Asset Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10115 - WW Treatment Plant Asset Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE15160 - Wastewater Model	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Wastewater		(75)	(75)	(75)	205	(1,720)	-	(280)	-	-	(2,000)
Water Supply											
CE15126 - Rototuna Upgrade or New Watermains	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15127 - Water Pipe Upgrades	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15128 - Rotokauri Upgrd&New Watermains Stg1	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15130 - Peacocke Watermains Stage 1	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15132 - Water ntwrk upgrdes to allow new develop	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15134 - Wtr Dmnd Mngt-Pukete Reservoir Zone	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15135 - Peacocke Water Distribution Mains Stg1	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15137 - Wtr Dmnd Mgmt-NewcastleReservoirZn	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15141 - Wtr Dmnd Mngt - Hillcrest Reservoir Zone	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15144 - Upgrade Water Treatment Plant	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15146 - Water Customer Connections	G - Growth	(50)	(50)	(50)	(50)	(1,450)	-	-	-	-	(1,450)
CE15148 - Ruakura Upgrade and New Watermains	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15159 - Water Master Plan	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19045 - Ruakura Reservoir & Assoc Bulk Mains	G - Growth	-	-	-	-	-	-	-	-	-	-
CE19046 - Peacocke Watermains Stage 2	G - Growth	-	-	-	-	-	-	-	-	-	-

CAPITAL REVENUE											
	Type	LTP 21/22	Revised Budget as at 31 August 2021	Revised Budget as at 31 October 2021	Revised Budget as at 30 November 2021	Revised Budget as at 31 January 2022	Deferrals and B/fwds	Approved Changes	Renewals & Compliance Movements	Savings	Revised Budget as at 31 March 2022
CE21036 - Rotokauri Upgrade & New Watermains Stg2	G - Growth	-	-	-	-	-	-	-	-	-	-
CE15133 - Water Network Improvements	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
CE10123 - Watermain Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10124 - Watermain Valves & Hydrants Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10138 - Treatment Plant & Reservoir Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE10145 - Tools of Trade Renewals	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE15158 - Water Model	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE16004 - Eastern Bulk Main Slip D	R - Renewal	-	-	-	-	-	-	-	-	-	-
Total Water Supply		(50)	(50)	(50)	(50)	(1,450)	-	-	-	-	(1,450)
R&C Balancing Account		-	-	-	-	-	-	-	-	-	-
Total (Excl Water Stimulus)		(101,588)	(98,867)	(98,867)	(89,716)	(89,165)	1,898	(644)	-	39	(87,871)
Water Stimulus											
CE21068 - Water Stimulus – Stormwater	G - Growth	-	-	-	(945)	(945)	-	-	-	-	(945)
	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
	R - Renewal	-	-	-	(1,686)	(1,686)	-	-	-	-	(1,686)
CE21076 - Water Stimulus – Wastewater	G - Growth	-	-	-	(729)	(979)	-	-	-	-	(979)
	LOS - Level of service	-	-	-	-	-	-	-	-	-	-
	R - Renewal	-	-	-	-	-	-	-	-	-	-
CE21039 - Water Stimulus – Water Supply	G - Growth	-	-	-	-	-	-	-	-	-	-
	LOS - Level of service	-	-	-	(444)	(444)	-	-	-	-	(444)
	R - Renewal	-	-	-	(550)	(550)	-	-	-	-	(550)
Total Water Stimulus		-	-	-	(4,353)	(4,603)	-	-	-	-	(4,603)
Grand Total - Capital Program		(101,588)	(98,867)	(98,867)	(94,070)	(93,769)	1,898	(644)	-	39	(92,475)

Council Report

Item 7

Committee: Finance Committee

Date: 17 May 2022

Author: Tracey Musty

Authoriser: David Bryant

Position: Financial Controller

Position: General Manager People and Organisational Performance

Report Name: Financial Performance & Strategy Report to 31 March 2022

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Finance Committee on Council's financial performance and strategy for the period ended 31 March 2022.
2. To seek a recommendation from the Finance Committee that the Council approves the significant forecast adjustments as set out in this Report and the capital movement as set out in the Capital Portfolio Monitoring Report.

Staff Recommendation - *Tuutohu-aa-kaimahi* (Recommendation to the Council)

3. That the Finance Committee receives the report.
4. That the Finance Committee recommends that the Council:
 - a) approves the capital movement as identified in paragraph 32 of the 17 May 2022 Capital Portfolio Monitoring Report;
 - b) approves the significant forecast adjustments as set out in paragraphs 54 to 55 of the staff report; and
 - c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 58 to 60 of the staff report.

Executive Summary - *Whakaraapopototanga matua*

5. This report is to be read in conjunction with the 17 May 2022 Capital Portfolio Monitoring Report.
6. The 31 March 2022 financial results show a favourable variance of \$5.3m against the year-to-date (YTD) budget, and a favourable variance in the balancing the books result of \$6.2m against the YTD budget.
7. There is an unfavourable result in fees and charges, which is mainly as a result of Covid-19 restrictions on opening of venues, visitor attractions and tourism activities. This unfavourable variance is offset by favourable variances in the building and resource consent activities.
8. Subsidies and Grants are favourable to budget due to unbudgeted revenue received from Central Government grant funding for the Water Reform Stimulus programme and offsets additional operating expenditure including Professional Costs.

9. Capital revenue is unfavourable to budget due to capital projects not progressing as fast as anticipated in this financial year.
10. Expenditure is tracking slightly unfavourable to YTD budget. Personnel costs have a favourable variance to YTD budget due to vacancies. Recruitment for new positions identified in the 2021-31 Long Term Plan and replacement positions is progressing.
11. Depreciation is unfavourable to YTD budget due to revaluation of building assets at 30 June 2021 and a revision of the asset data.
12. Significant forecast changes include:
 - i. a reduction in revenue in Growth, Community Services activities and Visitor Destinations;
 - ii. a reduction in income (external funding shortfall) for the Zoo Waiwhakareke Entry Precinct as discussed at previous Council meeting;
 - iii. a reduction in the Waikato Theatre Grant due to rephasing of payments into future years;
 - iv. an increase in finance costs as a result of rising interest rates; and
 - v. an increase in depreciation due to the revaluation of Council building assets at 30 June 2021 and an increase due to the revaluation of significant asset categories at 30 April 2022.
13. The impact of forecasting changes made, since the adoption of the 2021-31 Long Term Plan, is reflected in the Financial Strategy measures:
 - i. debt to revenue is 164% and favourable against a budget of 193%;
 - ii. net debt is \$612m and favourable against a budget of \$731m; and
 - iii. balancing the books is (\$6.0m) and unfavourable against a budget of (\$3.9m).
14. Council's treasury position is favourable. At 31 March 2022 Council is compliant with counterparty credit limits. Council remains compliant with all other treasury policy measures **Attachment 3**.
15. Council's fixed rate hedging at 31 March 2022 is 42%. Council is well hedged after executing its deferral strategy in 2020.
16. Council saw a gain of \$31m on the revaluation of swaps at 31 March 2022. This is not a cash gain, but rather an accounting/book entry and reflects the market swap rate movement as reflected in **Attachment 3**.
17. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Operating Results

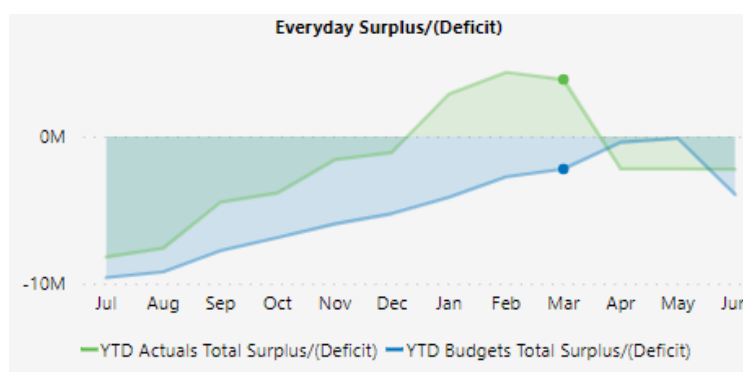
The accounting and balancing the books result

18. The Statement of Comprehensive Revenue and Expense discloses the accounting result in accordance with accounting standards.

19. The YTD accounting and balancing the books result for the period ended 31 March 2022 is as follows:

Surplus/(Deficit) Result	YTD Actual	YTD Budget	YTD Variance
Accounting Surplus/(Deficit)	\$113.4m	\$108.1m	\$5.3m ✓
Balancing the books	\$3.9m	(\$2.3m)	\$6.2m ✓

20. The Balancing the Books result for March 2022 shows a favourable YTD variance of \$6.2m.



21. The annual accounting and balancing the books result has been adjusted to reflect the forecasting adjustments as follows:

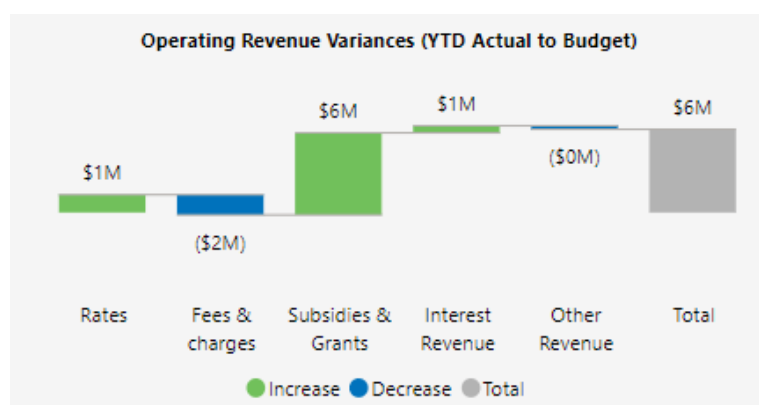
Surplus/(Deficit) Result	Annual Forecast	Annual Revised Budget	YTD Variance
Accounting Surplus/(Deficit)	\$147.0m	\$82.6m	\$64.4m ✓
Balancing the books	(\$6.0m)	(\$3.9m)	(\$2.1m) ✗

Understanding material variances

22. The Statement of Comprehensive Revenue and Expense is contained in **Attachment 1**.
23. Individual Everyday Revenue and Expense statements for each of Council's activities are contained in **Attachment 2**.

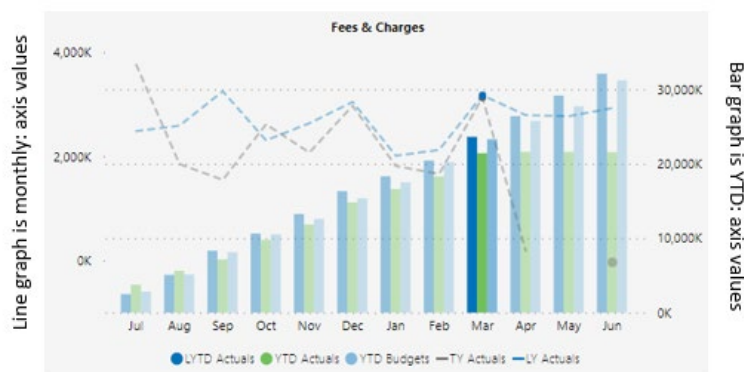
Operating Revenue

24. Total Operating Revenue is \$6.2m favourable to the YTD budget.



25. Rates income exceeds YTD budget by \$1.3m due to higher than anticipated growth resulting from additional subdivision and building consents for the 2021/22 financial year.

