

Notice of Meeting:

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

Date: Tuesday 31 October 2023
Time: 9.30am
Meeting Room: Council Chamber and Audio Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
Chief Executive

Finance and Monitoring Committee

Te Komiti Aroturuki me ngaa Puutea

OPEN AGENDA

Membership

Chairperson Cr Maxine van Oosten
Heamana

Deputy Chairperson Cr Moko Tauariki
Heamana Tuarua

Members	Mayor Paula Southgate	Cr Ewan Wilson
	Deputy Mayor Angela O'Leary	Cr Louise Hutt
	Cr Melaina Huaki	Cr Geoff Taylor
	Cr Emma Pike	Cr Andrew Bydder
	Cr Mark Donovan	Cr Sarah Thomson
	Cr Anna Casey-Cox	Cr Kesh Naidoo-Rauf
	Vacancy	

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Amy Viggers
Mana Whakahaere
Governance Lead

19 October 2023

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Purpose:

The Finance and Monitoring Committee is responsible for:

1. Monitoring Council's current 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 on page 10, the Finance and Monitoring Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

3. To provide direction on Council's financial strategy and monitor performance against that strategy.
4. To monitor Council's financial performance against the Council's Long Term Plan and the impact of the financial performance on services levels and rate payers' value.
5. To monitor Council's capital expenditure against the Council's Long Term Plan.
6. To monitor Council's service delivery performance as outlined in the Council's Long Term Plan.
7. To develop and monitor policy related to the following matters:
 - a) financial management;
 - b) revenue generation; and
 - c) procurement and tendering.
8. To monitor the probity of processes relating to policies developed by the Finance and Monitoring Committee.
9. To provide clear direction to the Local Government Funding Agency on Council's expectations, including feedback on the draft statements of intent.
10. To receive six-monthly reports from the Local Government Funding Agency.

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:
 - i. contravenes the Council's Financial Strategy; or
 - ii. significantly alters any level of service outlined in the applicable Long Term Plan or Annual Plan; or
 - iii. 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:
 - i. exceed the Chief Executive's delegations, but
 - ii. exclude contracts or arrangements that are reserved for the Council or another Committee's approval.
- Approval to write-off outstanding accounts that exceeds the Chief Executive's delegation.

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 Strategies:

- Financial Strategy

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 whaipanga*

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 and Monitoring Committee

Date: 31 October 2023

Author: Nicholas Hawtin

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance Manager

Report Name: Confirmation of the Finance and Monitoring Committee Open Minutes of 31 August 2023

Report Status	Open
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Finance and Monitoring Committee confirm the Open Minutes of the Finance and Monitoring Meeting held on 31 August 2023 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Finance and Monitoring Committee Open Unconfirmed Minutes 31 August 2023

Finance and Monitoring Committee

Te Komiti Aroturuki me ngaa Puutea

OPEN MINUTES

Minutes of a meeting of the Finance and Monitoring Committee held in Council Chamber and Audio-Visual Link, Municipal Building, Garden Place, Hamilton on Thursday 31 August 2023 at 9.32am.

PRESENT

Chairperson Cr Maxine van Oosten
Heamana

Deputy Chairperson Cr Moko Tauariki
Heamana Tuarua

Members Mayor Paula Southgate
Deputy Mayor Angela O'Leary
Cr Melaina Huaki
Cr Mark Donovan
Cr Anna Casey-Cox (via Audio-Visual Link)
Cr Ewan Wilson
Cr Louise Hutt (via Audio-Visual Link)
Cr Geoff Taylor (via Audio-Visual Link)
Cr Andrew Bydder

In Attendance: Lance Vervoort – Chief Executive
David Bryant - General Manager Business Services
Helen Paki – General Manager Customer and Community
Sean Murray - General Manager Venues, Tourism and Events
Andrew Parsons – General Manager Infrastructure and Assets
Blair Bowcott – General Manager Strategy, Growth and Planning
Chris Allen - Executive Director Development
Tracey Musty - Finance Director
Irene James – Finance and Commercial Director
Michelle Hawthorne – Governance and Assurance Manager
Maria Barrie - Unit Director - Parks and Recreation
Iain Anderson - Capital Financial Lead
Kelly Stokes – Capital Projects Director
Matthew Bell - Financial Support Services Manager

Governance Staff: Nicholas Hawtin and Arnold Andrews – Governance Advisors
Corey Bruntlett – Governance and Elected Member Support Coordinator

The meeting was opened with a Karakia by Cr Tauariki

Finance and Monitoring Committee 31 AUGUST 2023 - OPEN

1. Apologies – *Tono aroha*

Resolved: (Cr van Oosten/Deputy Mayor O’Leary)

That the apologies for absence from Cr Naidoo-Rauf, Thomson and Cr Pike, for lateness from Cr Donovan, for early departure for Cr Huaki are accepted.

2. Confirmation of Agenda – *Whakatau raarangi take*

Resolved: (Cr Wilson/Cr Bydder)

That the agenda is confirmed.

3. Declarations of Interest – *Tauaakii whaipanga*

Prior to the beginning of the item Cr Bydder declared an interest in Item C2 (Report on overdue debtors as at 30 June 2023 and Debt write-offs 2022/23). He noted he was not conflicted but would not participate in discussion and vote on the matter.

4. Public Forum – *Aatea koorero*

No members of public wished to speak.

5. Confirmation of the Finance and Monitoring Committee Open Minutes of 22 June 2023

The Chair took the minutes as true and correct.

Resolved: (Cr van Oosten/Cr Tauariki)

That the Finance and Monitoring Committee confirm the Open Minutes of the Finance and Monitoring Meeting held on 22 June 2023 as a true and correct record.

6. Chair's Report

The Chair took the report as read and highlighted the Long-Term Plan sessions and prioritisation of issues.

Resolved: (Cr van Oosten/Mayor Southgate)

That the Finance and Monitoring Committee receives the report.

Cr Donovan joined the meeting (9.40am) during the discussion of the above item. He was present when the Item was voted on.

7. Capital Portfolio Monitoring report

The Capital Financial Lead and Capital Projects Director spoke to the report noting the capital spend of \$321 million dollars which is a 27 percent increase from the previous year, final deferrals of the year being \$51.9 million dollars and update on projects with risks. Staff responded to questions from Members concerning the Transport Centre project and timeframes, inflation allowance, capital expenditure, and collaborative funding on projects and lessons learnt from previous year.

Resolved: (Cr van Oosten/Cr Wilson)

That the Finance and Monitoring Committee:

a) receives the report; and

b) recommends that Council approves the bring forward of the 3 capital budgets that are identified in paragraph 52 of this report.

8. Financial Performance & Strategy Report to 30 June 2023

The Finance Director spoke to the report noting Civil Defence deployments, resource and building consents, National Policy statement, high interest cost, inflation, weather events, major events and conferences, Plan Change 12, 5 and 9, digital workplace, reduction of recycle bin contamination, standardisation of customer feedback, controlling personnel costs, and budget. She responded to questions from Members concerning other councils' methods of balancing books, policy behind the current balancing the books process, political directives, depreciation and evaluation of parks and insurance.

Resolved: (Cr Wilson/Cr Donovan)

That the Finance and Monitoring Committee:

- a) receives the report; and
- b) recommends that the Council:
 - i) approves the capital movement as identified in paragraph 29 of the 30 June 2023 Capital Portfolio Monitoring Report; and
 - ii) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 54 to 56 of the staff report.

9. Resolution to Exclude the Public

Resolved: (Cr van Oosten/Cr Tauariki)

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 and Monitoring Committee Public Excluded Minutes of 22 June 2023) 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 June 2023 and Debt write-offs 2022/23		
C3. West Town Belt Park Development		

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:

Finance and Monitoring Committee 31 AUGUST 2023 - OPEN

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 commercial activities without disadvantage to enable Council to carry out negotiations	Section 7 (2) (h) Section 7 (2) (i)

The meeting went into Public Excluded session at 10:35am.

The meeting was declared closed at 12pm.

Council Report

Item 6

Committee: Finance and Monitoring Committee

Date: 31 October 2023

Author: Amy Viggers

Authoriser: Michelle Hawthorne

Position: Governance Lead

Position: Governance and Assurance Manager

Report Name: Chair's Report

Report Status	Open
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Recommendation - *Tuutohu*

That the Finance and Monitoring Committee receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 – Chair's Report



Chair's Report

Year in Review

This marks the final Finance & Monitoring meeting of 2023, a year filled with significant changes. It's a moment to reflect on the decisions made within this committee, the current economic headwinds and their impact on our work.

Noteworthy Events

Throughout the year, we organised professional development sessions for both new and existing members, aiming to demystify our Financial Strategy, Council's Treasury Management, LGFA matters (scheduled for after this meeting), and Capital Accounts Reporting. Feedback indicates these sessions have been valuable and I welcome suggestions for next year.

We have also introduced key terms and definitions on our Council website to assist the public with understanding our Finance reports.

Changing Landscape

A new government has been elected, and while its exact composition remains uncertain, it's evident that we need to adapt to the National-led Government policies promised during the election campaign. The specifics of which will be refined through coalition talks. Anticipated areas of change include 3 Waters, Natural and Built Environment, Spatial Planning, RMA, City & Regional Deals, and Infrastructure Funding.

Our Hamilton Prospectus and Funding White Paper, sends a clear message to the new government about our priorities, ideas for funding and the critical role Government will play in helping us achieve the outcomes.

Standard & Poor's Rating

Notably we've maintained our AA- rating, reflecting our ability to strongly meet our financial commitments. While this is a positive achievement, we must also acknowledge the rating agency's placement of our rating on negative watch, noting that this is due to the financial challenges ahead. Our opportunity to address this best is through the Long-Term Plan process.

Long-Term Plan

As we progress toward the March 2024 Draft Long-Term Plan, our Council faces unprecedented financial challenges and headwinds. We recognise the delicate balance of managing competing priorities with a revenue stream under significant pressure.

A priority of utmost importance is ensuring that our residents comprehend our financial decisions, including any potential rate increases. We want them to recognise the true cost of providing services and the value they receive, whether it's from local libraries, parks, playgrounds & sports fields, our road network, rubbish collection & recycling, waters or other city-wide activities.

Lastly, I extend my gratitude to my Deputy Councillor, Moko Tauariki, for his unwavering support and enthusiasm. Residents can take comfort in knowing that, alongside experienced professionals on staff, we have Elected Members with diverse skills committed to our city's well-being.

Chair's Recommendation

That the Finance and Monitoring Committee receives the report.

Councillor Maxine van Oosten

Chair Finance and Monitoring Committee

Council Report

Item 7

Committee: Finance and Monitoring Committee

Date: 31 October 2023

Author: Iain Anderson

Authoriser: Chris Allen

Position: Capital Financial Lead

Position: Executive Director Development

Report Name: Capital Portfolio Monitoring report

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

1. To inform the Finance and Monitoring Committee on the financial performance of the capital portfolio for the period ended 30 September 2023.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Finance and Monitoring Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report is to be read in conjunction with the Financial Performance and Strategy Report for the period ended 30 September 2023.
4. 2023-24 is the third year of the 2021-31 Long Term Plan (LTP).
5. The capital expenditure budget that was approved in the 2023/24 Annual Plan was \$352.0m and the approved revenue budget is \$81.2m.
6. Through the 2022/23 financial year end final budget adjustments were identified that impact on the Approved 2023/24 budgets. These changes relate to final deferrals or brought forwards that were unable to be quantified before the Annual Plan was adopted.
7. The total value of these adjustments resulted in a reduction in the 2023/24 budget of \$21.5m, this was primarily the result of a \$16.7m brought forward for land purchase in the Peacocke growth cell. This purchase had been expected in the 2023/24 but was settled in the 2022/23 financial year.
8. The impact was that the capital expenditure programme was restated to \$330.5m.
9. Since then, additional budget adjustment have been identified. These changes either amend the overall total or are timing changes being either deferrals (they will now occur in a later financial year) or brought forward (they are being incurred earlier than planned).
10. Total changes increase the capital budget by \$25.0m, while deferrals and brought forwards increase a further \$31.0m. The impact of these is a restated capital programme for 2023/24 of \$386.5m.
11. A summary table with the revised budget is included in **attachment 1**.

12. Actual capital expenditure for the period ended 30 September 2023 is \$79.4m. The associated actual capital revenue for the same period is \$11.4m.
13. Capital work in progress (WIP) is \$697.3m, within this amount is \$165.0m 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 has been made and is reflected in the Operating result for the period ended 30 September 2023.
14. While the outstanding number is material this reflects the size of the Councils Capital programme. The value of assets capitalised in the first 3 months total \$51.8m. In addition there is a further \$45.8m that is in process. Staff are aiming to substantially reduce the outstanding balance through this financial year.
15. There have been no new HIF drawdowns since the last report therefore the total value remains at \$129.1m from the Housing Infrastructure Fund (HIF). The next drawdown is for the quarter ended 30 June 2023; this is expected to be submitted to MHUD late October 2023 with an estimated value of \$9.0m.
16. Four projects are classified as having a risk status, all are orange.
17. Each individual project and risk are listed in paragraphs 47-55.
18. Current economic conditions continue to be dynamic and as such staff are actively monitoring. Any adverse financial impacts on the Capital programme will be reported through to the Finance and Monitoring Committee.
19. The Peacocke programme remains highest portfolio cost risk due to the scale of the programme and the term of the programme. In response to this risk Council approved a budget increase of \$19.6m to restore project contingency (7th September 2023).
20. 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

21. **Attachment 1** a summary schedule of the budget changes throughout the year. It lists the type of budget change for both expenditure and revenue. The schedule tracks the changes from the approved budget through to the changes being reported to this committee meeting.
22. **Attachment 2** 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 28.
23. **Attachment 3** contains a full schedule of the capital revenue budgets. This schedule mirrors the project detail in **Attachment 2**. This detail relates to the summary table in paragraph 28.
24. The normal Programme sheets have not been included due to staff involvement with preparing the draft 2024-34 LTP. The programme sheets will be included in the next report. Noting we are still including projects risks within this report.