26. Subsidies & Grants contributed the largest share of the favourable variance in Operating Revenue and exceeds YTD budget by \$6.1m. This is due to the allocation of Central Government grant funding to operational activities and offsets expenditure on the Water Reform Stimulus programme. Waka Kotahi NZ subsidies are tracking favourable to the YTD budget with 82% of annual budget collected to date.
27. Fees & user charges provided \$1.5m towards the unfavourable variance. It is important to note that the unfavourable result is due to decreased event activity in Venues, Tourism and Major Events, Visitors Attractions and Community Services of \$2.7m and unfavourable variances in off-street parking income of \$0.4m due to Covid-19. This is offset by a favourable budget variance from building consents and planning guidance activities.



The bar chart compares Last Year to Date Actuals (LYTD Actuals), Year to Date Actuals (YTD Actuals) and Year to Date Budgets (YTD Budgets). These values are reflected on the vertical axis to the right-hand side. The line chart above compares This Year Actuals (TY Actuals) and Last Year Actuals (LY Actuals) at each month. These values are reflected on the vertical axis to the left-hand side.

28. Other Revenue is unfavourable by \$0.3m. The unfavourable variance is largely due to Infringement & Fines revenue tracking below the YTD budget due to Waka Kotahi NZTA responding to Covid-19 restrictions and suspending the requirement of vehicle registrations. This impacted the issuing of infringements to 30 November 2021.
29. Operational revenue forecasts include:
- adjustments for revenue expectations in the Visitor Destinations, Community Services and Venues activities. Other areas are forecasting to achieve the annual budget by year-end; and
 - allocation of Central Government grant funding for the delivery of the Water Reform Stimulus Programme.
30. Material variance explanations can be found in the activity statements (**Attachment 2**).

Capital Revenue

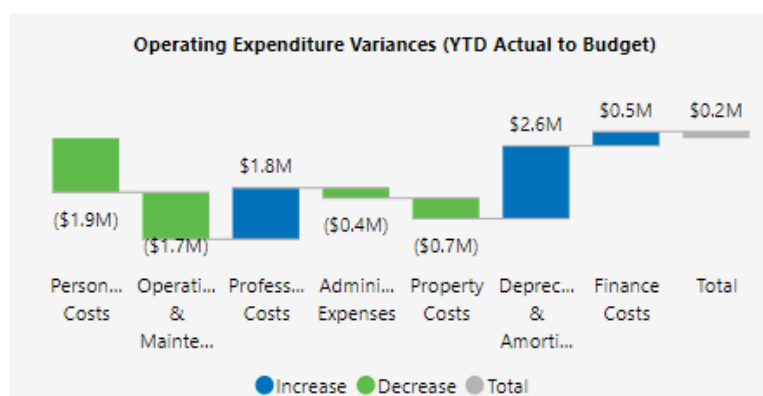
31. Total Capital Revenue is \$28.1m unfavourable to the YTD budget.
32. Development Contributions are unfavourable to budget by \$7.8m which is due to a slowdown in infill development applications, near completion of the Rotokauri industrial cell and no new large residential subdivision sought title in the last few months.
33. Capital subsidies and contributions is below budget by \$11m. Projects attracting Waka Kotahi NZTA subsidies have progressed slower than anticipated and resulted in an unfavourable variance to budget of \$13.3m. These unfavourable variances are partly offset the allocation of unbudgeted Central Government grant funding to offset expenditure on the capital works within the Water Reform Stimulus programme.
34. Vested assets are below YTD budget by \$9.4m.

35. The addition of vested assets increases the operating & maintenance and depreciation costs for Council. Through the 2021-31 Long-Term Plan increased funding was made available for maintenance on new vested assets for infrastructural activities. The nature of vested infrastructure assets are that they have a long useful life and generally do not require significant maintenance in the first ten years of operation.

Asset class	YTD Actual \$000	Annual Budget \$000	Life Range (Years)	Estimated Annual Depreciation \$000
Wastewater	1,641	3,312	15-100	21
Stormwater	1,124	4,800	30-100	14
Water Supply	732	1,790	50-80	9
Roading	3,597	24,589	12-140	72
Parks and Recreation	25	-		-
Land – Under Roads	9,345	-		-
Total	16,463	34,491		116

Operating Expenditure

36. Total Operating Expenditure is unfavourable to YTD budget by \$0.2m.



37. Personnel Costs are favourable to YTD budget by \$1.9m. This is due to delays in the recruitment for new positions identified in the 2021-31 Long-Term Plan and replacement for current roles.
38. The favourable variance in Operating & Maintenance costs are mainly due to the impact of Covid-19 restrictions on events and visitor attraction costs, infrastructure maintenance and reduced services such as kerbside food waste collections.
39. Depreciation is unfavourable to the YTD budget by \$2.6m due to the revaluation for building assets at 30 June 2021 and a revision of the asset data.
40. Operational expenditure forecasts include:
- professional services costs adjustment to offset the allocation of Central Government grant funding for the delivery of the Water Reform Stimulus Programme;
 - administration cost adjustment of \$9m due to the rephasing of Council's contribution towards the Waikato Regional Theatre to the 2021/22 financial year;
 - finance costs reflect the result of Council's favourable opening borrowing position; and

- iv. depreciation expense adjustments of \$5.7m as a result of the revaluation of Council buildings as mentioned above, improvements in asset data and the earlier revaluation of assets in this financial year with additional depreciation that will be included in this year.
41. The Annual Approved Budget is reflecting budget changes approved by Council during this financial year and includes:
- i. Waikato Metro Spatial Plan budget of \$582k brought forward from 2020/21;
 - ii. Waiwhakareke Predator Proof Fence Feasibility Study budget of \$65k brought back from year 4 in the 2021-31 Long-Term Plan; and
 - iii. an increase in the disposal of wastewater sludge operational budget of \$376k.
42. Please refer to the activity statements (**Attachment 2**) for material variance explanations.

Gains and Losses

43. The YTD adjustment on non-cash revaluation of Council's Financial borrowing instruments resulted in a \$31.1m gain. See **Attachment 3** for swap interest rate movement.
44. The YTD loss on disposal of assets is \$3.7m.
45. Gains and Losses forecasts include:
- Loss on sale adjustment for the vesting of the Ring Road and Resolution drive to Waka Kotahi NZ when the projects will be completed in the 2022/23 financial year.

Treasury Management

46. Council's compliance with its treasury policy measures at 31 March 2022 is as follows:

Counterparty credit risk	max	\$75m per bank	Achieved	✓
Liquidity ratio	min	110%	134%	✓
Funding maturity	0 - 3 years	15% - 60%	37%	✓
	3 - 7 years	25% - 85%	33%	✓
	7 years +	0% - 60%	30%	✓
Fixed rate debt maturity	all years	Within annual parameters	Achieved	✓

47. Our Treasury Management Policy sets out counterparty credit limits which are spread amongst several counterparties to avoid concentrations of credit exposure. Council is compliant with these counterparty credit limits as at 31 March 2022.

Interest Rate Risk Management

48. The movement on interest rate swaps relates to valuations completed at a point in time. These are based on Council's total external debt and the difference between current market interest rates and the fixed rates that Council has locked in. They are unrealised because on maturity of each interest rate swap contract no interest gain or loss eventuates.
49. At 31 March 2022 Council's fixed rate hedging is 42%. This falls within our debt interest rate policy parameters which requires a minimum fixed rate of 40% and a maximum fixed rate of 95%.
50. Council's gross cost of funds over a 12-month rolling average is 2.4%.

Financial Strategy

51. Any changes in significant forecasting assumptions will result in changes to the Financial Strategy outcomes. These assumptions will be considered and, if necessary, adjusted in each Annual Plan.

Significant Forecasting Adjustments

52. Significant forecasting adjustments since the 29 March 2022 Finance Committee meeting, outlined below, as compared to the 2021-31 Long-Term Plan budget.
53. Numbers in brackets represent an adverse outcome.
54. Capital revenue, capital savings, re-phasing, and delay deferrals from 2021/22 to future years as detailed in the Capital Portfolio Monitoring Report, paragraph 30.

Capital Adjustments – Financial Strategy Impact										
\$000	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Balancing the Books	33	(8)	161	155	(63)	(267)	(3)	(3)	(3)	(3)
Net Debt	(10,538)	(10,775)	(5,593)	74	(2,148)	(12,062)	(12,199)	(12,332)	(12,462)	(12,587)

55. Adjustments to operating revenue and expenditure as detailed in **Attachment 4**.

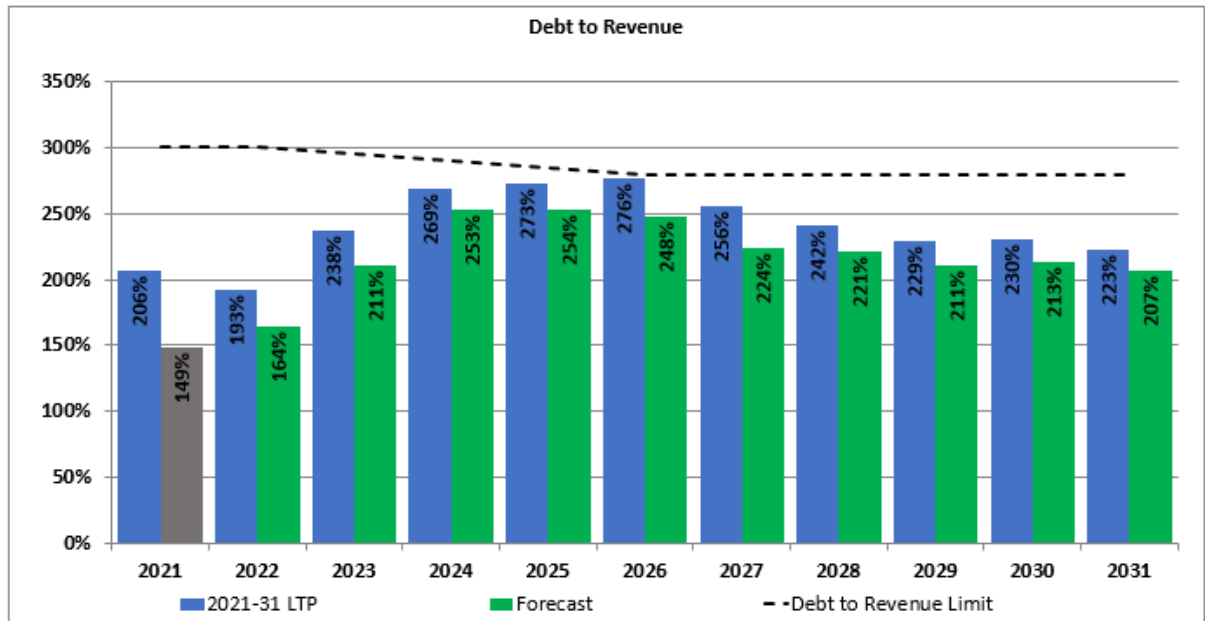
Operating Adjustments – Financial Strategy Impact										
\$000	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Balancing the Books	3,518	0	0	0	0	0	0	0	0	0
Net Debt	7,068	7,068	7,068	7,068	7,068	7,068	7,068	7,068	7,068	7,068

Financial Strategy Graphs

56. The following graphs show the 2021-31 Long Term Plan budgets and the total of all the significant forecast adjustments as set out in paragraphs 54 and 55. These significant forecast adjustments are subject to decision by the Finance Committee or Council.