Capital Expenditure and Revenue Forecasts

25. The capital forecast refers to approved changes that are made to the Approved Budget. The Capital Budget that was approved in the Approved 2023-24 Annual Plan was, expenditure of \$352.0m and associated revenue \$81.2m.

26. In addition to the approved Annual Plan the final deferrals from the previous financial year (2022-23) have been included. These deferrals/brought forwards were unable to be confirmed before the 2023/24 Annual Plan was approved. They are included in the summary table below as Opening Deferrals & b/fwds (para 28).

Current Year Changes

27. The changes included here have been incorporated into the Financial Strategy results through the Financial Performance and Strategy Reports to Committee to allow the impact to be understood.
28. The following table summarises the budget changes. It starts with the approved 2023-24 Annual Plan and the opening deferrals and brought forwards, and then shows the reported changes along with the value of deferrals and brought forwards. A full summary table can be found in **Attachment 1**.

Summary Table	Expenditure	Revenue
Opening Budget as at 1 July 2023	351,964	(81,155)
Opening Deferrals & b/fwds	(21,484)	2,677
Current Year Changes		
+/- Deferrals & b/fwds	30,958	(5,354)
+/- Approved Changes and Savings	25,010	0
Forecast Budget as at 30 September 2023	386,448	(83,832)

29. A detailed schedule of the expenditure and the revenue can be found in **Attachment 2 and 3**.

Capital Expenditure Actual

30. The actual capital expenditure for the period ended 30 September 2023 is \$79.4m. The comparative amount from the same period last year is \$62.7m.

Capital Revenue Actual

31. Capital revenue provides a significant revenue stream for Council, the 2022/23 Annual Plan target is \$81.2m.
32. Capital revenue is broadly categorised into two sources, Waka Kotahi (previously NZTA) subsidies and other Capital Contributions. Examples of other are, contributions received towards network connections, Government Grants and Multi Party funding agreement like the Ruakura Spine Road.
33. The actual capital revenue for the period ended 30 September 2023 is \$11.4m. The comparative amount from the previous year is \$17.9m.
34. The following table provides further detail on the revenue breakdown.

Breakdown of Capital Revenue As at 30 September 2023 (000's)

	Actual	Annual Plan	Annual Forecast
NZTA Capital Subsidy	6,946	29,442	29,442
NZTA Renewal Subsidy	1,173	7,921	7,921
Contributions and Grants	3,311	43,792	43,792
	11,430	81,155	81,155

Capital Deferrals and Brought Forwards for 2023/24

35. Deferrals and brought forwards are changes to the timing of when a project is undertaken. They do not alter the value of the project.
36. The net value between deferrals and brought forwards is an increase of \$31.0m to the 2023/24 programme. The net comprises:
 - i. Less Deferrals moving out to the 2024/25 financial year \$5.7m; and
 - ii. Plus Brought forward from the 2024/25 financial year \$36.7m.
37. The low value of deferrals is a reflection that the report is only for the first 3 months of the year and deferrals are reported once there is high degree of certainty. As the year progress and there is a higher degree of certainty the deferral value is likely to increase.
38. The high value in brought forwards reflects a number of projects that had previously been deferred out but have now progressed to the delivery stage and will be completed in the current financial year.

Capital Changes

39. Since the beginning of the 2023/24 financial year \$ 25.0m has been added to the programme. This is largely two material items.
 - i. Increase of \$19.6m to restore the Peacocke programme contingency. This was approved by Council 7 September 2023; and
 - ii. Increase of \$4.9m, land purchase in Rotokauri. Approved Council 7 September 2023.
40. A full list can be found in Attachment 2 for Capital Expenditure and in Attachment 3 for Capital Revenue.

Work in Progress (WIP)

41. The total value of WIP for the 3 months ended 30 September 2023 is \$697.3m, inclusive of vested assets.
42. The breakdown by status is:
 - i. Current – \$499.3m (71.6%): this is legitimate WIP and reflects the assets that cannot be capitalised until they are complete and in use; and
 - ii. Outstanding – \$198.0m (28.4%): 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.
43. Since the start of the financial year, \$51.8m has been capitalised representing a significant value, along with another \$45.8m that is complete but is yet to be processed.
44. The direct financial impact from delays in asset capitalisation is the depreciation expense is understated. To ensure that we do not understate the expense and report a more favourable position, an assessment of the depreciation value has been made and recorded as an expense on the Statement of Comprehensive Revenue and Expense.

HIF Drawdowns

45. The total HIF Loan Facility that was agreed to with central government on 1 August 2018 is valued at \$180.3m. As at 30 June 2023, 20 drawdowns have been made with a total value of \$129.1m. This represents 71.6% of the total available facility. The next drawdown is for quarter ended 30 June 2023, this is expected to be submitted to MHUD late October 2023, it has a value of \$9.0M.

46. As per the Facility Agreement the \$180.3m is a 10-year interest free loan. However, each individual drawdown represents a separate loan agreement with the interest free period starting from the date Council receives the funding.

Project Risks

47. Projects are reviewed for Risks monthly by the Project Managers. Risks are either Orange – considered significant and is being monitored and managed by staff or Red is considered significant and will require a Council decision.
48. Project risks would usually form part of the Programme Summary sheets, however in this report the Programme Summary sheets are not included due to staff being focussed on the draft 2024-34 LTP.
49. Four projects are classified as orange,
- Peacocke; Wairere Drive Extension including Bridge and Whatukooruru Drive – Orange
50. The Peacocke programme is the highest portfolio cost risk due to the scale of the programme and the term of the programme spanning the most difficult period from 2020 which has included Covid lockdowns, extreme market conditions, escalation cost linked to market specific indices that have been running much higher than general inflation and adverse weather events. This risk was previously Red due to financial factors. Council approved additional budget 7 September 2023 to restore project contingency. This project will remain Orange to recognise both scale and term.

Peacocke; Wastewater Strategic Infrastructure – Orange

51. This is substantially a time risk as the project is about to enter into the commissioning stage.

Rototuna; Rototuna Village Infrastructure – Orange

52. The orange status relates solely to the Turakina Rise to Bourn Brook extension which continues to be delayed due to consenting issues associated with the compliance with the National Policy Statement (NPS) on Fresh Water which was introduced after all the initial planning work was undertaken.
53. An update on this issue will be provided to the 9 November 2023 Infrastructure and Transport Committee

Transport Centre Upgrade – Orange

54. The project scope is being reviewed and a report will be presented to the Infrastructure and Transport Committee 9 November 2023.

Portfolio Risks

Cost Escalation

55. While provision has been made for cost escalation within the 2023/24 Annual Plan, the risk remains that economic conditions continue to be challenging. Staff continue to actively monitor the environment and will report back the Committee through the Risk section of this report equally if the need for additional budget is required to ensure project delivery, then this will be specifically reported on to ensure the financial strategy impacts are fully understood.

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

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

57. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

58. 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').
59. 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.
60. The recommendations set out in this report are consistent with that purpose.

Social

61. 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

62. Delivery of our capital works portfolio delivers significant economic benefits to Hamilton and the surrounding districts. In the past year over \$250m have been injected in the Hamilton economy. While no hard data is available there is acceptance that a substantial portion of this amount has been invested in local community thereby supporting business and employment.
63. Given the Capital programme approved in the 2021-31 LTP totals \$2.5 billion, staff will undertake more detail economic modelling to understand better the economic benefits and report back to this Finance Committee, this modelling has not yet been done.

Environmental

64. Across the capital portfolio, environmental consideration is integrated throughout the project life cycle, including through design, procurement, and construction.
65. 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.
66. 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

67. 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 regarding alignment with objectives of the Waikato Tainui Environmental Plan – Tai Tumu Tai Pari Tai Ao.

Risks - *Tuuraru*

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

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

Significance

69. 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

70. Community views and preference are already known to the Council through the 2021-31 Long Term Plan.
71. Given the low level of significance determined, the engagement level is low, and no further engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Summary Capital Budget 2023/24

Attachment 2 – Capital Expenditure as at 30 September 2023

Attachment 3 - Capital Revenue as at 30 September 2023

Summary of Changes to the Capital Budget
for the 2023-24 Financial Year

Finance Committee Meeting Date	Annual Plan 23/24	As at 1 Jul	As at 30 Sep	2023/24
Expenditure in 000's				Total
Approved Budget	351,964	351,964	330,479	351,964
Deferrals & b/fwds		-21,484	30,958	9,474
Approved Changes and Savings		0	25,010	25,010
Closing Expenditure Budget (Forecast)	351,964	330,479	386,448	386,448
Revenue in 000's				Total
Approved Budget	(81,155)	(81,155)	(78,478)	(81,155)
Deferrals & b/fwds		2,677	(3,967)	(2,677)
Approved Changes and Savings		0	0	0
Closing Revenue Budget (Forecast)	(81,155)	(78,478)	(82,445)	(83,832)

Capital Expenditure

As at 30 September 2023

CE Code	Type	Annual Plan 23/24	Final 22/23 Deferrals	Revised Budget as at 1 July 2023	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 30 September 2023
Community Services								
CE10001 - Aquatic facilities building renewals	R	\$1,680,132	(\$152,780)	\$1,527,352	\$0	\$0	\$0	\$1,527,352
CE10005 - Libraries collection purchases	R	\$1,110,696	(\$451,275)	\$659,421	\$0	\$0	\$0	\$659,421
CE10006 - Library operational renewals	R	\$397,506	\$81,713	\$479,218	\$0	\$0	\$0	\$479,218
CE10007 - Library building renewals	R	\$1,843,726	(\$41,102)	\$1,802,624	\$0	\$0	(\$16,304)	\$1,786,320
CE19017 - Rototuna community facilities	G	\$4,558,356	(\$715,185)	\$3,843,172	\$0	\$0	(\$846,350)	\$2,996,822
CE21005 - Aquatic facilities renewals	R	\$2,108,181	(\$658,847)	\$1,449,334	\$0	\$0	\$0	\$1,449,334
CE21044 - Libraries development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21046 - Aquatic facilities development	LOS	\$0	\$326,251	\$326,251	\$0	\$0	\$0	\$326,251
Total Community Services		\$11,698,597	(\$1,611,226)	\$10,087,372	\$0	\$0	(\$862,654)	\$9,224,718
Overhead and support unit capital projects								
CE10151 - Strategic property renewals	R	\$171,537	\$52,140	\$223,676	\$0	\$0	\$0	\$223,676
CE10158 - Fleet vehicles renewals	R	\$1,601,898	(\$47,617)	\$1,554,281	\$0	\$0	\$0	\$1,554,281
CE21014 - Corporate building renewals	R	\$3,263,575	(\$1,180,564)	\$2,083,011	\$0	\$0	\$0	\$2,083,011
CE21025 - Information Services renewals	R	\$87,945	(\$87,945)	\$0	\$0	\$0	\$0	\$0
CE21026 - Information Services upgrades	LOS	\$3,539,847	\$1,219,944	\$4,759,792	\$0	\$0	\$0	\$4,759,792
Total Overhead and support unit capital projects		\$8,664,801	(\$44,042)	\$8,620,760	\$0	\$0	\$0	\$8,620,760
Parks and Recreation								
CE10021 - Cemetery and crematorium building renewals	R	\$5,504	\$325,722	\$331,226	\$0	\$0	(\$18,000)	\$313,226
CE10030 - Parks and recreation building renewals	R	\$2,402,113	(\$325,033)	\$2,077,080	\$0	\$0	\$0	\$2,077,080
CE17004 - River plan	LOS	\$5,161,030	\$125,433	\$5,286,463	(\$3,750,000)	\$0	\$0	\$1,536,463
CE19007 - Peacocke parks development	G	\$19,940,517	(\$16,709,182)	\$3,231,335	\$0	\$0	\$0	\$3,231,335
CE19009 - Rototuna parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19070 - Community facilities building renewals	R	\$1,655,257	(\$308,205)	\$1,347,051	(\$0)	\$0	(\$444,732)	\$902,319
CE21001 - Nursery renewals	R	\$168,708	\$175,363	\$344,072	\$0	\$0	\$0	\$344,072
CE21003 - Parks and recreation renewals	R	\$8,178,143	(\$923,505)	\$7,254,638	\$0	\$0	\$20,000	\$7,274,638
CE21004 - Cemeteries and crematorium renewals	R	\$74,853	\$25,337	\$100,190	\$0	\$0	\$0	\$100,190
CE21006 - Nature in the city gully restoration and development	LOS	\$1,744,243	\$93,203	\$1,837,446	\$0	\$0	(\$1,003,138)	\$834,308
CE21007 - Cemeteries and crematorium development	G	\$332,438	(\$326,428)	\$6,010	\$0	\$0	\$18,000	\$24,010
CE21008 - Indoor recreation development	LOS	\$1,000,000	\$200,069	\$1,200,069	\$0	\$0	\$379,354	\$1,579,423
CE21010 - Parks and recreation development	LOS	\$5,359,499	(\$1,197,573)	\$4,161,926	\$4,800,000	\$0	(\$20,000)	\$8,941,926
Total Parks and Recreation		\$46,022,305	(\$18,844,799)	\$27,177,506	\$1,050,000	\$0	(\$1,068,516)	\$27,158,989
Rubbish and Recycling								
CE10054 - Closed landfill assets renewals	R	\$230,064	\$112,227	\$342,292	\$0	\$0	\$0	\$342,292
CE10056 - Refuse Transfer Station and Hamilton Organics Centre asset renewals	R	\$127,148	(\$88,918)	\$38,230	\$0	\$0	\$0	\$38,230
CE15055 - Closed landfill management	LOS	\$77,055	\$18,422	\$95,477	\$0	\$0	\$0	\$95,477
CE19027 - Refuse drop off points	LOS	\$0	\$43,300	\$43,300	\$0	\$0	\$0	\$43,300
Total Rubbish and Recycling		\$434,267	\$85,032	\$519,299	\$0	\$0	\$0	\$519,299

Item 7

Attachment 2

Capital Expenditure

As at 30 September 2023

CE Code	Type	Annual Plan 23/24	Final 22/23 Deferrals	Revised Budget as at 1 July 2023	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 30 September 2023
Safety								
CE21013 - Animal control building renewals	R	\$0	\$11,537	\$11,537	\$0	\$0	\$16,304	\$27,841
CE21015 - City safe renewals	R	\$117,783	(\$117,783)	\$0	\$0	\$0	\$0	\$0
CE21016 - City safe upgrades	LOS	\$107,877	(\$107,877)	\$0	\$0	\$0	\$0	\$0
Total Safety		\$225,661	(\$214,124)	\$11,537	\$0	\$0	\$16,304	\$27,841
Stormwater								
CE10058 - Stormwater asset renewals	R	\$1,005,803	(\$262,604)	\$743,199	\$0	\$0	\$0	\$743,199
CE15059 - Rototuna stormwater infrastructure	G	\$552,241	(\$62,324)	\$489,916	\$0	\$0	\$0	\$489,916
CE15060 - Rotokauri stormwater infrastructure stage 1	G	\$3,405,612	(\$1,081,755)	\$2,323,857	\$0	\$0	\$0	\$2,323,857
CE15062 - Peacocke stormwater infrastructure stage 1	G	\$657,490	\$932,025	\$1,589,515	\$0	\$0	\$0	\$1,589,515
CE15063 - Peacocke stormwater infrastructure stage 2	G	\$5,544,036	(\$598,974)	\$4,945,062	\$0	\$0	\$0	\$4,945,062
CE15067 - Comprehensive stormwater consent implementation	LOS	\$333,539	(\$12,060)	\$321,479	\$0	\$0	\$0	\$321,479
CE15068 - Stormwater customer connections	G	\$526,523	\$279,262	\$805,785	\$0	\$0	\$0	\$805,785
CE15162 - Integrated Catchment Management Plan	G	\$793,706	\$275,155	\$1,068,861	\$0	\$0	\$0	\$1,068,861
CE19026 - Erosion control works	LOS	\$1,840,757	\$7,202	\$1,847,958	\$0	\$0	\$0	\$1,847,958
CE21031 - Flood management	LOS	\$354,784	\$0	\$354,784	\$0	\$0	\$0	\$354,784
CE21032 - Stormwater infrastructure upgrades	G	\$96,756	\$309,625	\$406,381	\$0	\$0	\$0	\$406,381
CE21062 - Stormwater asset upgrades	LOS	\$105,675	\$138,009	\$243,684	\$0	\$0	\$0	\$243,684
CE21066 - Ruakura stormwater infrastructure	G	\$700,000	\$130,258	\$830,258	\$0	\$0	\$0	\$830,258
CE21068 - Water Stimulus – Stormwater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23003 - IAF	G	\$125,000	(\$628)	\$124,372	\$0	\$0	\$0	\$124,372
Total Stormwater		\$16,041,921	\$53,191	\$16,095,112	\$0	\$0	\$0	\$16,095,112
Transport								
CE10070 - Parking enforcement renewals	R	\$559,493	\$201,474	\$760,968	\$0	\$0	\$0	\$760,968
CE10072 - Footpath and street furniture renewals	R	\$5,506,078	(\$2,535,308)	\$2,970,770	\$0	\$0	\$0	\$2,970,770
CE10074 - Drainage (kerb and channel) renewals	R	\$2,884,067	\$1,757,425	\$4,641,492	\$0	\$0	\$0	\$4,641,492
CE10075 - Road base Renewals	R	\$3,996,967	(\$241,569)	\$3,755,398	\$2,600,000	\$0	\$5,000,000	\$11,355,398
CE10076 - Road resurfacing	R	\$5,695,725	(\$1,810,808)	\$3,884,917	\$0	\$0	\$0	\$3,884,917
CE10077 - Bridge and structures renewals	R	\$127,053	\$19,902	\$146,955	\$0	\$0	\$0	\$146,955
CE10078 - Retaining wall and structures renewals	R	\$275,197	\$356,538	\$631,735	\$0	\$0	\$0	\$631,735
CE10080 - Street lighting renewals	R	\$449,122	(\$449,122)	\$0	\$0	\$0	\$0	\$0
CE10081 - Traffic equipment renewals	R	\$1,036,942	(\$532,459)	\$504,483	\$0	\$0	\$0	\$504,483
CE15087 - Transportation upgrades to allow for development	G	\$241,633	\$446,595	\$688,228	\$0	\$0	\$0	\$688,228
CE15088 - Peacocke transport upgrades and development stage 1	G	\$2,888,454	\$2,012,090	\$4,900,543	\$0	\$0	\$0	\$4,900,543
CE15089 - Peacocke transport upgrades and development stage 2	G	\$33,737,410	(\$1,917,010)	\$31,820,400	\$0	\$19,600,000	\$0	\$51,420,400
CE15090 - Rotokauri transport upgrades and development	G	\$717,605	(\$184,473)	\$533,132	\$440,400	\$4,910,200	\$0	\$5,883,732
CE15092 - Rototuna transport upgrades and development	G	\$16,814,992	\$3,362,801	\$20,177,793	\$0	\$0	\$846,350	\$21,024,143
CE15093 - Ruakura transport upgrades and development	G	\$1,550,320	(\$1,289,512)	\$260,808	\$0	\$0	\$0	\$260,808
CE15096 - Cross city connector	G	\$311,905	\$160,243	\$472,148	\$0	\$0	\$0	\$472,148
CE15097 - Northern city crossing	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19036 - Ring Road	G	\$0	\$1,485,238	\$1,485,238	\$0	\$500,000	\$0	\$1,985,238

Capital Expenditure
As at 30 September 2023

CE Code	Type	Annual Plan 23/24	Final 22/23 Deferrals	Revised Budget as at 1 July 2023	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 30 September 2023
CE19037 - Hamilton transport model	G	\$963,216	\$673,503	\$1,636,718	\$0	\$0	\$0	\$1,636,718
CE19052 - Intersection upgrades	LOS	\$0	\$1,800,959	\$1,800,959	\$0	\$0	\$0	\$1,800,959
CE19055 - Upgrade city directional signage	R	\$550,394	\$0	\$550,394	\$0	\$0	\$0	\$550,394
CE19057 - Biking plan implementation	G	\$13,480,807	\$444,607	\$13,925,415	\$0	\$0	(\$88,000)	\$13,837,415
CE19058 - Public Transport Mode Shift	G	\$1,430,000	(\$87,505)	\$1,342,495	\$0	\$0	\$170,000	\$1,512,495
CE19062 - Bridge resilience programme	LOS	\$396,712	\$88,566	\$485,278	\$0	\$0	\$0	\$485,278
CE19064 - Transport Centre rejuvenation	LOS	\$772,920	(\$90,297)	\$682,623	\$0	\$0	\$0	\$682,623
CE21012 - Transport building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21052 - Peacocke transportation land	G	\$7,144,832	(\$329,392)	\$6,815,440	\$0	\$0	\$0	\$6,815,440
CE21053 - Central city transportation improvements	LOS	\$980,000	\$44,775	\$1,024,775	(\$900,000)	\$0	\$0	\$124,775
CE21055 - Te Rapa transportation upgrades and development	G	\$948,575	(\$2,703)	\$945,873	\$0	\$0	\$0	\$945,873
CE21057 - Ferrybank walking and cycling bridge	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21058 - Transportation safety improvements	LOS	\$17,939,378	(\$6,233,638)	\$11,705,740	\$7,950,000	\$0	\$0	\$19,655,740
CE21059 - Transportation smart improvements	LOS	\$300,000	(\$84,116)	\$215,884	\$0	\$0	\$0	\$215,884
CE21060 - Public transport improvement	LOS	\$4,600,548	(\$302,929)	\$4,297,619	\$0	\$0	\$0	\$4,297,619
CE23001 - CERF	LOS	\$31,550,000	(\$658,394)	\$30,891,606	\$0	\$0	(\$82,000)	\$30,809,606
CE23005 - IAF	G	\$312,500	(\$87,712)	\$224,788	\$0	\$0	\$0	\$224,788
Total Transport		\$158,162,846	(\$3,982,230)	\$154,180,616	\$10,090,400	\$25,010,200	\$5,846,350	\$195,127,566
Venues Tourism and Major Events								
CE21011 - VTME building renewals	R	\$739,494	(\$74,946)	\$664,547	\$0	\$0	\$0	\$664,547
CE21041 - VTME security and health and safety programmes	LOS	\$834,643	\$31,848	\$866,490	\$0	\$0	\$0	\$866,490
CE21042 - VTME operational renewals	R	\$3,628,801	(\$260,892)	\$3,367,909	\$0	\$0	\$0	\$3,367,909
Total Venues Tourism and Major Events		\$5,202,938	(\$303,990)	\$4,898,947	\$0	\$0	\$0	\$4,898,947
Visitor Destinations								
CE10008 - Museum operational renewals	R	\$99,071	\$109,424	\$208,495	\$0	\$0	\$0	\$208,495
CE10011 - Museum building renewals	R	\$2,358,119	(\$138,169)	\$2,219,950	\$0	\$0	\$65,378	\$2,285,328
CE10017 - Hamilton Zoo building renewals	R	\$1,843,900	(\$303,136)	\$1,540,765	\$0	\$0	\$0	\$1,540,765
CE10026 - Hamilton Gardens renewals	R	\$23,116	\$10,309	\$33,425	\$0	\$0	\$0	\$33,425
CE10028 - Hamilton Gardens building renewals	R	\$44,067	\$0	\$44,067	\$889,900	\$0	(\$889,900)	\$44,067
CE19023 - Hamilton Gardens development	LOS	\$6,194,638	(\$334,695)	\$5,859,942	\$3,500,000	\$0	\$2,489,900	\$11,849,842
CE19028 - Collection acquisition fund	LOS	\$82,038	(\$28,631)	\$53,407	\$0	\$0	\$0	\$53,407
CE21002 - Hamilton Zoo operational renewals	R	\$1,467,246	\$91,048	\$1,558,294	\$1,600,000	\$0	(\$1,600,000)	\$1,558,294
CE21043 - Hamilton Zoo and Waiwhakareke development	LOS	\$455,662	\$238,090	\$693,751	\$1,300,000	\$0	\$1,003,138	\$2,996,889
CE21045 - Museum development	LOS	\$699,306	\$2,821	\$702,127	\$2,250,000	\$0	\$0	\$2,952,127
CE21047 - Hamilton Gardens themed gardens	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Visitor Destinations		\$13,267,162	(\$352,939)	\$12,914,223	\$9,539,900	\$0	\$1,068,516	\$23,522,639
Wastewater								
CE10100 - Wastewater pump station asset renewals	R	\$839,902	\$76,503	\$916,405	\$0	\$0	\$0	\$916,405
CE10101 - Wastewater asset renewals	R	\$5,166,007	(\$484,913)	\$4,681,094	\$0	\$0	(\$1,500,000)	\$3,181,094
CE10115 - Wastewater treatment plant asset renewals	R	\$2,515,658	(\$293,270)	\$2,222,388	\$4,400,000	\$0	(\$4,400,000)	\$2,222,388