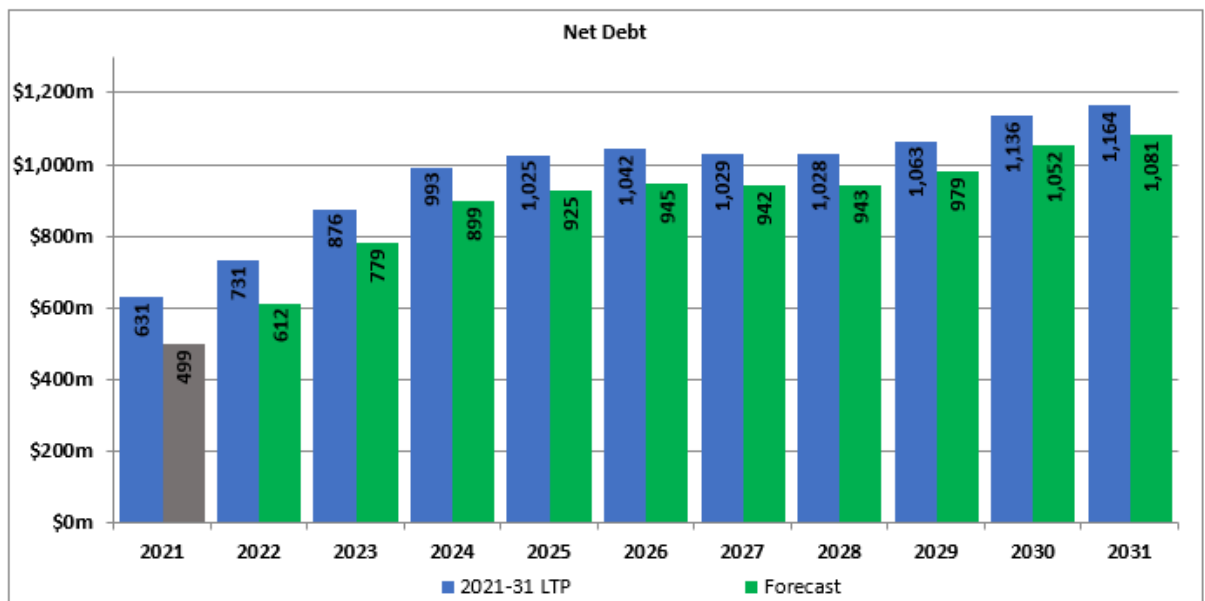
Debt to Revenue

57. The Debt to Revenue graph includes all adjustments identified in this report and shows that debt to revenue of 164% is favourable against the 2021-31 Long-Term Plan budget of 193%.



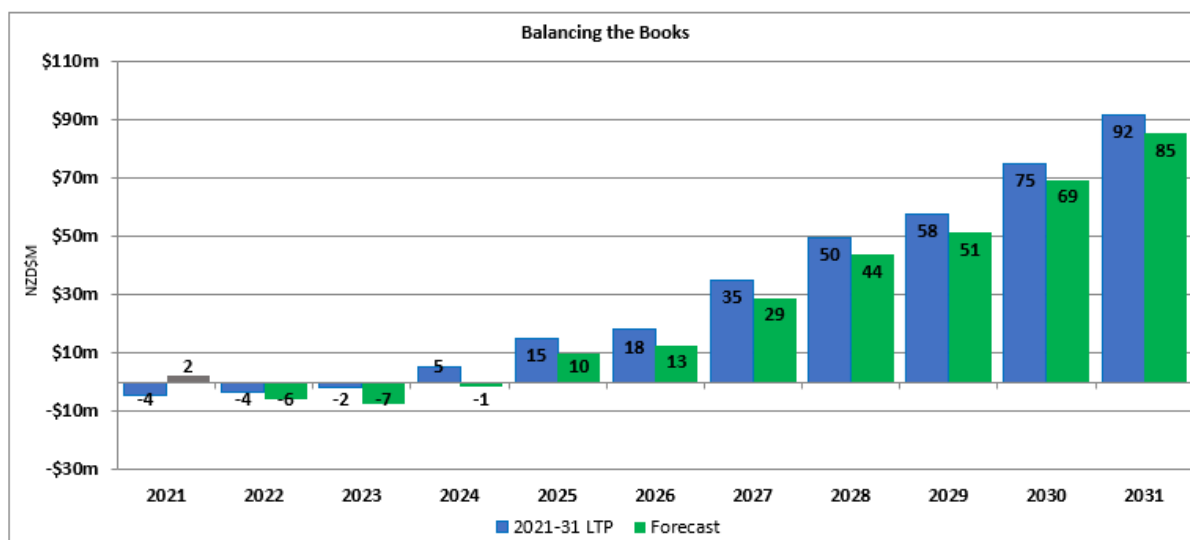
Net Debt

58. The Net Debt graph shows a decrease in net debt against the 2021-31 Long-Term Plan. Net debt for 2021/22 is forecast at \$612m.



Balancing the Books

59. The forecast 2021/22 balancing the books result is (\$6.0m) and is unfavourable against a budget of (\$3.9m).



Emerging Issues

60. The Capital Portfolio Monitoring Report lists emerging issues that could impact the capital portfolio and consequently debt and the balancing the books result across the remainder of the Long-Term Plan.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

61. Staff confirm that matters in this report complies with Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

62. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
63. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
64. The recommendations set out in this report are consistent with that purpose.
65. Economic wellbeing is managed through the efficient monitoring of Council's financial results. Diligent management of Council's budget and regular review of forecasts is required to ensure Council is operating effectively and policy compliance is met.
66. The environmental, social and cultural wellbeings are not directly impacted by the annual monitoring report. However, the efficient review and management of Council's financial position supports the wider business in their delivery of key objectives that enhance these wellbeings.

Risks - *Tuuraru*

67. There are no known risks associated with the decisions of this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

68. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

Engagement

69. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Statement of Comprehensive Revenue and Expense 31 March 2022

Attachment 2 - Council Activities 31 March 2022

Attachment 3 - Treasury Position 31 March 2022

Attachment 4 - Register of Significant Forecast Changes

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE MONTH ENDED 31 MARCH 2022

Attachment 1

\$000		\$000		\$000		\$000		\$000	
Last Year		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)	
YTD									
Operating Revenue									
147,857	Rates	164,803	163,473	1,330	221,714	74%	223,428	1,714	
32,083	Fees & Charges	28,456	29,963	(1,507)	40,723	70%	35,908	(4,815)	
5,030	Subsidies & Grants	12,442	6,306	6,136	8,664	144%	14,091	5,427	
884	Interest Revenue	756	227	529	302	250%	973	671	
5,525	Other Revenue	5,413	5,675	(262)	14,780	37%	14,607	(174)	
191,378	TOTAL OPERATING REVENUE	211,870	205,644	6,226	286,184	74%	289,007	2,823	
Capital Revenue									
22,996	Development Contributions	15,929	23,665	(7,736)	31,622	50%	21,582	(10,040)	
44,596	Capital Revenue	64,055	75,056	(11,001)	101,588	63%	92,475	(9,113)	
25,347	Vested Assets	16,463	25,868	(9,405)	34,491	48%	22,654	(11,837)	
92,939	TOTAL CAPITAL REVENUE	96,447	124,589	(28,142)	167,701	58%	136,711	(30,990)	
284,317	TOTAL REVENUE	308,318	330,234	(21,916)	453,885	68%	425,718	(28,167)	
Expenditure									
64,244	Personnel Costs	71,093	73,018	1,925	96,813	73%	95,546	1,267	
39,933	Operating & Maintenance Costs	45,980	47,722	1,742	69,202	66%	67,464	1,738	
9,664	Professional Costs	13,540	11,712	(1,828)	17,092	79%	18,328	(1,236)	
12,662	Administration Expenses	11,702	12,066	365	24,207	48%	15,997	8,210	
7,625	Property Costs	8,210	8,943	733	11,824	69%	11,453	371	
9,487	Finance Costs	12,552	12,040	(512)	16,270	77%	16,806	(536)	
53,735	Depreciation & Amortisation Expense	59,244	56,651	(2,593)	75,534	78%	81,242	(5,708)	
197,350	TOTAL EXPENDITURE	222,320	222,152	(168)	310,942	71%	306,835	4,107	
86,967	OPERATING SURPLUS/(DEFICIT)	85,998	108,082	(22,085)	142,943	60%	118,883	(24,060)	
Gains and Losses									
20,860	Net gain/(loss) on revaluation of interest rate swaps	31,081		31,081			31,081	31,081	
	Gain on fair value of investment properties				756	0%	756		
(2,068)	Property, plant and equipment net gain/(loss)	(3,719)		(3,719)	(61,103)	6%	(3,719)	57,384	
18,792	TOTAL GAINS AND LOSSES	27,363		27,363	(60,347)	(45%)	28,119	88,466	
105,759	TOTAL SURPLUS/(DEFICIT)	113,360	108,082	5,278	82,596	137%	147,002	64,406	

Refer to Activity Statements for variances against budget.

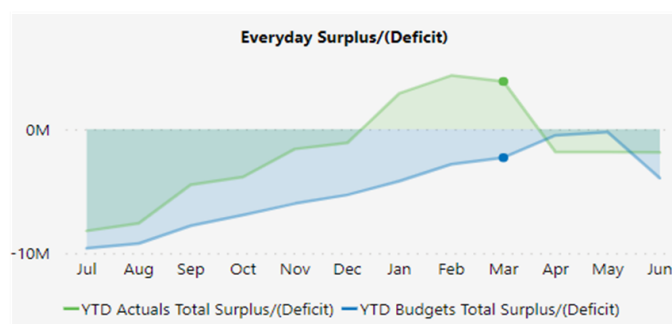
Item 7

Attachment 1

BALANCING THE BOOKS RESULT FOR THE MONTH ENDED 31 MARCH 2022

\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent		Annual Forecast	Annual Variance Fav/(Unfav)		
105,759	Surplus/(Deficit)	113,360	108,082	5,278	82,596	137%		147,002	64,406		
	Remove capital revenue										
(25,347)	Vested assets	(16,463)	(25,868)	9,405	(34,491)	48%		(22,654)	11,837		
(17,089)	Part of Development and Financial contributions	(7,628)	(15,382)	7,754	(20,554)	37%		(10,514)	10,040		
(27,646)	Capital Subsidy (excluding subsidy on transport renewals)	(32,090)	(45,356)	13,265	(60,479)	53%		(58,977)	1,502		
(9,810)	Other Capital Contributions & Grants	(25,687)	(23,516)	(2,171)	(32,863)	78%		(25,252)	7,611		
(681)	Other items not considered everyday operating revenue	(630)	(630)		(8,084)	8%		(8,084)			
	Remove (gains)/losses										
(18,792)	All Gains/(Losses)	(27,363)		(27,363)	60,347	(45%)		(28,119)	(88,466)		
	Remove other expenses										
214	Other items not considered everyday operating expenses	362	375	(13)	9,585	4%		585	(9,000)		
6,607	EVERYDAY SURPLUS/(DEFICIT)	3,861	(2,295)	6,156	(3,944)	(98%)		(6,014)	(2,070)		

Balancing the Books result below shows the cumulative change in the position. It illustrates the consistent favourable balancing the books result with the YTD Actuals showing a surplus of \$3.9m against a YTD Budgeted deficit of \$2.3m in March 2022.



FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
147,857	Rates**	164,803	163,473	1,330	221,714	74%	223,428	1,714
32,083	Fees & Charges	28,456	29,963	(1,507)	40,723	70%	35,908	(4,815)
5,030	Subsidies & Grants	12,442	6,306	6,136	8,664	144%	14,091	5,427
884	Interest Revenue	756	227	529	302	250%	973	671
5,525	Other Revenue	5,413	5,675	(262)	14,780	37%	14,607	(174)
191,378	Total Everyday Revenue	211,870	205,644	6,226	286,184	74%	289,007	2,823
Everyday Expenditure								
64,244	Personnel Costs	71,093	73,018	1,925	96,813	73%	95,546	1,267
39,933	Operating & Maintenance Costs	45,980	47,722	1,742	69,202	66%	67,464	1,738
9,664	Professional Costs	13,540	11,712	(1,828)	17,092	79%	18,328	(1,236)
12,662	Administration Expenses	11,702	12,066	365	24,207	48%	15,997	8,210
7,625	Property Costs	8,210	8,943	733	11,824	69%	11,453	371
9,487	Finance Costs**	12,552	12,040	(512)	16,270	77%	16,806	(536)
53,735	Depreciation & Amortisation Expense**	59,244	56,651	(2,593)	75,534	78%	81,242	(5,708)
(18,792)	Gains & Losses	(27,363)		27,363	60,347	(45%)	(28,119)	88,466
178,558	Total Everyday Expenditure	194,957	222,152	27,194	371,289	53%	278,716	92,573
12,820	Everyday Surplus/(Deficit)*	16,913	(16,507)	33,420	(85,105)	(20%)	10,291	95,396
Capital Revenue								
22,996	Development Contributions**	15,929	23,665	(7,736)	31,622	50%	21,582	(10,040)
44,596	Capital Revenue**	64,055	75,056	(11,001)	101,588	63%	92,475	(9,113)
25,347	Vested Assets**	16,463	25,868	(9,405)	34,491	48%	22,654	(11,837)
92,939	Total Capital Revenue	96,447	124,589	(28,142)	167,701	58%	136,711	(30,990)
105,759	Operating Surplus/(Deficit)	113,360	108,082	5,278	82,596	137%	147,002	64,406

Material variances as explained below:

Rates**: \$1,330k favourable.

The favourable result is due to the higher than budgeted growth projection in the number of rateable properties.

Finance Costs**: (\$512k) unfavourable.

Overall finance cost (interest expense) for Council is unfavourable. This is due to increases in interest rates.

Depreciation & Amortisation Expense**: (\$2,593k) unfavourable.

The unfavourable result is due to the revaluation of buildings and transportation assets.

Development Contributions**: (\$7,736k) unfavourable.

The unfavourable result is due to a slowdown in infill development applications, near completion of the Rotokauri industrial cell and no new large residential subdivision sought title in the last few months.

Vested Assets**: (\$9,405k) unfavourable.

Vested assets are tracking below budget due to a slowdown in new developments.

The comments below explain the material variance between annual approved budget and annual forecast.

Rates**: \$1,714k favourable.

The favourable forecast is due to the higher than budgeted growth projection in the number of rateable properties.

Finance Costs**: (\$536k) unfavourable.

Council's finance cost (interest expense) has been reforecast due to increases in interest rates.

Depreciation & Amortisation Expense**: (\$5,708k) unfavourable.

The unfavourable forecast result is due to the revaluation of Council building assets and additional depreciation in this financial year due to the revaluation of major asset categories in April 2022.

Development Contributions**: (\$10,040k) unfavourable.

The unfavourable result is due to a slowdown in infill development applications and no new large residential subdivision.

Capital Revenue**: (\$9,113k) unfavourable.

Capital deferrals have resulted in a revised forecast.

Vested Assets**: (\$11,837k) unfavourable.

The unfavourable result is due to a slowdown in completion of new developments.

Attachment 2

GOVERNANCE

Governance and Public Affairs | Partnership with Māori

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
2,225	Rates**	2,271	2,258	13	3,068	74%	3,084	16
5	Fees & Charges							
	Subsidies & Grants							
	Interest Revenue							
	Other Revenue							
2,230	Total Everyday Revenue	2,271	2,258	13	3,068	74%	3,084	16
Everyday Expenditure								
336	Personnel Costs	369	507	138	679	54%	679	
28	Operating & Maintenance Costs	1	21	20	28	4%	28	
297	Professional Costs	336	399	63	724	46%	724	
1,219	Administration Expenses	1,234	1,279	46	1,709	72%	1,709	
	Property Costs							
	Finance Costs**							
	Depreciation & Amortisation Expense**							
	Gains & Losses							
1,880	Total Everyday Expenditure	1,939	2,206	267	3,140	62%	3,140	
350	Everyday Surplus/(Deficit)*	332	52	280	(72)	(463%)	(55)	16
350	Operating Surplus/(Deficit)	332	52	280	(72)	(463%)	(55)	16

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Personnel Costs: \$138k favourable.**

The favourable variance is due to staff vacancies and the length of time to recruit in the current market. Key vacancies within Partnership with Māori have now been filled.

The comments below explain the material variance between annual approved budget and annual forecast.

No significant variances to report.

VISITOR DESTINATIONS

Hamilton Gardens | Waikato Museum | Hamilton Zoo

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
12,085	Rates**	11,437	11,322	116	15,381	74%	15,493	112
2,447	Fees & Charges	1,444	1,903	(459)	2,644	55%	1,738	(906)
61	Subsidies & Grants	83	65	18	87	95%	87	
8	Interest Revenue	20	2	18	3	759%	27	25
88	Other Revenue	67	71	(4)	99	68%	77	(21)
14,688	Total Everyday Revenue	13,052	13,363	(311)	18,212	72%	17,422	(791)
Everyday Expenditure								
6,583	Personnel Costs	6,552	6,718	166	9,060	72%	9,163	(103)
1,854	Operating & Maintenance Costs	2,022	2,055	33	3,642	56%	3,314	329
231	Professional Costs	241	185	(56)	269	90%	358	(89)
356	Administration Expenses	303	375	72	629	48%	561	68
323	Property Costs	377	425	47	569	66%	537	32
82	Finance Costs**	304	333	29	444	69%	375	68
1,664	Depreciation & Amortisation Expense**	2,410	2,015	(394)	2,687	90%	3,486	(799)
20	Gains & Losses	3		(3)			3	(3)
11,113	Total Everyday Expenditure	12,213	12,106	(106)	17,301	71%	17,798	(497)
3,575	Everyday Surplus/(Deficit)*	839	1,257	(418)	912	92%	(377)	(1,288)
Capital Revenue								
159	Capital Revenue**	5	91	(85)	1,372		630	(742)
159	Total Capital Revenue	5	91	(85)	1,372	0%	630	(742)
3,734	Operating Surplus/(Deficit)	845	1,348	(503)	2,284	37%	253	(2,030)

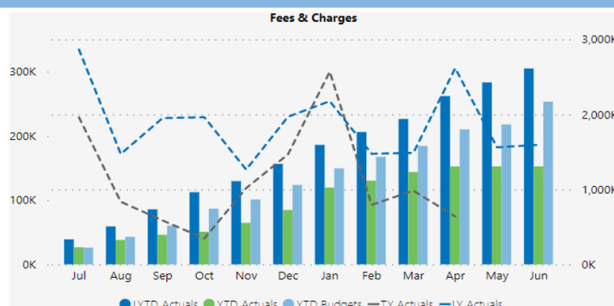
* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: (\$459k) unfavourable.

The impact of covid-19 alert level closures and restrictions have resulted in reduced Fees & Charges to date for Visitor Destinations.



Personnel Costs: \$166k favourable.

The favourable variance to date is due to staff vacancies and the length of time to recruit for specialised positions in the current market.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: (\$906k) unfavourable.

The covid-19 alert level closures and restrictions have resulted in lost Fees & Charges for Visitor Destinations which are not expected to be fully recovered despite planned proactive promotions and events. Further impact is expected for the rest of the financial year with an estimated \$900k reduction to budget.

Operating & Maintenance Costs: \$329k favourable.

Building painting workplan delays have resulted in \$275k of spend not expected to be completed this year.

Capital Revenue**: (\$742k) unfavourable.

\$270K of this relates to the external funding shortfall for the Zoo-Waiwhakareke Entry Precinct stage 1B. Council resolved to fund this shortfall and the corresponding external revenue target will be reallocated to 2026/27 for the zoo animal enclosure.

Attachment 2

VENUES, TOURISM AND MAJOR EVENTS

Claudelands | FMG Stadium Waikato | Seddon Park | Tourism and Events Funding | Theatres

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
15,167	Rates**	13,953	13,826	126	18,787	74%	18,918	131
3,449	Fees & Charges	2,529	4,218	(1,689)	5,166	49%	3,855	(1,311)
86	Subsidies & Grants							
586	Interest Revenue	34	22	12	29	115%	45	16
	Other Revenue	599	551	49	734	82%	773	39
	19,288 Total Everyday Revenue	17,115	18,618	(1,503)	24,717	69%	23,591	(1,126)
Everyday Expenditure								
4,039	Personnel Costs	4,229	4,787	558	6,401	66%	5,921	480
3,275	Operating & Maintenance Costs	3,393	3,960	567	5,290	64%	4,652	638
99	Professional Costs	129	146	17	240	54%	240	
1,395	Administration Expenses	1,269	1,442	173	10,951	12%	1,951	9,000
802	Property Costs	852	1,027	175	1,348	63%	1,306	43
912	Finance Costs**	636	493	(143)	657	97%	748	(91)
3,983	Depreciation & Amortisation Expense**	5,104	4,438	(666)	5,918	86%	7,083	(1,165)
330	Gains & Losses	12		(12)			12	(12)
	14,835 Total Everyday Expenditure	15,624	16,293	669	30,806	51%	21,914	8,893
	4,453 Everyday Surplus/(Deficit)*	1,491	2,325	(834)	(6,089)	(24%)	1,678	7,767
Capital Revenue								
59	Capital Revenue**							
	59 Total Capital Revenue							
	4,513 Operating Surplus/(Deficit)	1,491	2,325	(834)	(6,089)	(24%)	1,678	7,767

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$1,689k unfavourable.