Item 7

Attachment 2

Capital Expenditure

As at 30 September 2023

CE Code	Type	Annual Plan 23/24	Final 22/23 Deferrals	Revised Budget as at 1 July 2023	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 30 September 2023
CE15103 - Wastewater network improvements	LOS	\$806,051	\$72,218	\$878,269	\$3,500,000	\$0	\$1,500,000	\$5,878,269
CE15104 - Wastewater pipe upgrades	G	\$0	\$22,251	\$22,251	\$0	\$0	\$0	\$22,251
CE15105 - Rototuna wastewater infrastructure	G	\$1,106,301	\$0	\$1,106,301	\$0	\$0	\$0	\$1,106,301
CE15106 - Wastewater network upgrades to allow development	G	\$318,270	(\$57,367)	\$260,903	\$0	\$0	\$0	\$260,903
CE15107 - Rotokauri wastewater infrastructure	G	\$238,703	\$98,737	\$337,440	\$0	\$0	\$0	\$337,440
CE15109 - Peacocke wastewater infrastructure stage 1	G	\$179,027	\$0	\$179,027	\$0	\$0	\$0	\$179,027
CE15111 - Increase capacity of wastewater network	G	\$1,962,176	(\$326,577)	\$1,635,599	\$750,000	\$0	\$0	\$2,385,599
CE15113 - Peacocke wastewater strategic pump station	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15117 - Upgrade wastewater treatment plant	G	\$10,037,854	\$4,759,755	\$14,797,609	\$0	\$0	\$0	\$14,797,609
CE15120 - Wastewater treatment plant compliance	LOS	\$3,205,262	(\$379,013)	\$2,826,249	\$0	\$0	\$0	\$2,826,249
CE15121 - Wastewater customer connections to network	G	\$2,079,568	(\$351,031)	\$1,728,537	\$0	\$0	\$0	\$1,728,537
CE15160 - Wastewater model	R	\$0	\$30,871	\$30,871	\$0	\$0	\$0	\$30,871
CE15161 - Wastewater master plan	G	\$121,270	\$67,807	\$189,077	\$0	\$0	\$0	\$189,077
CE19040 - Peacocke wastewater infrastructure stage 2	G	\$10,761,522	(\$1,261,793)	\$9,499,729	\$0	\$0	\$0	\$9,499,729
CE19041 - Increase capacity wastewater far east network	G	\$2,264,000	\$4,802	\$2,268,802	\$0	\$0	\$0	\$2,268,802
CE19042 - Peacocke wastewater south network	G	\$6,715,000	\$3,712,829	\$10,427,829	\$0	\$0	\$0	\$10,427,829
CE19043 - Increase capacity wastewater west network	G	\$5,718,751	(\$87,903)	\$5,630,848	\$0	\$0	\$0	\$5,630,848
CE19044 - Increase capacity wastewater east network	G	\$332,354	\$615,398	\$947,752	\$1,028,000	\$0	\$0	\$1,975,752
CE21073 - Subregional wastewater treatment plant	G	\$1,156,913	\$424,799	\$1,581,712	\$0	\$0	\$0	\$1,581,712
CE21076 - Water Stimulus – Wastewater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23004 - IAF	G	\$125,000	\$3,287	\$128,287	\$0	\$0	\$0	\$128,287
Total Wastewater		\$55,649,588	\$6,647,389	\$62,296,977	\$9,678,000	\$0	(\$4,400,000)	\$67,574,977
Water Supply								
CE10123 - Watermain renewals	R	\$6,954,916	(\$1,693,380)	\$5,261,536	\$0	\$0	\$0	\$5,261,536
CE10124 - Watermain valves and hydrants renewals	R	\$252,951	(\$49,315)	\$203,636	\$600,000	\$0	(\$600,000)	\$203,636
CE10138 - Treatment plant and reservoir renewals	R	\$1,200,083	(\$622,066)	\$578,017	\$0	\$0	\$0	\$578,017
CE10145 - Tools of trade renewals	R	\$45,132	(\$29,736)	\$15,396	\$0	\$0	\$0	\$15,396
CE15126 - Rototuna upgrade or new watermain	G	\$1,967,944	\$0	\$1,967,944	\$0	\$0	\$0	\$1,967,944
CE15127 - Water pipe upgrades	G	\$700,000	\$0	\$700,000	\$0	\$0	\$0	\$700,000
CE15128 - Rotokauri upgrade and new watermain stage 1	G	(\$0)	\$61,219	\$61,219	\$0	\$0	\$0	\$61,219
CE15130 - Peacocke watermain stage 1	G	\$103,438	\$0	\$103,438	\$0	\$0	\$0	\$103,438
CE15132 - Water network upgrades to allow new development	G	\$2,541,233	\$671,579	\$3,212,812	\$0	\$0	\$0	\$3,212,812
CE15133 - Water network improvements	LOS	\$509,251	(\$120,763)	\$388,488	\$0	\$0	\$0	\$388,488
CE15134 - Water demand management - Pukete reservoir zone	G	\$300,000	\$73,737	\$373,737	\$0	\$0	\$0	\$373,737
CE15135 - Peacocke water distribution mains stage 1	G	\$0	\$99,227	\$99,227	\$0	\$0	\$0	\$99,227
CE15137 - Water demand management - Newcastle reservoir zone	G	\$3,495,162	(\$1,223,827)	\$2,271,335	\$0	\$0	\$0	\$2,271,335
CE15139 - Water treatment plant compliance - minor upgrades	LOS	\$1,872,010	\$240,745	\$2,112,756	\$0	\$0	\$0	\$2,112,756
CE15141 - Water demand management - Hillcrest reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15144 - Upgrade water treatment plant	G	\$12,404,624	(\$695,848)	\$11,708,776	\$0	\$0	\$0	\$11,708,776
CE15146 - Water customer connections	G	\$2,053,045	\$983,602	\$3,036,647	\$0	\$0	\$0	\$3,036,647
CE15148 - Ruakura upgrade and new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15158 - Water model	R	\$218,938	\$118,401	\$337,339	\$0	\$0	\$0	\$337,339
CE15159 - Water master plan	G	\$183,000	\$612	\$183,612	\$0	\$0	\$0	\$183,612
CE19045 - Ruakura reservoir and associate bulk mains	G	\$76,519	\$24,213	\$100,732	\$0	\$0	\$0	\$100,732

Capital Expenditure
As at 30 September 2023

CE Code	Type	Annual Plan 23/24	Final 22/23 Deferrals	Revised Budget as at 1 July 2023	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 30 September 2023
CE19046 - Peacocke watermain stage 2	G	\$1,527,672	(\$673,417)	\$854,255	\$0	\$0	\$0	\$854,255
CE21036 - Rotokauri upgrade and new watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21039 - Water Stimulus – Water Supply	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23002 - IAF	G	\$187,500	(\$81,700)	\$105,800	\$0	\$0	\$0	\$105,800
Total Water Supply		\$36,593,418	(\$2,916,716)	\$33,676,702	\$600,000	\$0	(\$600,000)	\$33,676,702
Grand Total - Capital Program		\$351,963,504	(\$21,484,453)	\$330,479,051	\$30,958,300	\$25,010,200	\$0	\$386,447,551

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Attachment 2

Capital Revenue

As at 30 September 2023

CE Code	Type	Annual Plan 22/23		Revised Budget as at 1 July 2022	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 31 January 2023
Community Services								
CE10001 - Aquatic facilities building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10005 - Libraries collection purchases	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10006 - Library operational renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10007 - Library building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19017 - Rototuna community facilities	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21005 - Aquatic facilities renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21044 - Libraries development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21046 - Aquatic facilities development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Community Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Overhead and support unit capital projects								
CE10151 - Strategic property renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10158 - Fleet vehicles renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21014 - Corporate building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21025 - Information Services renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21026 - Information Services upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Overhead and support unit capital projects		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parks and Recreation								
CE10021 - Cemetery and crematorium building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10030 - Parks and recreation building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE17004 - River plan	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19007 - Peacocke parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19009 - Rototuna parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19070 - Community facilities building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21001 - Nursery renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21003 - Parks and recreation renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21004 - Cemeteries and crematorium renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21006 - Nature in the city gully restoration and development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21007 - Cemeteries and crematorium development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21008 - Indoor recreation development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21010 - Parks and recreation development	LOS	(\$2,708,918)	\$0	(\$2,708,918)	\$0	\$0	\$0	(\$2,708,918)
Total Parks and Recreation		(\$2,708,918)	\$0	(\$2,708,918)	\$0	\$0	\$0	(\$2,708,918)
Rubbish and Recycling								
CE10054 - Closed landfill assets renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10056 - Refuse Transfer Station and Hamilton Organics Centre asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15055 - Closed landfill management	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19027 - Refuse drop off points	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Rubbish and Recycling		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Revenue
As at 30 September 2023

CE Code	Type	Annual Plan 22/23		Revised Budget as at 1 July 2022	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 31 January 2023
Safety								
CE21013 - Animal control building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21015 - City safe renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21016 - City safe upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Safety		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stormwater								
CE10058 - Stormwater asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15059 - Rototuna stormwater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15060 - Rotokauri stormwater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15062 - Peacocke stormwater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15063 - Peacocke stormwater infrastructure stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15067 - Comprehensive stormwater consent implementation	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15068 - Stormwater customer connections	G	(\$526,523)	\$82,759	(\$443,763)	\$0	\$0	\$0	(\$443,763)
CE15162 - Integrated Catchment Management Plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19026 - Erosion control works	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21031 - Flood management	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21032 - Stormwater infrastructure upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21062 - Stormwater asset upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21066 - Ruakura stormwater infrastructure	G	(\$1,500,000)	(\$95,010)	(\$1,595,010)	\$0	\$0	\$0	(\$1,595,010)
CE21068 - Water Stimulus – Stormwater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23003 - IAF	G	(\$125,000)	(\$6,000)	(\$131,000)	\$0	\$0	\$0	(\$131,000)
Total Stormwater		(\$2,151,523)	(\$18,251)	(\$2,169,773)	\$0	\$0	\$0	(\$2,169,773)
Transport								
CE10070 - Parking enforcement renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10072 - Footpath and street furniture renewals	R	(\$1,447,162)	\$572,843	(\$874,319)	\$0	\$0	\$0	(\$874,319)
CE10074 - Drainage (kerb and channel) renewals	R	(\$1,264,593)	(\$845,384)	(\$2,109,977)	\$0	\$0	\$0	(\$2,109,977)
CE10075 - Road base Renewals	R	(\$1,746,241)	(\$994,702)	(\$2,740,943)	\$0	\$0	\$0	(\$2,740,943)
CE10076 - Road resurfacing	R	(\$2,516,839)	(\$469,491)	(\$2,986,330)	\$0	\$0	\$0	(\$2,986,330)
CE10077 - Bridge and structures renewals	R	(\$33,949)	(\$81,839)	(\$115,788)	\$0	\$0	\$0	(\$115,788)
CE10078 - Retaining wall and structures renewals	R	(\$120,943)	(\$155,270)	(\$276,213)	\$0	\$0	\$0	(\$276,213)
CE10080 - Street lighting renewals	R	(\$197,327)	\$197,327	\$0	\$0	\$0	\$0	\$0
CE10081 - Traffic equipment renewals	R	(\$455,126)	(\$60,982)	(\$516,109)	\$194,282	\$0	\$0	(\$321,827)
CE15087 - Transportation upgrades to allow for development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15088 - Peacocke transport upgrades and development stage 1	G	(\$739,500)	(\$993,545)	(\$1,733,045)	\$0	\$0	\$0	(\$1,733,045)
CE15089 - Peacocke transport upgrades and development stage 2	G	(\$12,749,479)	\$7,010,489	(\$5,738,990)	\$0	\$0	\$0	(\$5,738,990)
CE15090 - Rotokauri transport upgrades and development	G	(\$296,717)	\$0	(\$296,717)	\$0	\$0	\$0	(\$296,717)
CE15092 - Rototuna transport upgrades and development	G	(\$4,650,000)	(\$1,120,522)	(\$5,770,522)	\$0	\$0	\$0	(\$5,770,522)
CE15093 - Ruakura transport upgrades and development	G	\$0	(\$4,871,802)	(\$4,871,802)	\$0	\$0	\$0	(\$4,871,802)
CE15096 - Cross city connector	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15097 - Northern city crossing	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19036 - Ring Road	G	\$0	(\$1,277,931)	(\$1,277,931)	\$0	\$0	\$0	(\$1,277,931)
CE19037 - Hamilton transport model	G	(\$59,132)	(\$83,444)	(\$142,576)	\$0	\$0	\$0	(\$142,576)
CE19052 - Intersection upgrades	LOS	(\$153,000)	(\$287,000)	(\$440,000)	\$0	\$0	\$0	(\$440,000)

Capital Revenue
As at 30 September 2023

CE Code	Type	Annual Plan 22/23		Revised Budget as at 1 July 2022	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 31 January 2023
CE19055 - Upgrade city directional signage	R	(\$241,885)	\$0	(\$241,885)	\$0	\$0	\$0	(\$241,885)
CE19057 - Biking plan implementation	G	(\$4,342,835)	\$803,080	(\$3,539,755)	(\$107,330)	\$0	\$0	(\$3,647,085)
CE19058 - Public Transport Mode Shift	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19062 - Bridge resilience programme	LOS	(\$137,674)	(\$7,439)	(\$145,113)	\$0	\$0	\$0	(\$145,113)
CE19064 - Transport Centre rejuvenation	LOS	(\$640,267)	(\$161,745)	(\$802,012)	\$0	\$0	\$0	(\$802,012)
CE21012 - Transport building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21052 - Peacocke transportation land	G	(\$3,494,615)	(\$458,931)	(\$3,953,546)	\$0	\$0	\$0	(\$3,953,546)
CE21053 - Central city transportation improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21055 - Te Rapa transportation upgrades and development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21057 - Ferrybank walking and cycling bridge	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21058 - Transportation safety improvements	LOS	(\$5,049,000)	\$2,782,473	(\$2,266,527)	(\$4,053,500)	\$0	\$0	(\$6,320,027)
CE21059 - Transportation smart improvements	LOS	(\$153,000)	\$61,090	(\$91,910)	\$0	\$0	\$0	(\$91,910)
CE21060 - Public transport improvement	LOS	(\$2,331,685)	\$146,465	(\$2,185,220)	\$0	\$0	\$0	(\$2,185,220)
CE23001 - CERF	LOS	(\$28,716,000)	(\$3,559,871)	(\$32,275,871)	\$0	\$0	\$0	(\$32,275,871)
CE23005 - IAF	G	(\$312,500)	(\$22,000)	(\$334,500)	\$0	\$0	\$0	(\$334,500)
Total Transport		(\$71,849,469)	(\$3,878,131)	(\$75,727,601)	(\$3,966,548)	\$0	\$0	(\$79,694,149)
Venues Tourism and Major Events								
CE21011 - VTME building renewals	R	\$0	(\$36,415)	(\$36,415)	\$0	\$0	\$0	(\$36,415)
CE21041 - VTME security and health and safety programmes	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21042 - VTME operational renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Venues Tourism and Major Events		\$0	(\$36,415)	(\$36,415)	\$0	\$0	\$0	(\$36,415)
Visitor Destinations								
CE10008 - Museum operational renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10011 - Museum building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10017 - Hamilton Zoo building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10026 - Hamilton Gardens renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10028 - Hamilton Gardens building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19023 - Hamilton Gardens development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19028 - Collection acquisition fund	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21002 - Hamilton Zoo operational renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21043 - Hamilton Zoo and Waiwhakareke development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21045 - Museum development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21047 - Hamilton Gardens themed gardens	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Visitor Destinations		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wastewater								
CE10100 - Wastewater pump station asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10101 - Wastewater asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10115 - Wastewater treatment plant asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15103 - Wastewater network improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15104 - Wastewater pipe upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15105 - Rototuna wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Revenue

As at 30 September 2023

CE Code	Type	Annual Plan 22/23		Revised Budget as at 1 July 2022	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 31 January 2023
CE15106 - Wastewater network upgrades to allow development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15107 - Rotokauri wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15109 - Peacocke wastewater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15111 - Increase capacity of wastewater network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15113 - Peacocke wastewater strategic pump station	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15117 - Upgrade wastewater treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15120 - Wastewater treatment plant compliance	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15121 - Wastewater customer connections to network	G	(\$2,079,568)	\$881,536	(\$1,198,031)	\$0	\$0	\$0	(\$1,198,031)
CE15160 - Wastewater model	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15161 - Wastewater master plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19040 - Peacocke wastewater infrastructure stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19041 - Increase capacity wastewater far east network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19042 - Peacocke wastewater south network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19043 - Increase capacity wastewater west network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19044 - Increase capacity wastewater east network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21073 - Subregional wastewater treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21076 - Water Stimulus – Wastewater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23004 - IAF	G	(\$125,000)	(\$7,000)	(\$132,000)	\$0	\$0	\$0	(\$132,000)
Total Wastewater		(\$2,204,568)	\$874,536	(\$1,330,031)	\$0	\$0	\$0	(\$1,330,031)
Water Supply								
CE10123 - Watermain renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10124 - Watermain valves and hydrants renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10138 - Treatment plant and reservoir renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10145 - Tools of trade renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15126 - Rototuna upgrade or new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15127 - Water pipe upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15128 - Rotokauri upgrade and new watermain stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15130 - Peacocke watermain stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15132 - Water network upgrades to allow new development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15133 - Water network improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15134 - Water demand management - Pukete reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15135 - Peacocke water distribution mains stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15137 - Water demand management - Newcastle reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15139 - Water treatment plant compliance - minor upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15141 - Water demand management - Hillcrest reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15144 - Upgrade water treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15146 - Water customer connections	G	(\$2,053,045)	\$396,451	(\$1,656,594)	\$0	\$0	\$0	(\$1,656,594)
CE15148 - Ruakura upgrade and new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15158 - Water model	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15159 - Water master plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19045 - Ruakura reservoir and associate bulk mains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19046 - Peacocke watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21036 - Rotokauri upgrade and new watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21039 - Water Stimulus – Water Supply	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23002 - IAF	G	(\$187,500)	(\$15,000)	(\$202,500)	\$0	\$0	\$0	(\$202,500)

Item 7

Attachment 3

Capital Revenue
As at 30 September 2023

CE Code	Type	Annual Plan 22/23		Revised Budget as at 1 July 2022	Deferrals and B/fwds	Approved Changes and Savings	Movements	Revised Budget as at 31 January 2023
Total Water Supply		(\$2,240,545)	\$381,451	(\$1,859,094)	\$0	\$0	\$0	(\$1,859,094)
Grand Total - Capital Program		(\$81,155,022)	(\$2,676,808)	(\$83,831,831)	(\$3,966,548)	\$0	\$0	(\$87,798,379)

Council Report

Item 8

Committee: Finance and Monitoring Committee

Date: 31 October 2023

Author: Tracey Musty

Authoriser: David Bryant

Position: Finance Director

Position: General Manager Business Services

Report Name: Financial Performance & Strategy Report to 30 September 2023

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

1. To inform the Finance and Monitoring Committee on Council's financial performance and strategy for the period ended 30 September 2023.
2. To seek a recommendation from the Finance and Monitoring 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 and Monitoring Committee:
 - a) receives the report;
 - b) recommends that the Council:
 - i. approves the capital movement as identified in paragraph 29 of the 30 September 2023 Capital Portfolio Monitoring Report;
 - ii. approves the significant forecast adjustments and revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 46 to 51 of the staff report; and
 - iii. approves unbudgeted operational costs of \$192,500 for a by-election following the resignation of Ryan Hamilton.

Executive Summary - *Whakaraapopototanga matua*

4. This report is to be read in conjunction with the 30 September 2023 Capital Portfolio Monitoring Report.

5. The 30 September 2023 financial results are as follows:

Surplus/(Deficit) Result	Actual	Budget	Variance
Accounting Surplus/(Deficit)	\$10.1m	\$7.1m	\$3.0m ✓
Balancing the books	(\$9.8m)	(\$7.2m)	(\$2.6m) ✗

6. **Operating revenue \$2.1m (excluding interest and other revenue) ✓** - NZTA subsidies offset increased Operating & Maintenance costs as the new transport contract kicks into action and fees and charge being above budget by \$0.6m.
7. **Capital revenue \$0.2m ✓** - favourable due to development contributions being higher than budget by \$1.1m and capital revenue being \$0.8m lower than budget.
8. **Other revenue \$0.5m ✓** – driven by the non-cash revaluation of the interest free HIF loan.
9. **Net interest costs (\$0.5m) ✗** - driven by an increase in average interest rates. The unfavourable variance in interest expense is mostly set off by the favourable variance in interest revenue.
10. **Operating expenditure, excluding interest and depreciation (\$1.9m) ✗** - The overspend is predominantly in Operating & Maintenance costs, relating to establishment costs on the new transport contract.
11. The impact of forecasting changes made, since the adoption of the 2021-31 Long Term Plan, is reflected in the Financial Strategy measures:
- debt to revenue is 205% and unfavourable against a budget of 199%;
 - net debt is \$866m and unfavourable against a budget of \$843m; and
 - balancing the books is (\$17m) and tracking against a budget of (\$17m).
12. At 30 September 2023 Council is compliant with counterparty credit limits. Council remains compliant with all other treasury policy measures **Attachment 3**.
13. Council's fixed rate hedging at 30 September 2023 is 56%. Council's external treasury advisors (PWC) review the swap strategy on a monthly basis to ensure Council is well hedged.
14. Council saw a gain of \$6.3m on the revaluation of swaps at 30 September 2023. This is not a cash gain, but rather an accounting/book entry and reflects the market swap rate movement as reflected in **Attachment 3**.
15. Ryan Hamilton, councillor for the East General Ward, resigned his position on 15 October 2023, following his election to Parliament as the Hamilton East MP. Staff are seeking approval of unbudgeted operational costs of \$192,500 for a by-election.
16. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

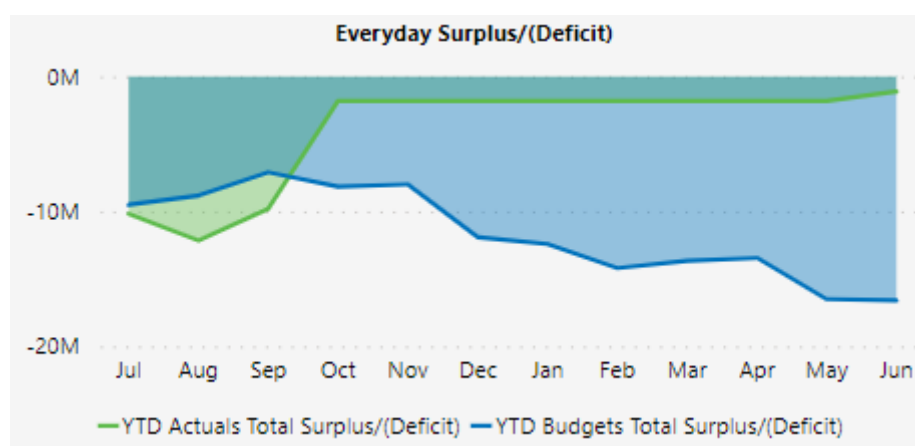
Discussion - *Matapaki*

Operating Results

17. The accounting and balancing the books result for year-to-date 30 September 2023 is:

Surplus/(Deficit) Result	Actual	Budget	Variance
Accounting Surplus/(Deficit)	\$10.1m	\$7.1m	\$3.0m ✓
Balancing the books	(\$9.8m)	(\$7.2m)	(\$2.6m) ✗

18. The graph below shows the cumulative result during the year for the Balancing the Book results.

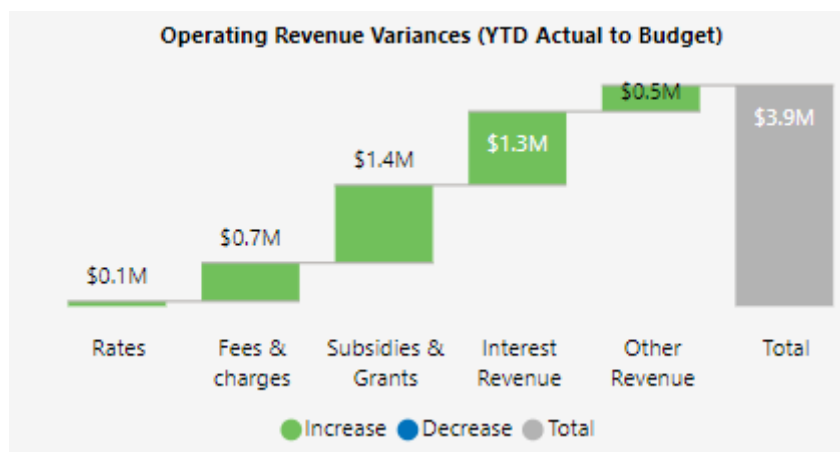


Understanding material variances

19. The Statement of Comprehensive Revenue and Expense is contained in **Attachment 1**.
20. Individual Everyday Revenue and Expense statements for each of Council's activities are contained in **Attachment 2**.
21. Variances presented as a positive number impact the result in a favourable manner. Variances presented in brackets (\$x.xm) impact the result in an unfavourable manner.

Operating Revenue

22. **Total Operating Revenue \$3.9m** ✓

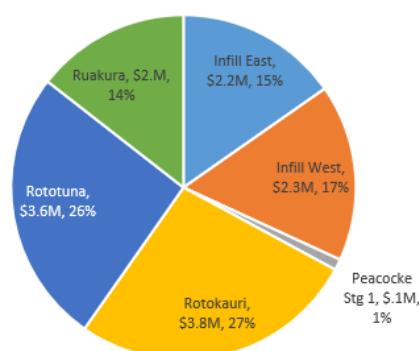


23. **Subsidies & Grants \$1.4m** ✓ – NZTA subsidies are \$0.9m ahead, offsetting additional operating and maintenance costs. The waste levy on class 1 landfills has increased and resulted in a favourable variance for the first quarter of \$0.4m.
24. **Interest revenue \$1.3m** ✓ - Careful treasury monitoring of financial market movements is ensuring that we obtain optimal returns on operational cash holdings and maximising higher market returns on term deposits.
25. Material variance explanations can be found in the activity statements (**Attachment 2**).

Capital Revenue

26. **Total Capital Revenue \$0.2m** ✓.
27. **Development Contributions \$1.1m** ✓ - Development Contributions are tracking above budget. Below is a graph showing income from the different growth cells to date.

Development Contributions Income by Growth Cell



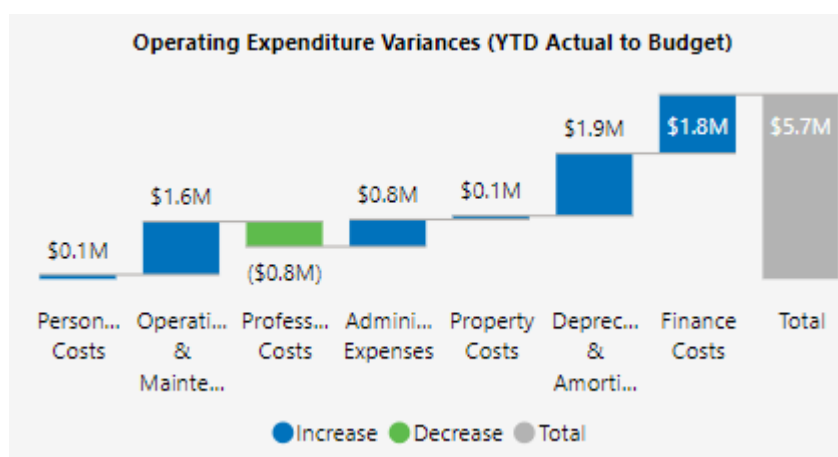
28. **Capital revenue (\$0.8m)** ✗ - Projects attracting Waka Kotahi NZTA capital subsidies have progressed slower than anticipated driving (\$800k) unfavorability.
29. **Capital revenue – Revised budget** – Capital revenue budgets were revised to include a \$2.04m Better-off Funding provision to fund Nature in the City projects. This was omitted during the Annual Plan 23/24 process.
30. **Vested assets (\$0.1m)** ✗ – Timing and valuation of vested assets is difficult to estimate, with the beginning of the financial year having limited vesting activity.