The impact of covid-19 alert level changes has resulted in reduced event revenue for the venues.

Personnel Costs: \$558k favourable.

Personnel costs are favourable due to careful management of resourcing, alongside timing of events. Events are being rescheduled, so expecting personnel costs to track more towards budgets set in the remaining quarter of the financial year.

Operating & Maintenance Costs: \$567k favourable.

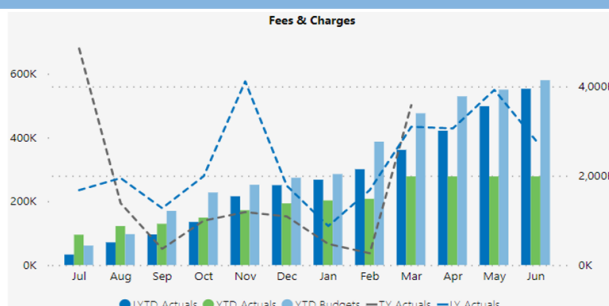
Cost of Sales, to deliver events is favourable due to less events and therefore reduced Fees and Charges.

Administration Expenses: \$173k favourable.

The favourable variance is due to the careful management of general office costs, along with advertising and marketing over the period.

Property Costs: \$175k favourable.

Utilities costs are favourable due to limited utilisation of venues during covid-19.



The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: (\$1,311k) unfavourable.

Based on current modelling of event bookings, venues will remain unfavourable. With change in covid 19 settings in April 2022, forward bookings to June 2022 are expected to track close to budget.

Personnel Costs: \$480k favourable.

Underspend in personnel due to covid-19 impact. Expect to maintain to budget for February to June 2022 with current event programme.

Operating & Maintenance Costs: \$638k favourable.

This favourable variance is a reflection of current modelling of event revenue, based on forward bookings.

Administration Expenses: \$9,000k favourable.

The favourable variance is due to the recognition of Council's contribution schedule via the deed executed in November 2021, subsequent to budget setting timings for the Theatre.

Attachment 2

COMMUNITY SERVICES

Libraries | Community Development | Arts Promotion | Aquatics

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
13,272	Rates**	14,465	14,318	147	19,454	74%	19,594	140
2,611	Fees & Charges	1,534	2,600	(1,066)	3,330	46%	2,175	(1,155)
26	Subsidies & Grants	176	2	175	2	8794%	249	247
5	Interest Revenue	25	1	24	2	1552%	33	32
2	Other Revenue	(1)	12	(13)	16	(4%)	16	
15,916	Total Everyday Revenue	16,199	16,933	(734)	22,803	71%	22,067	(736)
Everyday Expenditure								
7,063	Personnel Costs	7,632	7,249	(383)	9,486	80%	10,125	(639)
2,232	Operating & Maintenance Costs	1,326	1,471	145	2,132	62%	2,143	(12)
331	Professional Costs	237	263	25	338	70%	372	(33)
3,549	Administration Expenses	1,543	1,622	79	2,587	60%	2,366	221
604	Property Costs	677	691	14	918	74%	950	(31)
51	Finance Costs**	362	409	47	545	66%	450	95
2,876	Depreciation & Amortisation Expense**	3,288	3,079	(209)	4,105	80%	4,494	(389)
48	Gains & Losses	31		(31)			31	(31)
16,755	Total Everyday Expenditure	15,096	14,783	(313)	20,111	75%	20,930	(819)
(839)	Everyday Surplus/(Deficit)*	1,104	2,150	(1,047)	2,692	41%	1,137	(1,555)
Capital Revenue								
	Capital Revenue**		88	(88)	265	0%		(265)
	Total Capital Revenue		88	(88)	265	0%		(265)
(839)	Operating Surplus/(Deficit)	1,104	2,239	(1,135)	2,957	37%	1,137	(1,820)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: (\$1,066k) unfavourable.

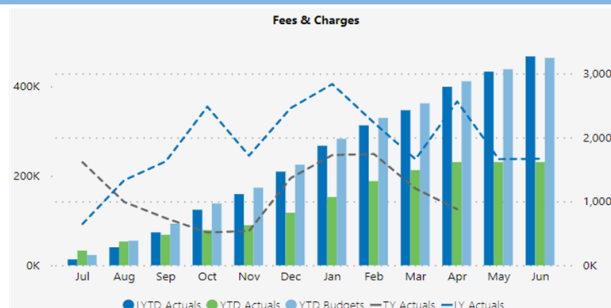
The impact of covid-19 alert level closures and restrictions have resulted in reduced Fees & Charges to date with the main impact to Aquatics of \$1m.

Subsidies & Grants: \$175k favourable.

Contributions received from the The Department of Internal Affairs for the New Zealand Libraries Partnership Programme costs.

Personnel Costs: (\$383k) unfavourable.

Unbudgeted Libraries Partnership Programme costs of \$150k have been funded and are offset in Subsidies & Grants revenue.



Unbudgeted costs of \$110k associated with a resource realignment to improve safety and assurance outcomes in Aquatics. Targeted vacancy savings of \$118k have not been achieved due to vacancies unable to be held in the covid-19 environment.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: (\$1,155k) unfavourable.

The covid-19 alert level closures and restrictions have resulted in lost Fees & Charges for Aquatics and Libraries which are not expected to be recovered. Libraries project fees will continue to be 30% down for the rest of the year with an impact of \$60k, this will be offset by revenue additional from the Hamilton City Council/Waikato District Council Libraries Agreement of \$31k.

Subsidies & Grants: \$247k favourable.

Contributions forecasted include \$240k from The Department of Internal Affairs for the New Zealand Libraries Partnership Programme costs.

Personnel Costs: (\$639k) unfavourable.

The unfavourable variance is due to \$210k unbudgeted New Zealand Libraries Partnership Programme costs which are offset by unbudgeted funding in Grants income. Unbudgeted costs \$110k associated with resource realignment in Aquatics. Targeted vacancy savings of \$217k is not expected to be achieved due to vacancies unable to be held in the covid-19 environment.

Administration Expenses: \$221k favourable.

The New Zealand Libraries Partnership Programme is covering \$125k of software licences for Kotui, APNK, and Epic.

Attachment 2

PARKS AND RECREATION

Community Parks | Natural Areas | Streetscapes | Sports Parks | Playgrounds | Cemeteries and Crematorium | Indoor Recreation

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
17,130	Rates**	18,562	18,389	173	24,982	74%	25,166	184
4,259	Fees & Charges	3,554	3,566	(12)	4,864	73%	4,877	13
6	Subsidies & Grants	7	5	2	7	104%	9	2
96	Interest Revenue	58	25	34	33	177%	78	45
119	Other Revenue	234	128	106	179	131%	268	89
21,609	Total Everyday Revenue	22,415	22,113	302	30,065	75%	30,397	333
Everyday Expenditure								
7,496	Personnel Costs	7,808	7,711	(97)	10,771	72%	10,824	(53)
4,568	Operating & Maintenance Costs	3,976	3,860	(115)	6,891	58%	6,666	224
455	Professional Costs	247	257	10	1,755	14%	922	833
330	Administration Expenses	303	313	10	405	75%	409	(4)
287	Property Costs	308	395	86	526	59%	485	41
1,026	Finance Costs**	1,004	893	(112)	1,191	84%	1,239	(49)
3,693	Depreciation & Amortisation Expense**	4,009	4,043	34	5,391	74%	5,410	(19)
473	Gains & Losses	307		(307)			307	(307)
18,329	Total Everyday Expenditure	17,963	17,473	(490)	26,929	67%	26,262	666
3,281	Everyday Surplus/(Deficit)*	4,453	4,640	(188)	3,136	142%	4,135	999
Capital Revenue								
1,098	Development Contributions**	1,019	564	455	821	124%	1,405	585
193	Capital Revenue**	14	66	(52)	198	7%		(198)
1,708	Vested Assets**	(338)		(338)			(338)	(338)
2,998	Total Capital Revenue	695	630	65	1,019	68%	1,067	49
6,279	Operating Surplus/(Deficit)	5,147	5,270	(123)	4,155	124%	5,202	1,048

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Other Revenue: \$106k favourable.**

The favourable variance is due to the Fairfield Hall insurance claim settlement (\$89k).

Operating & Maintenance Costs: (\$115k) unfavourable.

The unfavourable variance is mainly due to the Dovi storm damage costs of \$209k.

Gains & Losses: (\$307k) unfavourable.

The unfavourable variance is due to the write-off of the Stadium Bowling Club site and grounds assets, and other various open space assets.

The comments below explain the material variance between annual approved budget and annual forecast.**Operating & Maintenance Costs: \$224k favourable.**

Building painting workplan delays have resulted in \$286k of spend not expected to be completed this year. Offset by unbudgeted Dovi Storm damages.

Professional Costs: \$833k favourable.

The favourable variance is due to project deferrals and savings.

Gains & Losses: (\$307k) unfavourable.

The unfavourable variance is due to the write-off of the Stadium Bowling Club site and grounds assets, and other various open space assets.

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
2,980	Rates**	3,449	3,447	3	4,680	74%	4,699	19
1,859	Fees & Charges	1,876	1,769	107	2,090	90%	2,158	68
38	Subsidies & Grants	38	39	(2)	53	72%	53	
	Interest Revenue							
46	Other Revenue	53	23	30	31	175%	50	20
4,923	Total Everyday Revenue	5,416	5,278	138	6,853	79%	6,960	106
Everyday Expenditure								
3,141	Personnel Costs	3,360	3,567	206	4,751	71%	4,665	86
791	Operating & Maintenance Costs	1,016	1,011	(5)	1,355	75%	1,439	(84)
84	Professional Costs	132	109	(22)	146	90%	201	(55)
209	Administration Expenses	264	278	14	341	77%	408	(66)
14	Property Costs	17	19	3	26	65%	24	2
	Finance Costs**					64%		
61	Depreciation & Amortisation Expense**	71	67	(5)	89	80%	100	(11)
	Gains & Losses							
4,300	Total Everyday Expenditure	4,860	5,051	191	6,709	72%	6,838	(129)
623	Everyday Surplus/(Deficit)*	556	227	329	144	386%	122	(22)
Capital Revenue								
	Capital Revenue**							
	Total Capital Revenue							
623	Operating Surplus/(Deficit)	556	227	329	144	386%	122	(22)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$107k favourable.

The favourable variance is mainly due to unbudgeted cost recoveries from KiwiRail/Waikato Regional Council for Te Rapa rail services (\$61k) and Waikato District Health Board for covid-19 testing station costs (\$81k).

Personnel Costs: \$206k favourable.

The favourable variance is due to staff vacancies and the length of time to recruit in the current market. Most of the vacant positions have now been filled.