31. 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.

Asset class	YTD Actual \$000	Full Year Annual Budget \$000	Life Range (Years)	Estimated Annual Depreciation \$000
Wastewater	284	3,788	15-100	4
Stormwater	115	5,477	30-100	1
Water Supply	12	2,042	50-80	0
Roading	0	28,056	12-140	0
Parks and Recreation	12	-	10	0
Total	423	39,350		5

Operating Expenditure

32. Total Operating Expenditure (\$5.7m) ✗.



33. **Personnel costs (\$0.1m)** ✗ – Staff remuneration is \$0.5m less than budget due to staff vacancies after adjusting for the budgeted vacancy factor and the annual leave accrual. This is partially offset by (\$0.2m) of external contractors filling staff roles and (\$0.1m) of recruitment costs.
34. **Operating & Maintenance costs (\$1.6m)** ✗ – The overspend is mostly relating to additional spend on the new transport contract additional risk and administration functions. This is partly offset by additional Waka Kotahi subsidies.
35. **Professional Costs \$0.7m** ✓ - Consultant costs in Infrastructure and assets group are general underspend by \$0.7m. This will be spent by year end.
36. **Administration Expenses (\$0.8m)** ✗ - (\$1.7m) of efficiency savings were applied against this category in the YTD budget, however these savings are generally being realised across personnel, operating and maintenance and professional costs resulting in unfavourable variances in administration expenses with offsetting favourability in other categories.
37. **Property Costs (\$0.1m)** ✗ – Higher energy costs (\$0.5m) are being partially offset by \$0.4m of lower insurance costs.

38. **Finance costs (\$1.8m) ✗** - Costs exceed budget due to increased market interest rates with the 12-month rolling average at 4.17% versus a budgeted 3.34%. This is partially offset by the \$1.3m increase in interest revenue generated through strategic treasury management.
39. **Depreciation (\$1.9m) ✗** – The key driver in the unfavorability of depreciation is due to the revaluation of transport assets at 30 June 2023 which were significantly higher than budget resulting in a \$2.1m unfavourable variance to budget, additional depreciation of \$8.3m is expected for the full year.
40. Please refer to the activity statements (**Attachment 2**) for material variance explanations.

Gains and Losses

41. **Financial Instrument revaluations \$6.3m ✓** – interest rate increases are driving up the value of Council's fixed rate borrowing instruments - see Attachment 3 for swap interest rate movement.
42. **Loss on disposal of assets (\$1.5m) ✗** – losses on the disposal of assets are unbudgeted. Key losses on disposal to date are as a result of the disposal of the Settlement Centre Waikato (\$816k), impacts of the renewals/upgrades to various waters assets (\$229k), various ablutions (\$202k), various components of the municipal building (\$125k), Bremworth Park Playground (\$35k), Metro Juda Roof Renewal (\$30k), enclosures at the Hamilton Zoo (\$17k).

Treasury Management

43. The table below sets out Council's compliance with the Investment and Liability Management Policy (Council Policy) at 30 September 2023.

Investment and Liability Management		
Measure	Compliance	Required by
Fixed Rate Debt Maturity	✓	Council Policy
Funding Maturity	✓	Council Policy
Counterparty Credit Risk	✓	Council Policy
Liquidity	✓	LGFA
Debt/ Revenue	✓	LGFA
Interest Cost/ Rates Revenue	✓	LGFA
Interest Cost/ Total Revenue	✓	LGFA

Interest Rate Risk Management

44. 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.
45. At 30 September 2023 Council's fixed rate hedging is 56%. This falls within our debt interest rate policy parameters which requires a minimum fixed rate of 40% and a maximum fixed rate of 95%.
46. Council's gross cost of funds over a 12-month rolling average is 4.17%.

Financial Strategy

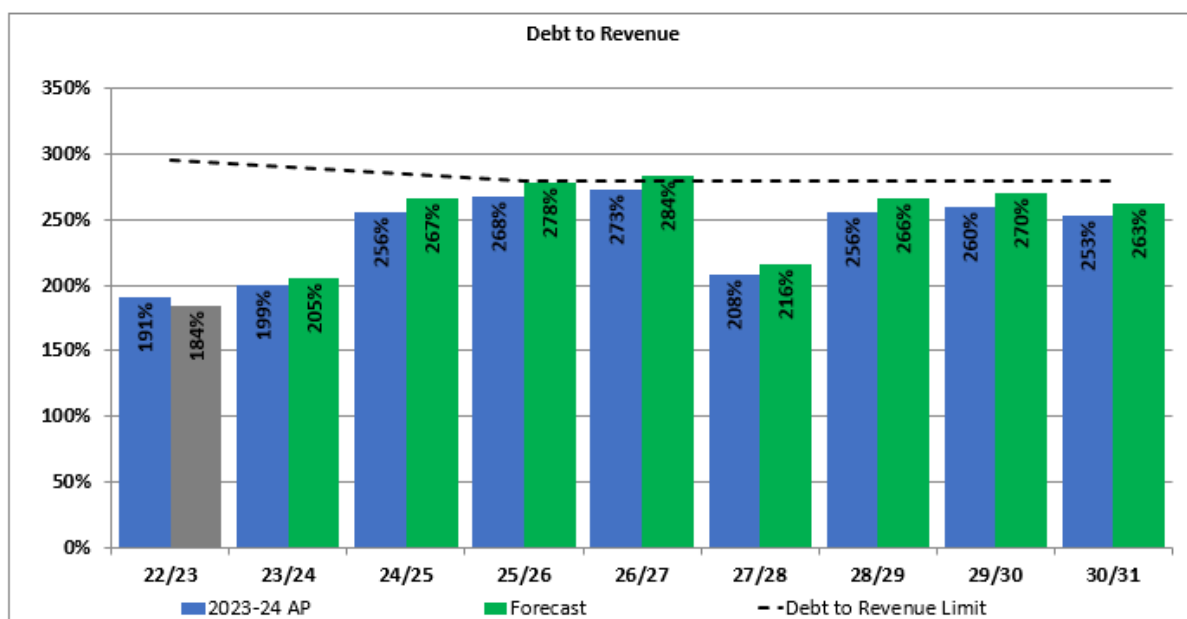
47. Any changes in significant forecasting assumptions will result in changes to the Financial Strategy outcomes. These assumptions will be considered and, if necessary, adjusted in each Annual Plan.

Financial Strategy Graphs

48. The following graphs show the 2023/24 Annual Plan budgets and the total of all forecast adjustments as set out in paragraphs 49 to 51.
49. The unfavourable movement in debt to revenue and net debt in 2023/24 is a result of:
- The unfavourable 2022/23 balancing the books result; and
 - Capital revenue, capital savings, re-phasing, and delay deferrals from 2023/24 to and from future years as detailed in the Capital Portfolio Monitoring Report.
50. On the 7th of September, Council approved an additional budget of \$19.6M to restore the Peacocke programme contingency to match the expected estimate (50 percentile). This has resulted in a breach in the debt to revenue limit in 2026/27. Staff are working to reprioritise the capital programme to mitigate this.

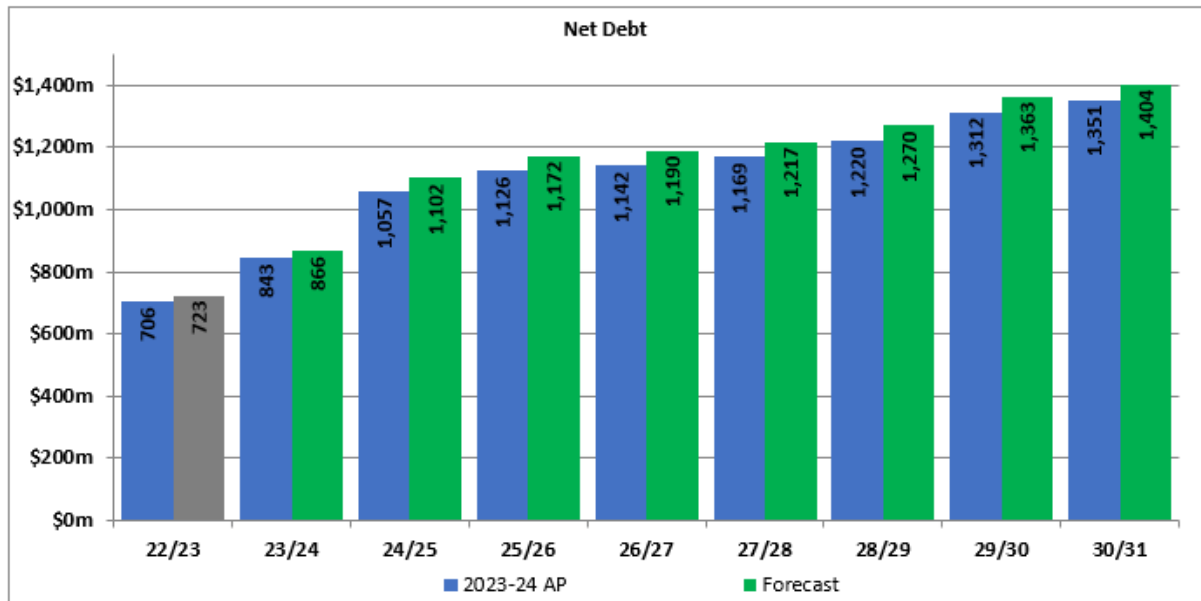
Debt to Revenue

51. The Debt to Revenue graph includes all adjustments identified in this report and shows that debt to revenue of 205% is unfavourable against a budget of 199%.



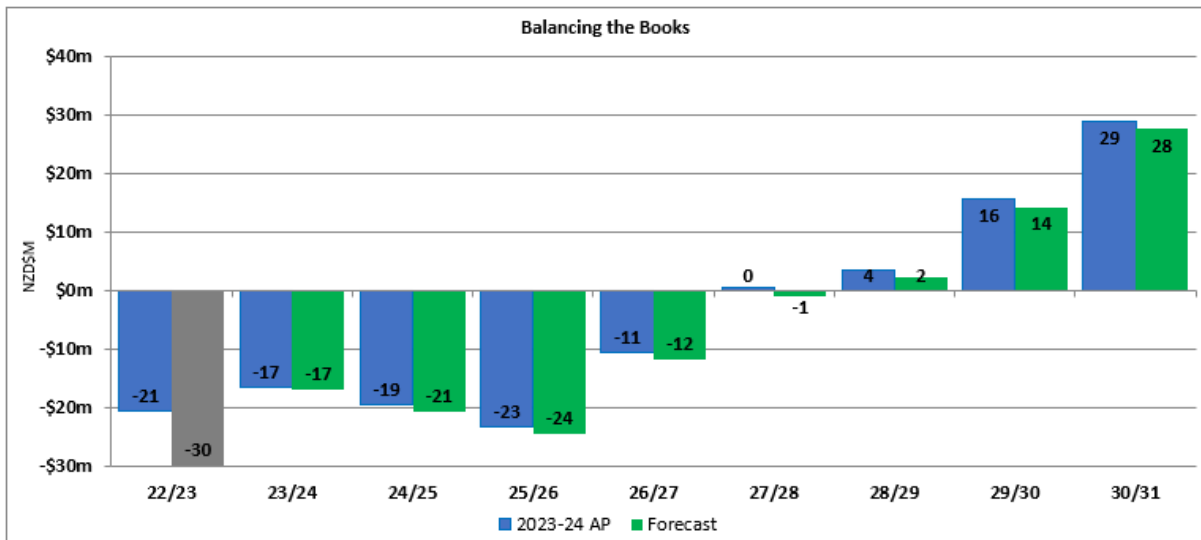
Net Debt

52. The Net Debt graph shows an increase in net debt against the 2023/24 Annual Plan. Net debt for 2023/24 is \$866m.



Balancing the Books

53. The 2023/24 balancing the books deficit is (\$17m).



Emerging Issues

54. 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.

Hamilton East by-election - unbudgeted operational funding request

55. Ryan Hamilton, councillor for the East General Ward, resigned his position on 15 October 2023, following his election to Parliament as the Hamilton East MP. Staff are seeking approval of unbudgeted operational costs of \$192,500 for a by-election.
56. Under the Local Electoral Act 2001 (LEA) Ryan Hamilton's resignation takes effect immediately and a by-election is required. Any resignation received in the period 28 September to 20 November necessitates a by-election be held no earlier than 17 February (sec 138A((1)(a) LEA), key dates for the by-election are as follows:

Nominations open:	Fri 24 November 2023
Nominations close:	Noon, Fri 22 December 2023
Voting opens:	Fri 26 January 2024
Voting closes:	Noon, Sat 17 February 2024

57. Direct costs for the by-election are estimated at \$142,435.00, assuming a 35% return rate. Dale Osofsky from Election Services is Council's Electoral Officer under an existing contract for services.

HCC East Ward By-Election Budget Summary

@ 35% Return (54,000 Electors)

Postage	\$ 72,285.00
Voting Mailer/Forms	\$ 30,700.00
Labour	\$ 29,400.00
Public Notices	\$ 1,500.00
 Premises	 \$ 3,000.00
Computer Support	\$ 1,000.00
Administration	\$ 1,300.00
Insurance	\$ 2,500.00
Electoral Roll	\$ 750.00
	<hr/>
	\$ 142,435.00

58. Staff are also seeking:
- \$25,000 to run a campaign promoting the by-election. The election campaign will cover key stages of the election process - enrol, standing for council (encouraging nominations) and voting; and
 - \$25,000 additional staffing costs for the by-election.