Attachment 2

GROWTH

City Planning | Planning Guidance | Building Control

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
4,431	Rates**	8,472	8,424	48	11,396	74%	11,460	63
8,681	Fees & Charges	9,287	7,309	1,978	10,410	89%	9,745	(665)
70	Subsidies & Grants							
32	Interest Revenue	6	8	(2)	11	57%	8	(3)
1	Other Revenue	4		4				
13,215	Total Everyday Revenue	17,769	15,741	2,029	21,817	81%	21,213	(604)
Everyday Expenditure								
6,958	Personnel Costs	7,923	8,561	638	11,327	70%	11,339	(13)
146	Operating & Maintenance Costs	172	300	127	400	43%	400	
2,456	Professional Costs	3,722	3,974	252	4,807	77%	4,772	35
762	Administration Expenses	890	980	90	1,353	66%	1,510	(157)
43	Property Costs	59	64	5	86	69%	78	8
343	Finance Costs**	148	79	(69)	105	141%	187	(82)
3	Depreciation & Amortisation Expense**	3	4		5	67%	5	
	Gains & Losses							
10,711	Total Everyday Expenditure	12,917	13,961	1,044	18,083	71%	18,292	(209)
2,504	Everyday Surplus/(Deficit)*	4,853	1,779	3,073	3,735	130%	2,921	(814)
Capital Revenue								
	Capital Revenue**							
	Total Capital Revenue							
2,504	Operating Surplus/(Deficit)	4,853	1,779	3,073	3,735	130%	2,921	(814)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Fees & Charges: \$1,978k favourable.**

The favourable variance is due to higher than budgeted levels of activity in the Building Control unit. In the first half of the financial year there was a combination of a larger number of consents than usual, along with some high value consents. Revenue from building has been difficult to predict since the covid-19 lockdowns, with the additional uncertainty around product supply. It is unclear when a level of certainty and predictability will return to this market.

Personnel Costs: \$638k favourable.

The favourable variance is due to staff vacancies and the length of time to recruit in the current market. District Plan positions have been filled by consultants.

Operating & Maintenance Costs: \$127k favourable.

The favourable variance is due to an underspend in contractors as a result of covid-19.

Professional Costs: \$252k favourable.

The favourable variance is due to underspend in legal fees to date.

The comments below explain the material variance between annual approved budget and annual forecast.**Fees & Charges: \$665k unfavourable.**

Correcting revenue which will not be received. The spend associated with this has been repurposed to the Hamilton Urban Growth Strategy review work.

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
21,489	Rates**	15,789	16,111	(322)	21,616	73%	21,337	(279)
361	Fees & Charges	()	(97)	97	(160)	0%	(258)	(98)
	Subsidies & Grants	2,140	3	2,137	4	53493%	2,144	2,140
226	Interest Revenue	119	45	74	60	199%	159	99
	Other Revenue							
22,076	Total Everyday Revenue	18,048	16,062	1,986	21,520	84%	23,381	1,862
Everyday Expenditure								
2,246	Personnel Costs	3,226	3,214	(12)	4,388	74%	4,415	(27)
1,899	Operating & Maintenance Costs	2,858	2,830	(28)	4,502	63%	4,677	(175)
532	Professional Costs	975	784	(191)	1,099	89%	1,479	(380)
60	Administration Expenses	40	45	6	66	60%	55	11
1,505	Property Costs	1,640	1,743	104	2,268	72%	2,231	37
1,861	Finance Costs**	1,434	1,164	(270)	1,552	92%	2,072	(520)
6,261	Depreciation & Amortisation Expense**	5,919	6,262	342	8,349	71%	8,104	245
253	Gains & Losses	747		(747)			747	(747)
14,616	Total Everyday Expenditure	16,837	16,041	(796)	22,223	76%	23,779	(1,556)
7,459	Everyday Surplus/(Deficit)*	1,211	20	1,190	(704)	(172%)	(398)	306
Capital Revenue								
5,315	Development Contributions**	3,473	3,833	(360)	5,111	68%	4,692	(419)
1,018	Capital Revenue**	2,761	38	2,723	50	5522%	2,944	2,894
936	Vested Assets**	732	1,343	(610)	1,790	41%	970	(820)
7,268	Total Capital Revenue	6,966	5,213	1,753	6,951	100%	8,606	1,655
14,728	Operating Surplus/(Deficit)	8,177	5,233	2,943	6,247	131%	8,208	1,961

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Rates:** (\$322k) unfavourable.

Water by Meter revenue is unfavourable due to a lower than anticipated level of water use year to date.

Subsidies & Grants: \$2,137k favourable.

The favourable variance is due to the allocation of Central Government grant funding to the activity for the delivery of the Water Reform Stimulus Programme. This offsets operational expenditure incurred for approved projects and costs, including professional services costs and operating & maintenance costs.

Professional Costs: (\$191k) unfavourable.

The unfavourable variance is due to Water Reform Stimulus Programme projects underway and is 100% offset by funds received from the Central Government Water Reform Stimulus grant funding. (See Subsidies & Grants above)

Property Costs: \$104k favourable.

The favourable variance is largely due to insurance costs being less than budget.

Gains & Losses: (\$747k) unfavourable.

Unfavourable variance is due to the disposal of various assets.

Capital Revenue:** \$2,723k favourable.

Contributions toward new connections exceed budget due to increased applications. This revenue will offset capital installation costs. Allocation of Central Government grant funding to offset Water Reform Stimulus Programme capital expenditure for this activity also contributes to the favourable variance.

The comments below explain the material variance between annual approved budget and annual forecast.

Subsidies & Grants: \$2,140k favourable.

Allocation of Central Government grant funding to the activity for the delivery of the Water Reform Stimulus Programme. This funding offsets operational expenditure incurred for approved projects and costs, including professional costs.

Operating & Maintenance Costs: (\$175k) unfavourable.

Expenditure relating to delivery of the Water Reform Stimulus projects which is offset by funds received from the Central Government Water Reform Stimulus grant funding.

Professional Costs: (\$380k) unfavourable.

Expenditure relating to delivery of the Water Reform Stimulus projects which is offset by funds received from the Central Government Water Reform Stimulus grant funding.

Attachment 2

WASTEWATER

Wastewater Collection | Wastewater Treatment | Wastewater Disposal

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
22,588	Rates**	22,249	21,515	733	29,183	76%	30,138	955
4,354	Fees & Charges	4,233	4,832	(598)	6,836	62%	6,614	(222)
	Subsidies & Grants	2,498	6	2,492	8	31228%	2,506	2,498
197	Interest Revenue	116	51	65	67	172%	155	87
	Other Revenue							
27,138	Total Everyday Revenue	29,096	26,403	2,693	36,094	81%	39,412	3,318
Everyday Expenditure								
4,367	Personnel Costs	4,939	5,963	1,025	7,752	64%	7,259	493
4,433	Operating & Maintenance Costs	5,710	5,178	(532)	7,997	71%	8,658	(661)
1,391	Professional Costs	2,324	800	(1,524)	1,055	220%	2,597	(1,542)
170	Administration Expenses	152	163	12	197	77%	198	(1)
1,501	Property Costs	1,666	1,787	121	2,389	70%	2,294	95
2,095	Finance Costs**	2,009	1,772	(237)	2,362	85%	2,578	(216)
8,766	Depreciation & Amortisation Expense**	9,903	9,688	(215)	12,917	77%	14,090	(1,173)
164	Gains & Losses	1,731		(1,731)			1,731	(1,731)
22,888	Total Everyday Expenditure	28,433	25,351	(3,082)	34,670	82%	39,405	(4,736)
4,250	Everyday Surplus/(Deficit)*	663	1,052	(389)	1,424	47%	7	(1,418)
Capital Revenue								
8,089	Development Contributions**	5,562	6,842	(1,280)	9,123	61%	7,350	(1,774)
1,447	Capital Revenue**	3,762	610	3,152	813	462%	3,903	3,090
3,343	Vested Assets**	1,641	2,484	(843)	3,312	50%	2,154	(1,158)
12,879	Total Capital Revenue	10,965	9,937	1,028	13,249	83%	13,407	158
17,129	Operating Surplus/(Deficit)	11,628	10,989	639	14,673	79%	13,414	(1,260)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

Material variances as explained below:**Fees & Charges: (\$598k) unfavourable.**

Fees & Charges are unfavourable due to recoveries from water shared services being less than budget which was also offset by lower expenditure.

Subsidies & Grants: \$2,492k favourable.

The favourable variance is due to the allocation of Central Government grant funding to the activity for the delivery of the Water Reform Stimulus Programme. This offsets operational expenditure incurred for approved projects and costs, including professional services costs and operating & maintenance costs.

Personnel Costs: \$1,025k favourable.

The favourable variance is due to staff vacancies and the length of time to recruit in the current market.

Operating & Maintenance Costs: (\$532k) unfavourable.

The unfavourable variance is due to Water Reform Stimulus Programme projects underway and is 100% offset by funds received from the Central Government Water Reform Stimulus grant funding. (See Subsidies & Grants above)

Professional Costs: (\$1,524k) unfavourable.

The unfavourable variance is due to Water Reform Stimulus Programme projects underway and is 100% offset by funds received from the Central Government Water Reform Stimulus grant funding. (See Subsidies & Grants above)

Gains & Losses: (\$1,731k) unfavourable.

Unfavourable variance is due to the disposal of various assets.

Capital Revenue: \$3,152k favourable.**

Contributions toward new connections exceed budget due to increased applications. This revenue will offset capital installation costs. Allocation of Central Government grant funding to offset Water Reform Stimulus capital expenditure for this activity also contributes to the favourable variance.

The comments below explain the material variance between annual approved budget and annual forecast.**Subsidies & Grants: \$2,498k favourable.**

Allocation of Central Government grant funding to the activity for the delivery of the Water Reform Stimulus Programme. This funding offsets operational expenditure incurred for approved projects and costs, including professional costs.

Operating & Maintenance Costs: (\$661k) unfavourable.

Expenditure relating to delivery of the Water Reform Stimulus projects which is offset by funds received from the Central Government Water Reform Stimulus grant funding.

Professional Costs: (\$1,542k) unfavourable.

Expenditure relating to delivery of the Water Reform Stimulus projects which is offset by funds received from the Central Government Water Reform Stimulus grant funding.

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
5,080	Rates**	13,155	13,078	77	17,722	74%	17,824	102
477	Fees & Charges	268	194	74	258	104%	259	
()	Subsidies & Grants	540	3	537	4	13507%	544	540
54	Interest Revenue	36	14	22	18	194%	48	30
	Other Revenue							
5,611	Total Everyday Revenue	13,999	13,289	711	18,003	78%	18,676	672
Everyday Expenditure								
1,479	Personnel Costs	1,964	1,968	3	2,215	89%	2,212	3
403	Operating & Maintenance Costs	572	248	(324)	390	147%	481	(91)
260	Professional Costs	856	436	(420)	583	147%	997	(414)
31	Administration Expenses	23	29	6	40	58%	36	4
403	Property Costs	478	396	(82)	466	102%	390	77
573	Finance Costs**	608	553	(55)	738	82%	761	(23)
7,400	Depreciation & Amortisation Expense**	7,547	7,382	(166)	9,842	77%	10,363	(521)
579	Gains & Losses	449		(449)			449	(449)
11,129	Total Everyday Expenditure	12,497	11,011	(1,486)	14,274	88%	15,689	(1,415)
(5,518)	Everyday Surplus/(Deficit)*	1,502	2,277	(775)	3,729	40%	2,986	(743)
Capital Revenue								
1,963	Development Contributions**	1,287	3,697	(2,410)	4,929	26%	1,763	(3,166)
413	Capital Revenue**	2,282	1,519	763	2,025	113%	2,470	445
5,873	Vested Assets**	1,124	3,600	(2,476)	4,800	23%	1,432	(3,368)
8,248	Total Capital Revenue	4,693	8,816	(4,123)	11,754	40%	5,665	(6,089)
2,730	Operating Surplus/(Deficit)	6,195	11,093	(4,898)	15,484	40%	8,651	(6,832)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Subsidies & Grants: \$537k favourable.

The favourable variance is due to the allocation of Central Government grant funding to the activity for the delivery of the Water Reform Stimulus Programme. This offsets operational expenditure incurred for approved projects and costs, including professional services costs and operating & maintenance costs.

Operating & Maintenance Costs: (\$324k) unfavourable.

The unfavourable variance is predominantly due to additional works completed for maintenance.

Professional Costs: (\$420k) unfavourable.

The unfavourable variance is due to Water Reform Stimulus Programme projects underway and is 100% offset by funds received from the Central Government Water Reform Stimulus grant funding. (See Subsidies & Grants above)

Gains & Losses: (\$449k) unfavourable.

Unfavourable variance is due to the disposal of various assets.

Capital Revenue**: \$763k favourable.

Contributions toward new connections exceed budget due to increased applications. This revenue will offset capital installation costs. Allocation of Central Government grant funding to offset Water Reform Stimulus capital expenditure for this activity also contributes to the favourable variance.

The comments below explain the material variance between annual approved budget and annual forecast.

Subsidies & Grants: \$540k favourable.

Allocation of Central Government grant funding to the activity for the delivery of the Water Reform Stimulus Programme. This funding offsets operational expenditure incurred for approved projects and costs, including professional costs.

Professional Costs: (\$414k) unfavourable.

Expenditure relating to delivery of the Water Reform Stimulus projects which is offset by funds received from the Central Government Water Reform Stimulus grant funding.

Attachment 2

TRANSPORT

Transport Network | Transport Centre | Parking Management

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
26,234	Rates**	35,035	34,700	335	47,166	74%	47,579	412
2,838	Fees & Charges	2,919	2,827	92	4,179	70%	3,676	(503)
4,452	Subsidies & Grants	6,390	5,701	689	7,858	81%	7,858	
228	Interest Revenue	365	58	306	78	468%	486	408
1,924	Other Revenue	1,856	2,243	(388)	2,929	63%	2,629	(300)
35,675	Total Everyday Revenue	46,564	45,530	1,035	62,210	75%	62,228	17
Everyday Expenditure								
3,516	Personnel Costs	4,534	5,013	479	6,361	71%	5,317	1,045
9,723	Operating & Maintenance Costs	12,034	14,243	2,208	19,423	62%	17,928	1,496
575	Professional Costs	2,748	1,739	(1,009)	2,391	115%	2,301	90
633	Administration Expenses	797	572	(225)	724	110%	706	18
1,597	Property Costs	1,577	1,733	156	2,327	68%	2,270	57
2,427	Finance Costs**	5,592	5,872	279	7,829	71%	7,356	473
14,494	Depreciation & Amortisation Expense**	16,076	15,413	(664)	20,550	78%	21,476	(926)
1	Gains & Losses	302		(302)	61,103	0%	302	60,801
32,965	Total Everyday Expenditure	43,661	44,584	923	120,709	36%	57,655	63,054
2,710	Everyday Surplus/(Deficit)*	2,904	946	1,958	(58,498)	(5%)	4,573	63,071
Capital Revenue								
6,532	Development Contributions**	4,588	8,729	(4,141)	11,638	39%	6,372	(5,266)
41,307	Capital Revenue**	55,232	72,645	(17,413)	96,865	57%	82,528	(14,337)
13,488	Vested Assets**	13,304	18,442	(5,138)	24,589	54%	18,436	(6,153)
61,327	Total Capital Revenue	73,123	99,815	(26,692)	133,092	55%	107,336	(25,756)
64,038	Operating Surplus/(Deficit)	76,027	100,761	(24,734)	74,593	102%	111,908	37,315

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Subsidies & Grants: \$689k favourable.**

Operational subsidies received from Waka Kotahi NZTA is favourable due to funds allocated for public transport infrastructure studies. This offsets the unfavourability of professional costs.

Interest Revenue: \$306k favourable.

The favourable variance is due to current interest rates and the level of investment income.

Other Revenue: (\$388k) unfavourable.

The unfavourable result is due to Waka Kotahi NZTA temporarily suspending the requirement of valid vehicle registrations which resulted in the suspension of issuing infringements until 30 November 2021 due to Government imposed covid-19 restrictions.

Personnel Costs: \$479k favourable.

The favourable variance is due to staff vacancies and the length of time to recruit in the current market.

Operating & Maintenance Costs: \$2,208k favourable.

The favourable variance is due to maintenance work put on hold during covid-19 lockdowns.

Professional Costs: (\$1,009k) unfavourable.

The unfavourable result is due to costs associated with development of the Metro Spatial Plan and public transport infrastructure studies being completed on key bus routes in the city. Costs are mostly offset by favourable variances in Subsidies & Grants.

Administration Expenses: (\$225k) unfavourable.

The unfavourable result is mainly due to software licence costs which are offset by a Waka Kotahi NZTA Operating Subsidy.

Property Costs: \$156k favourable.

The favourable variance is largely due to insurance costs being less than budget.

Capital Revenue: (\$17,413k) unfavourable.**

Revenue from subsidies are tracking below budget as we work through the approval processes for capital projects funding from Waka Kotahi NZTA.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: (\$503k) unfavourable.

Fees and charges has been adjusted to reflect the impact of covid-19 on offstreet parking and parking meter revenue income.

Interest Revenue: \$408k favourable.

Forecast adjusted to reflect current interest rates and investment income.

Other Revenue: (\$300k) unfavourable.

The forecast reflects the temporary suspension of issuing infringements until 30 November 2021 due to Government imposed covid-19 restrictions.

Personnel Costs: \$1,045k favourable.

Favourable variance is due to staff vacancies not filled during the year.

Operating & Maintenance Costs: \$1,496k favourable.

Due to covid-19 the transportation maintenance programme is running behind schedule.

Gains & Losses: \$60,801k favourable.

Completion of the Ring Road and Resolution Drive to occur in 2021/22 and will be vested to Waka Kotahi NZTA in the 2021/22 financial year.

Attachment 2

RUBBISH AND RECYCLING

Refuse Collection | Waste Minimisation | Landfill Site Management

FOR THE MONTH ENDED 31 MARCH 2022

\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
5,304	Rates**	6,212	6,311	(99)	8,581	72%	8,439	(141)
(54)	Fees & Charges	(23)	(57)	34	(71)	33%	(134)	(63)
377	Subsidies & Grants	570	482	88	642	89%	642	
4	Interest Revenue	2	1	1	1	128%	2	1
295	Other Revenue	322	333	(11)	444	73%	444	
5,926	Total Everyday Revenue	7,083	7,069	13	9,597	74%	9,394	(203)
Everyday Expenditure								
1,219	Personnel Costs	724	686	(38)	918	79%	873	45
5,137	Operating & Maintenance Costs	5,554	5,855	301	7,811	71%	7,815	(4)
223	Professional Costs	193	273	80	391	50%	341	49
12	Administration Expenses	3	7	4	(1,100)	(0%)	(1,017)	(83)
30	Property Costs	33	55	22	72	46%	72	
45	Finance Costs**	34	28	(7)	169	20%	394	(225)
416	Depreciation & Amortisation Expense**	353	420	67	560	63%	525	35
	Gains & Losses							
7,083	Total Everyday Expenditure	6,895	7,324	429	8,819	78%	9,002	(183)
(1,157)	Everyday Surplus/(Deficit)*	188	(254)	442	778	24%	392	(386)
Capital Revenue								
	Capital Revenue**							
	Total Capital Revenue							
(1,157)	Operating Surplus/(Deficit)	188	(254)	442	778	24%	392	(386)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Operating & Maintenance Costs: \$301k favourable.**

The favourable result is due to kerbside refuse tonnage being lower than anticipated, food waste kerbside collection service not proceeding during covid-19 restrictions and lower bin maintenance costs.

The comments below explain the material variance between annual approved budget and annual forecast.**Professional Costs: \$49k favourable**

The favourable variance is due to a Council resolution to develop a future management plan for the closed Horotiu Landfill. \$50k was budgeted however due to covid-19, the ability of City Waters to develop this work has been compromised and the project was postponed to 2022/23.

Attachment 2

OVERHEADS

CE's Office | Corporate | Strategy and Communications | Strategic Property
FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
(201)	Rates**	(247)	(226)	(20)	(302)	82%	(302)	
797	Fees & Charges	834	900	(66)	1,178	71%	1,204	26
	Subsidies & Grants							
	Interest Revenue	17		17			(11)	(11)
1,717	Other Revenue	1,583	1,620	(37)	2,160	73%	2,160	
2,313	Total Everyday Revenue	2,187	2,293	(106)	3,036	72%	3,051	15
Everyday Expenditure								
15,759	Personnel Costs	17,784	17,029	(755)	22,704	78%	22,753	(49)
5,442	Operating & Maintenance Costs	7,345	7,211	(135)	10,033	73%	9,263	770
2,728	Professional Costs	1,397	2,417	1,020	3,394	41%	3,024	370
3,984	Administration Expenses	4,960	5,100	140	6,995	71%	7,104	(109)
513	Property Costs	525	607	81	829	63%	817	12
19	Finance Costs**	109	296	187	395	28%	127	268
4,118	Depreciation & Amortisation Expense**	4,561	4,310	(251)	5,746	79%	6,106	(360)
201	Gains & Losses	137		(137)	(756)	(18%)	(620)	(137)
32,764	Total Everyday Expenditure	36,818	36,969	151	49,338	75%	48,573	765
(30,451)	Everyday Surplus/(Deficit)*	(34,630)	(34,676)	45	(46,302)	75%	(45,522)	780
(30,451)	Operating Surplus/(Deficit)	(34,630)	(34,676)	45	(46,302)	75%	(45,522)	780

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Personnel Costs: (\$755k) unfavourable.**

Personnel costs are unfavourable due to expenditure on externally contracted staff to cover vacancies, deliver organisation wide projects and projects within the facilities management team.

Operating & Maintenance Costs: (\$135k) unfavourable.

Relates to additional spend as a result of covid-19 organisation response.

Professional Costs: \$1,020k favourable.

Professional costs are favourable due to the use of internal resources to complete projects.

Administration Expenses: \$140k favourable.

Administration expenses are favourable due to reduced spending in various areas as a result of covid-19.

Gains & Losses: (\$137k) unfavourable.

These losses are as a result of the renewal of municipal ceiling lights.