Legal and Policy Considerations - Whaiwhakaaro-aa-ture

59. Staff confirm that matters in this report complies with Council's legal and policy requirements.
60. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Wellbeing Considerations - Whaiwhakaaro-aa-oranga tonutanga

61. 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').

- 62. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
- 63. The recommendations set out in this report are consistent with that purpose.
- 64. 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.
- 65. 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*

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

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

Significance

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

Engagement

- 68. 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 Expenses 30 September 2023

Attachment 2 - Council Activities 30 September 2023

Attachment 3 - Treasury Position 30 September 2023

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

Attachment 1

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Operating Revenue						
52,810	Rates	56,588	56,501	87	255,759	22%
12,150	Fees & Charges	15,868	15,194	675	49,827	32%
3,237	Subsidies & Grants	6,124	4,758	1,366	21,870	28%
1,111	Interest Revenue	4,924	3,631	1,293	6,124	80%
6,553	Other Revenue	6,772	6,312	459	13,011	52%
75,861	TOTAL OPERATING REVENUE	90,275	86,395	3,880	346,591	26%
Capital Revenue						
9,742	Development Contributions	10,284	9,151	1,132	36,605	28%
17,866	Capital Revenue	11,431	12,208	(777)	83,137	14%
6,218	Vested Assets	423	541	(119)	39,350	1%
33,826	TOTAL CAPITAL REVENUE	22,137	21,900	237	159,092	14%
109,687	TOTAL REVENUE	112,412	108,296	4,117	505,682	22%
Expenditure						
27,243	Personnel Costs	27,742	27,603	(139)	120,776	23%
16,844	Operating & Maintenance Costs	22,503	20,859	(1,644)	85,877	26%
2,704	Professional Costs	2,274	3,050	776	15,963	14%
11,181	Administration Expenses	12,120	11,276	(844)	22,599	54%
3,502	Property Costs	3,736	3,624	(112)	14,915	25%
4,761	Finance Costs	13,048	11,223	(1,825)	33,510	39%
22,141	Depreciation & Amortisation Expense	25,536	23,601	(1,935)	94,405	27%
88,374	TOTAL EXPENDITURE	106,959	101,237	(5,722)	388,046	28%
21,313	OPERATING SURPLUS/(DEFICIT)	5,453	7,058	(1,605)	117,636	5%
Gains and Losses						
6,378	Gain/(Loss) on revaluation of interest rate swaps	6,341	-	6,341	-	
	Gain/(Loss) on fair value of investment properties	-	()		-	
(575)	Gain/(Loss) on property, plant and equipment	(1,654)	-	(1,654)	1,050	(157%)
5,803	TOTAL GAINS AND LOSSES	4,687	()	4,687	1,050	446%
27,116	TOTAL SURPLUS/(DEFICIT)	10,140	7,058	3,082	118,687	9%

Refer to Activity Statements for variances against budget.

Item 8

Attachment 1

BALANCING THE BOOKS RESULT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
27,116	Surplus/(Deficit)	10,140	7,058	3,082	118,687	9%
Remove capital revenue						
(6,218)	Vested assets	(423)	(541)	119	(39,350)	1%
(6,332)	Part of Development and Financial contributions	(6,684)	(5,948)	(736)	(23,793)	28%
(11,319)	Capital Subsidy (excluding subsidy on transport renewals)	(6,947)	(6,576)	(371)	(29,442)	24%
(3,948)	Other Capital Contributions & Grants	(3,311)	(3,652)	341	(45,774)	7%
(4,378)	Other items not considered everyday operating revenue	(4,729)	(4,402)	(327)	(5,668)	83%
Remove (gains)/losses						
(5,803)	All Gains/(Losses)	(4,687)		(4,687)	(1,050)	446%
Remove other expenses						
6,293	Other items not considered everyday operating expenses	6,831	6,876	(45)	9,788	70%
(4,589)	EVERYDAY SURPLUS/(DEFICIT)	(9,810)	(7,185)	(2,625)	(16,603)	59%

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
52,810	Rates**	56,588	56,501	87	255,759	22%
12,150	Fees & Charges	15,868	15,194	675	49,827	32%
3,237	Subsidies & Grants	6,124	4,758	1,366	21,870	28%
1,111	Interest Revenue	4,924	3,631	1,293	6,124	80%
6,553	Other Revenue	6,772	6,312	459	13,011	52%
75,861	Total Everyday Revenue	90,275	86,395	3,880	346,591	26%
Everyday Expenditure						
27,243	Personnel Costs	27,742	27,603	(139)	120,776	23%
16,844	Operating & Maintenance Costs	22,503	20,859	(1,644)	85,877	26%
2,704	Professional Costs	2,274	3,050	776	15,963	14%
11,181	Administration Expenses	12,120	11,276	(844)	22,599	54%
3,502	Property Costs	3,736	3,624	(112)	14,915	25%
4,761	Finance Costs**	13,048	11,223	(1,825)	33,510	39%
22,141	Depreciation & Amortisation Expense**	25,536	23,601	(1,935)	94,405	27%
(5,803)	Gains & Losses	(4,687)		4,687	(1,050)	446%
82,571	Total Everyday Expenditure	102,272	101,237	(1,035)	386,996	26%
(6,710)	Everyday Surplus/(Deficit)*	(11,997)	(14,842)	2,845	(40,405)	30%
Capital Revenue						
9,742	Development Contributions**	10,284	9,151	1,132	36,605	28%
17,866	Capital Revenue**	11,431	12,208	(777)	83,137	14%
6,218	Vested Assets**	423	541	(119)	39,350	1%
33,826	Total Capital Revenue	22,137	21,900	237	159,092	14%
27,116	Operating Surplus/(Deficit)	10,140	7,058	3,082	118,687	9%

* 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:

Finance Costs**: (\$1,825k) unfavourable.

An approximate 0.66% rise in average interest rates has increased the interest expense on the debt that is on floating rates. This is mostly offset by the \$1.3m increase in interest received on term investments.

Depreciation & Amortisation Expense**: (\$1,935k) unfavourable.

The key driver in the unfavourability of depreciation is due to the revaluation of transport assets at 30 June 2023 which were significantly higher than budget resulting in a \$2.1m unfavourable variance to budget, additional depreciation of \$8.3m is expected for the full year.

Development Contributions**: \$1,132k favourable.

Revenue is tracking above budget, with variations between areas. Transport being behind offset by Stormwater, Water Supply and Wastewater collections.

Capital Revenue**: (\$777k) unfavourable.

Anticipated capital renewals spend is approximately \$2.3m under budget impacting the NZTA subsidies which are unfavourable by \$800k.

Vested Assets**: (\$119k) unfavourable.

The timing and valuation of vested assets is difficult to assess with the beginning of the financial year having limited vesting activity.

Attachment 2

GOVERNANCE

Democracy Services | Mayor's Office | Mayoral Support Services

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000		\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
623	Rates**	665	663	2	3,027	22%
	Fees & Charges					
	Subsidies & Grants					
	Interest Revenue					
6	Other Revenue					
629Total Everyday Revenue		665	663	2	3,027	22%
Everyday Expenditure						
75	Personnel Costs	80	95	16	445	18%
	Operating & Maintenance Costs	8	1	(7)	19	43%
238	Professional Costs	19	26	7	214	9%
376	Administration Expenses	385	428	44	1,833	21%
	Property Costs					
	Finance Costs**					
	Depreciation & Amortisation Expense**					
	Gains & Losses					
689Total Everyday Expenditure		492	551	59	2,511	20%
(60)Everyday Surplus/(Deficit)*		173	113	61	516	34%
(60)Operating Surplus/(Deficit)		173	113	61	516	34%

* 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:

No significant variances to report.

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
(92)	Rates**	(98)	(90)	(8)	(359)	27%
138	Fees & Charges	210	195	15	591	36%
20	Subsidies & Grants	-	4	(4)	3,329	0%
26	Interest Revenue	116	31	86	122	95%
630	Other Revenue	620	578	43	2,311	27%
722Total Everyday Revenue		849	718	132	5,995	14%
Everyday Expenditure						
5,701	Personnel Costs	5,794	5,509	(285)	25,359	23%
2,486	Operating & Maintenance Costs	2,434	2,483	49	14,131	17%
219	Professional Costs	526	529	3	3,040	17%
1,838	Administration Expenses	1,992	2,040	48	8,806	23%
192	Property Costs	173	189	16	795	22%
(39)	Finance Costs**	(14)	159	172	635	(2%)
1,867	Depreciation & Amortisation Expense**	2,016	1,659	(357)	6,637	30%
82	Gains & Losses	288		(288)	(1,050)	(27%)
12,346Total Everyday Expenditure		13,211	12,569	(642)	58,353	23%
(11,624)Everyday Surplus/(Deficit)*		(12,361)	(11,851)	(510)	(52,359)	24%
Capital Revenue						
Capital Revenue**		-	-	-	-	
Total Capital Revenue						
(11,624)Operating Surplus/(Deficit)		(12,361)	(11,851)	(510)	(52,359)	24%

* 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: \$284k unfavourable.**

Unfavourability mainly relates to accrued leave adjustments which are expected to diminish as leave is taken during the year.

Attachment 2

COMMUNITY SERVICES

Libraries | Customer Services | Aquatics | Building Control

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
3,843	Rates**	4,104	4,076	28	18,599	22%
2,971	Fees & Charges	2,908	3,042	(134)	12,750	23%
123	Subsidies & Grants	81	-	81	(2)	(4858%)
38	Interest Revenue	170	61	108	245	69%
9	Other Revenue	(6)	6	(12)	24	(26%)
6,985	Total Everyday Revenue	7,256	7,185	72	31,616	23%
Everyday Expenditure						
4,186	Personnel Costs	3,949	4,185	236	18,625	21%
666	Operating & Maintenance Costs	738	779	41	2,869	26%
36	Professional Costs	77	88	11	408	19%
185	Administration Expenses	351	252	(99)	793	44%
344	Property Costs	377	316	(61)	1,206	31%
161	Finance Costs**	437	290	(147)	1,161	38%
1,159	Depreciation & Amortisation Expense**	1,373	1,449	76	5,797	24%
22	Gains & Losses	-	-	-	-	-
6,759	Total Everyday Expenditure	7,302	7,359	57	30,858	24%
226	Everyday Surplus/(Deficit)*	(45)	(175)	129	757	(6%)
Capital Revenue						
	Capital Revenue**	-	-			
Total Capital Revenue						
226	Operating Surplus/(Deficit)	(45)	(175)	129	757	(6%)

* 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: (\$134k) unfavourable.**

Aquatics revenue is lower than budgeted year to date (\$91k), due to the three week Waterworld shutdown. Building Control Revenue is lower than budgeted year to date (\$71K) reflecting the drop in consent applications due to the challenging economic environment. This is partly offset by Customer Services who have seen an increase in LIM report revenue (\$34K).

Personnel Costs: \$236k favourable.

The favourable variance is due to vacant positions across Community Services, primarily in Libraries and Customer Services.

Attachment 2

PARKS AND RECREATION

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

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
5,981	Rates**	6,350	6,339	11	28,919	22%
1,176	Fees & Charges	1,212	1,276	(63)	5,130	24%
35	Subsidies & Grants	170	157	12	1,875	9%
84	Interest Revenue	370	92	278	367	101%
75	Other Revenue	64	47	17	189	34%
7,350	Total Everyday Revenue	8,166	7,911	255	36,481	22%
Everyday Expenditure						
2,762	Personnel Costs	2,867	2,709	(158)	11,529	25%
1,936	Operating & Maintenance Costs	1,633	1,713	79	7,989	20%
105	Professional Costs	118	162	45	1,408	8%
190	Administration Expenses	198	279	81	2,022	10%
132	Property Costs	100	150	50	593	17%
352	Finance Costs**	955	1,898	944	5,213	18%
1,299	Depreciation & Amortisation Expense**	1,725	1,590	(135)	6,360	27%
70	Gains & Losses	1,098	-	(1,098)		
6,846	Total Everyday Expenditure	8,693	8,501	(192)	35,114	25%
505	Everyday Surplus/(Deficit)*	(527)	(591)	64	1,367	(39%)
Capital Revenue						
469	Development Contributions**	265	413	(148)	1,651	16%
5	Capital Revenue**	2	363	(361)	3,496	0%
293	Vested Assets**	12	-	12	-	
767	Total Capital Revenue	279	776	(497)	5,147	5%
1,271	Operating Surplus/(Deficit)	(248)	185	(433)	6,514	(4%)

* 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: (\$158k) unfavourable.**

Unfavourability relates to accrued leave adjustments which are expected to diminish as leave is taken during the year, allowances paid and minor unfavourable variances in other personnel costs.

Gains & Losses: (\$1,098k) unfavourable.