The comments below explain the material variance between annual approved budget and annual forecast.**Operating & Maintenance Costs: \$770k favourable.**

The favourable variance is as result of delays to the Information Services program of work and reallocation of service provider budgets to consultant spend.

Professional Costs: \$370k favourable.

The favourable variance is as result of delays to the Information Services program of work and savings in vehicle insurance, offset by a reallocation of service provider budgets to consultant spend.

Administration Expenses: (\$109k) unfavourable.

Increased costs in software licences have resulted in unfavourable administration forecast spend.

Attachment 2

GENERAL

FOR THE MONTH ENDED 31 MARCH 2022

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
75	Rates**							
	Fees & Charges							
	Subsidies & Grants							
(52)	Interest Revenue	(41)		(41)			(57)	(57)
746	Other Revenue	694	694	()	8,188	8%	8,188	
769	Total Everyday Revenue	652	694	(42)	8,188	8%	8,131	(57)
Everyday Expenditure								
	Personnel Costs			()				
	Operating & Maintenance Costs		(519)	(519)	(691)	0%		(691)
	Professional Costs		(75)	(75)	(100)	0%		(100)
	Administration Expenses		(519)	(519)	(691)	0%		(691)
	Property Costs							
53	Finance Costs**	312	150	(162)	285	110%	518	(234)
	Depreciation & Amortisation Expense**		(469)	(469)	(625)	0%		(625)
(20,860)	Gains & Losses	(31,081)		31,081			(31,081)	31,081
(20,807)	Total Everyday Expenditure	(30,769)	(1,431)	29,338	(1,823)	1688%	(30,563)	28,740
21,576	Everyday Surplus/(Deficit)*	31,421	2,125	29,296	10,011	314%	38,694	28,682
21,576	Operating Surplus/(Deficit)	31,421	2,125	29,296	10,011	314%	38,694	28,682

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Gains & Losses: \$31,081k favourable.

Movement in market interest rates have resulted in a gain in the fair value of interest rate swaps.

Note: Negative budgets (\$)

The negative budgets are due to Chief Executive savings target which is set to the whole organisation. This nets out across the Council.

The comments below explain the material variance between annual approved budget and annual forecast.

The unfavourable variances are due to Chief Executive savings allocated out to activity budgets.

TREASURY REPORT

Attachment 3

Year to date 31 March 2022

Investment and Cash Position

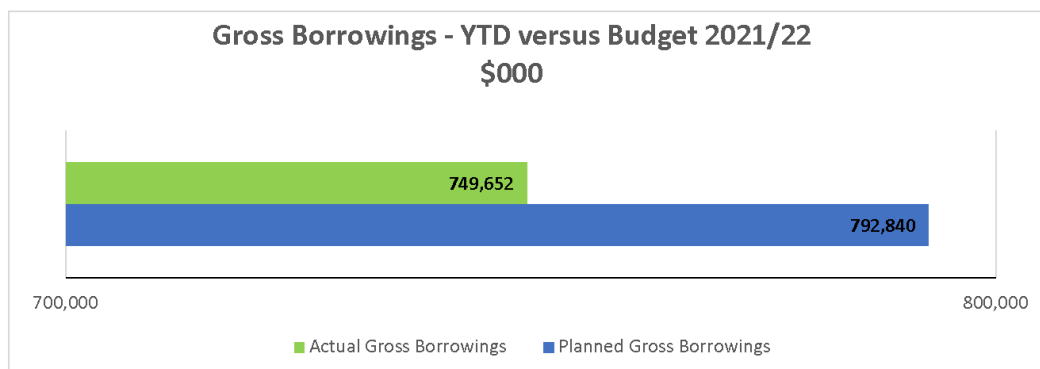
Treasury cash investments consist of:

Cash Investments	Actual \$000 Mar-22	Budget \$000 Jun-22	Variance \$000 Fav/ (Unfav)
Cash on call	42,965	not apportioned	not apportioned
Term deposit	155,000	not apportioned	not apportioned
Closing bank balances	196	not apportioned	not apportioned
LGFA borrower notes	13,380	not apportioned	not apportioned
Total cash investments	211,541	61,526	150,015

The Council's investments are managed on a regular basis, with sufficient minimum immediate cash reserves maintained. To best manage funding gaps, Council's financial investment maturities are matched with Council's forecast cash flow requirements.

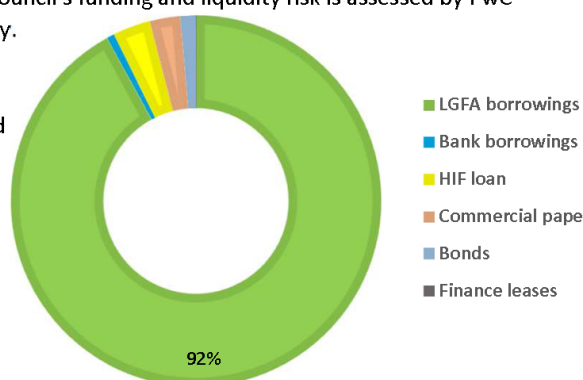
Borrowing Position

Council borrowings is the external portion of debt held with the Local Government Funding Agency (LGFA), banks, Ministry of Business, Innovation and Employment and finance lease liabilities.



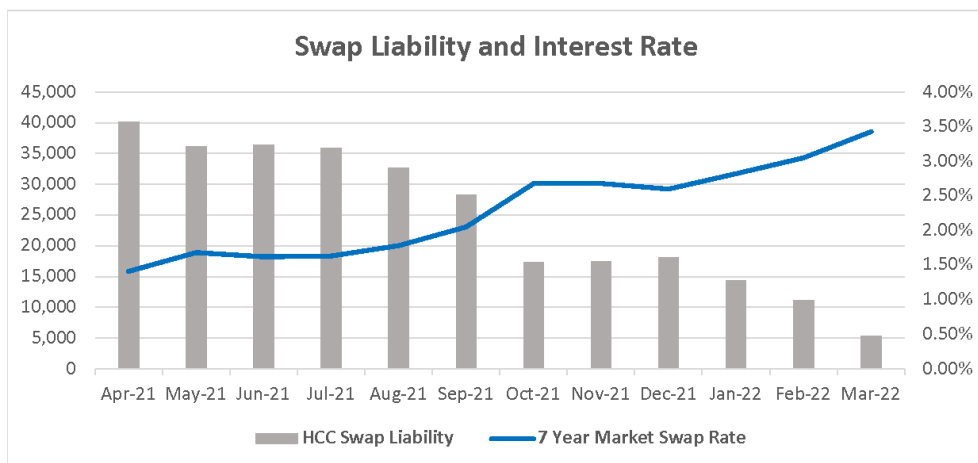
Borrowing debt has increased by \$100 million since last reported at Finance Committee. This is in line with Council's funding and liquidity strategy. Council's funding and liquidity risk is assessed by PwC Treasury Advisors prior to all borrowing activity.

The LGFA remains Council's most favoured and low cost source of funding.



Interest Rates

Council manages interest rate risk to reduce uncertainty relating to interest rate fluctuations through fixing of interest costs. The exposure to interest rate risk is managed and mitigated through the risk control limits as set out in the Investment and Liability Management Policy.



There is an inverse relationship between Council's swap liability and the market swap interest rate. As the market swap interest rate increases Council's swap liability decreases and a gain is then recognised on the interest rate swap. Conversely, a decrease in the market swap interest rate results in an increase in Council's swap liability and a loss is then recognised on the interest rate swap.

ND = Net Debt Impact
Numbers in brackets have an adverse impact.

Date	Change		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
5-Oct-21	Capital Deferrals	BB	-	-	-	-	-	-	-	-	-	-
		ND	(5,060)	(5,060)	(5,060)	(5,060)	(5,060)	(5,060)	(5,060)	(5,060)	(5,060)	(5,060)
	Operational Adjustments	BB	1,762	874	800	841	868	827	755	764	794	749
		ND	1,762	2,636	3,436	4,278	5,146	5,972	6,727	7,491	8,285	9,034
	Revised Budget Adjustments	BB	(647)	-	-	65	-	-	0	0	0	0
		ND	(647)	(647)	(647)	(582)	(582)	(582)	(582)	(582)	(582)	(582)
14-Dec-21	Capital Deferrals	BB	0	-	0	-	-	-	0	0	0	0
		ND	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)
	Operational Adjustments	BB	(3,814)	(23)	(61)	(82)	(103)	(115)	(122)	(138)	(159)	(164)
		ND	1,239	(1,764)	(1,846)	(1,927)	(2,029)	(2,146)	(2,286)	(2,444)	(2,563)	(2,728)
	Revised Budget Adjustments	BB	(376)	-	0	-	-	-	0	0	0	0
		ND	(376)	(376)	(376)	(376)	(376)	(376)	(376)	(376)	(376)	(376)
10-Feb-22	Capital Deferrals	BB	0	-	0	-	-	-	0	0	0	0
		ND	27,515	7,276	(12,963)	(12,963)	(12,963)	(12,963)	(12,963)	(12,963)	(12,963)	(12,963)
	Operational Adjustments	BB	(985)	-	0	-	-	-	0	0	0	0
		ND	(985)	(985)	(985)	(985)	(985)	(985)	(985)	(985)	(985)	(985)
	Capital Deferrals	BB	2,139	2,139	2,139	2,139	2,139	2,139	2,139	2,139	2,139	2,139
		ND	10,154	105,609	119,897	124,438	128,219	132,045	135,547	138,977	143,837	148,115
29-Mar-22	Operational Adjustments	BB	(3,469)	(6,415)	(9,847)	(8,114)	(8,186)	(8,486)	(8,740)	(9,378)	(8,351)	(9,231)
		ND	(1,615)	(5,247)	(8,285)	(13,332)	(18,439)	(22,586)	(27,830)	(33,040)	(38,371)	(43,776)
17-May-22	Capital Deferrals	BB	33	8	161	155	63	267	3	3	3	3
		ND	(10,536)	(10,775)	(5,593)	74	(2,148)	(12,062)	(12,199)	(12,332)	(12,462)	(12,587)
	Operational Adjustments	BB	3,518	-	0	-	-	-	0	0	0	0
		ND	7,068	7,068	7,068	7,068	7,068	7,068	7,068	7,068	7,068	7,068
Total Cumulative Impact on Balancing the Books			(1,838)	(5,433)	(6,808)	(4,996)	(5,344)	(5,903)	(5,972)	(6,617)	(6,380)	(6,511)
Total Cumulative Impact on Net Debt			119,303	97,115	94,047	100,028	97,250	87,726	86,480	85,193	85,228	84,560

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Finance Committee Public Excluded Minutes of 29 March 2022) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987)	Section 48(1)(a)
C2. Report on overdue debtors as at 30 April 2022 and Debt write-offs 2021/22		
C3. Direct Appointment - Provision of Audio Visual Services at H3 Venues		
C4. Customer, Technology & Transformation - Contract Renewals		

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

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (a) Section 7 (2) (f) (ii)
Item C3.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C4.	to enable Council to carry out negotiations	Section 7 (2) (i)