The loss on disposal of assets largely relates to the transfer of ownership of the Settlement Centre (\$816k) and various works undertaken as part of the building renewals programme

Attachment 2

SAFETY

Animal Education and Control | Environmental Health | Alcohol Licensing | Public Safety | Civil Defence

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
1,111	Rates**	1,184	1,184	1	5,397	22%
1,202	Fees & Charges	1,290	1,191	99	2,297	56%
24	Subsidies & Grants	656	702	(46)	3,440	19%
	Interest Revenue	()	-	()	-	
30	Other Revenue	26	9	17	31	85%
2,368	Total Everyday Revenue	3,156	3,086	71	11,163	28%
Everyday Expenditure						
1,178	Personnel Costs	1,331	1,272	(59)	5,511	24%
308	Operating & Maintenance Costs	367	327	(41)	1,473	25%
41	Professional Costs	27	27		139	20%
51	Administration Expenses	63	57	(5)	245	26%
7	Property Costs	13	8	(5)	32	41%
	Finance Costs**		3	3	12	1%
26	Depreciation & Amortisation Expense**	20	26	5	102	20%
	Gains & Losses	-	-	-	-	
1,611	Total Everyday Expenditure	1,821	1,719	(102)	7,514	24%
757	Everyday Surplus/(Deficit)*	1,335	1,367	(32)	3,649	37%
757	Operating Surplus/(Deficit)	1,335	1,367	(32)	3,649	37%

* 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:

No significant variances to report.

Attachment 2

GROWTH

Urban & Spatial Planning | Planning Guidance | Growth Programmes | Growth Funding & Analytics | Sustainability & Climate Change

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
2,780	Rates**	2,964	2,961	3	13,136	23%
820	Fees & Charges	837	834	4	3,099	27%
11	Subsidies & Grants	17	22	(6)	750	2%
7	Interest Revenue	33	-	33	-	
	Other Revenue	1	-	1	-	
3,618	Total Everyday Revenue	3,852	3,817	35	16,985	23%
Everyday Expenditure						
2,286	Personnel Costs	2,153	2,396	243	10,405	21%
17	Operating & Maintenance Costs	261	204	(57)	496	53%
967	Professional Costs	900	981	81	4,307	21%
343	Administration Expenses	145	179	33	615	24%
20	Property Costs	15	24	10	98	15%
31	Finance Costs**	84	287	203	1,147	7%
1	Depreciation & Amortisation Expense**	3	81	78	326	1%
	Gains & Losses					
3,666	Total Everyday Expenditure	3,562	4,153	591	17,395	20%
(47)	Everyday Surplus/(Deficit)*	290	(336)	626	(411)	(71%)
Capital Revenue						
	Capital Revenue**					
	Total Capital Revenue					
(47)	Operating Surplus/(Deficit)	290	(336)	626	(411)	(71%)

* 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: \$243k favourable.

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

Attachment 2

VENUES, TOURISM AND MAJOR EVENTS

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

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
4,474	Rates**	4,790	4,750	40	21,737	22%
2,110	Fees & Charges	5,108	5,197	(89)	8,805	58%
3	Subsidies & Grants	-	-	-	-	-
46	Interest Revenue	204	61	143	245	83%
239	Other Revenue	158	152	6	775	20%
6,872	Total Everyday Revenue	10,261	10,161	100	31,561	33%
Everyday Expenditure						
1,612	Personnel Costs	1,978	1,709	(269)	7,458	27%
1,358	Operating & Maintenance Costs	3,180	3,125	(55)	7,457	43%
38	Professional Costs	24	50	26	236	10%
6,553	Administration Expenses	7,021	6,760	(260)	8,270	85%
454	Property Costs	485	460	(25)	1,720	28%
194	Finance Costs**	527	395	(132)	1,580	33%
1,979	Depreciation & Amortisation Expense	1,959	1,981	22	7,924	25%
23	Gains & Losses	15	-	(15)	-	-
12,212	Total Everyday Expenditure	15,189	14,481	(708)	34,645	44%
(5,341)	Everyday Surplus/(Deficit)*	(4,928)	(4,320)	(608)	(3,084)	160%
Capital Revenue						
	Capital Revenue**		-	-	-	-
Total Capital Revenue						
(5,341)	Operating Surplus/(Deficit)	(4,928)	(4,320)	(608)	(3,084)	160%

* 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: (\$89k) unfavourable.

Stronger than anticipated event activity at Claudelands Event Centre as well as the NRL game hosted at FMG Stadium performing better than budgeted. This is partially offset by the FIFA washup, across the two tournaments and financials years.

Personnel Costs: \$259k unfavourable

Unfavourability to budget driven by increased event programme and timing of budgets across FIFA tournaments.

Operating & Maintenance Costs: \$55k unfavourable.

Event expenditure managed closely, offset partially by timing of increased maintenance. Expect to maintain forecast levels.

Administration Expenses: (\$260k) unfavourable.

Unfavourability to budget driven by timing of city advertising and marketing costs for the FIFA Women's World Cup however covered in full year budget.

VISITOR DESTINATIONS

Hamilton Gardens | Waikato Museum | Hamilton Zoo | Arts Promotion

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
3,678	Rates**	3,913	3,916	(3)	17,801	22%
720	Fees & Charges	870	591	278	4,012	22%
66	Subsidies & Grants	181	157	24	640	28%
31	Interest Revenue	138	61	77	245	56%
60	Other Revenue	120	78	42	241	50%
4,555	Total Everyday Revenue	5,221	4,804	417	22,939	23%
Everyday Expenditure						
2,485	Personnel Costs	2,588	2,493	(95)	11,030	23%
739	Operating & Maintenance Costs	816	805	(11)	4,131	20%
54	Professional Costs	42	22	(20)	91	46%
134	Administration Expenses	186	170	(16)	811	23%
159	Property Costs	173	183	9	720	24%
131	Finance Costs**	356	338	(18)	1,350	26%
627	Depreciation & Amortisation Expense**	659	733	74	2,932	22%
110	Gains & Losses	18		(18)		
4,439	Total Everyday Expenditure	4,838	4,743	(95)	21,066	23%
116	Everyday Surplus/(Deficit)*	384	61	323	1,873	20%
Capital Revenue						
	Capital Revenue**	120	314	(194)	1,257	
	Total Capital Revenue	120	314	(194)	1,257	10%
116	Operating Surplus/(Deficit)	504	375	128	3,129	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:**Fees & Charges: \$278k favourable.**

Fees & Charges are favourable due to increased patronage and retail sales at Hamilton Zoo.

Attachment 2

PARTNERSHIPS, COMMUNICATION & MAAORI

Amorgani Maaori | Communication & Engagement | City Investment Programme

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
914	Rates**	974	973	2	17,801	5%
2	Fees & Charges	33	10	23	4,012	1%
4	Subsidies & Grants	1,505	1,474	31	640	235%
	Interest Revenue				245	0%
	Other Revenue				241	0%
920Total Everyday Revenue		2,512	2,456	56	22,939	11%
Everyday Expenditure						
1,021	Personnel Costs	1,150	1,249	98	11,030	10%
17	Operating & Maintenance Costs	144	85	(59)	4,131	3%
139	Professional Costs	48	127	79	91	52%
1,243	Administration Expenses	1,474	1,522	48	811	182%
44	Property Costs	37	48	11	720	5%
	Finance Costs**				1,350	0%
	Depreciation & Amortisation Expense**				2,932	0%
	Gains & Losses					
2,465Total Everyday Expenditure		2,854	3,032	178	21,066	14%
(1,544)Everyday Surplus/(Deficit)*		(341)	(576)	234	1,873	(18%)
Capital Revenue						
	Capital Revenue**				1,257	
Total Capital Revenue					1,257	0%
(1,544)Operating Surplus/(Deficit)		(341)	(576)	234	3,129	(11%)

* 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:

No significant variances to report.

RUBBISH AND RECYCLING

Refuse Collection | Waste Minimisation | Landfill Site Management

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
1,935	Rates**	2,077	2,063	14	9,644	22%
(16)	Fees & Charges	(49)	(4)	(44)	(75)	65%
309	Subsidies & Grants	480	126	354	659	73%
3	Interest Revenue	11		11		
110	Other Revenue	113	114	(2)	468	24%
2,340	Total Everyday Revenue	2,632	2,299	333	10,696	25%
Everyday Expenditure						
343	Personnel Costs	403	476	73	1,538	26%
1,836	Operating & Maintenance Costs	2,080	2,178	98	9,435	22%
48	Professional Costs	76	98	23	797	10%
17	Administration Expenses	5	32	26	(1,058)	(0%)
18	Property Costs	14	22	8	84	17%
11	Finance Costs**	30	25	(4)	547	5%
137	Depreciation & Amortisation Expense**	128	149	20	595	22%
	Gains & Losses					
2,409	Total Everyday Expenditure	2,736	2,980	245	11,939	23%
(69)	Everyday Surplus/(Deficit)*	(104)	(682)	578	(1,243)	8%
(69)	Operating Surplus/(Deficit)	(104)	(682)	578	(1,243)	8%

* 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: \$354k favourable.

An increase in the levy for all class 1 landfill should have resulted in a reduction of the volume of waste sent to landfills, but this has not yet been the case.

Attachment 2

TRANSPORT

Transport Network | Transport Centre | Parking Management

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
11,258	Rates**	12,003	11,967	37	54,578	22%
1,313	Fees & Charges	1,108	1,160	(53)	5,189	21%
2,621	Subsidies & Grants	3,038	2,115	923	8,718	35%
549	Interest Revenue	2,435	2,266	169	3,062	80%
3,026	Other Revenue	3,089	3,140	(51)	5,904	52%
18,767	Total Everyday Revenue	21,673	20,648	1,025	77,451	28%
Everyday Expenditure						
2,027	Personnel Costs	1,875	2,176	301	9,077	21%
4,974	Operating & Maintenance Costs	7,886	6,064	(1,822)	22,183	36%
412	Professional Costs	269	333	64	1,892	14%
335	Administration Expenses	237	94	(143)	(976)	(24%)
668	Property Costs	782	682	(100)	2,912	27%
2,458	Finance Costs**	6,677	3,790	(2,887)	10,480	64%
6,228	Depreciation & Amortisation Expense**	9,272	6,965	(2,307)	27,859	33%
8	Gains & Losses	-	-	-	-	-
17,109	Total Everyday Expenditure	26,998	20,104	(6,894)	73,428	37%
1,658	Everyday Surplus/(Deficit)*	(5,325)	544	(5,869)	4,023	(132%)
Capital Revenue						
2,219	Development Contributions**	2,579	3,152	(574)	12,608	20%
14,273	Capital Revenue**	8,141	8,556	(414)	70,818	11%
3,795	Vested Assets**		(3)	3	28,053	0%
20,287	Total Capital Revenue	10,720	11,705	(985)	111,479	10%
21,945	Operating Surplus/(Deficit)	5,395	12,250	(6,854)	115,502	5%

* 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: \$923k favourable.

Operational subsidies received from Waka Kotahi NZTA is favourable due to funds allocated for Maintenance and Operations. This offsets some of the unfavourable Operational and Maintenance Costs.

Personnel Costs: \$301k favourable.

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

Operating & Maintenance Costs: (\$1,822k) unfavourable.

The unfavourable result is mainly due to additional spend on establishment costs for the new Connect Hamilton contract.

Administration Expenses: (\$143k) unfavourable.

Efficiency savings have been transferred to relevant revenue/cost categories where these savings will be realised.

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
4,282	Rates**	4,566	4,570	(4)	20,477	22%
109	Fees & Charges	230	80	150	318	72%
4	Subsidies & Grants	-	-	-	-	-
52	Interest Revenue	229	92	138	367	62%
	Other Revenue	-	-	-	-	-
4,447	Total Everyday Revenue	5,025	4,741	284	21,163	24%
Everyday Expenditure						
728	Personnel Costs	650	585	(65)	2,318	28%
147	Operating & Maintenance Costs	63	(28)	(92)	492	13%
29	Professional Costs	43	133	90	712	6%
14	Administration Expenses	9	(31)	(40)	(145)	(7%)
45	Property Costs	35	74	39	573	6%
218	Finance Costs**	592	427	(165)	1,707	35%
2,922	Depreciation & Amortisation Expense**	2,599	2,878	279	11,511	23%
64	Gains & Losses	48	-	(48)	-	-
4,168	Total Everyday Expenditure	4,040	4,037	(3)	17,169	24%
279	Everyday Surplus/(Deficit)*	985	704	281	3,994	25%
Capital Revenue						
1,036	Development Contributions**	2,902	1,553	1,349	6,211	47%
657	Capital Revenue**	526	163	364	2,152	24%
1,239	Vested Assets**	115	169	(54)	5,477	2%
2,932	Total Capital Revenue	3,544	1,885	1,659	13,840	26%
3,211	Operating Surplus/(Deficit)	4,529	2,589	1,940	17,834	25%

* 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: \$150k favourable.

Favourability is due to Transition Support Funding received from the Department of Internal Affairs for Water Reform Transition.

Attachment 2

WASTEWATER

Wastewater Collection | Wastewater Treatment | Wastewater Disposal

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
7,075	Rates**	7,609	7,593	16	34,350	22%
1,691	Fees & Charges	2,058	1,706	352	7,770	26%
11	6Subsidies & Grants	-	-	-	-	-
166	Interest Revenue	735	614	120	857	86%
2,145	Other Revenue	2,317	2,156	161	2,776	83%
11,088	Total Everyday Revenue	12,719	12,070	649	45,753	28%
Everyday Expenditure						
1,821	Personnel Costs	1,857	1,939	81	7,941	23%
1,668	Operating & Maintenance Costs	2,311	2,213	(98)	9,629	24%
43	Professional Costs	58	115	57	795	7%
50	Administration Expenses	41	(51)	(92)	(163)	(25%)
698	Property Costs	802	677	(124)	2,940	27%
843	Finance Costs**	2,302	2,621	319	7,620	30%
3,374	Depreciation & Amortisation Expense**	3,427	3,567	140	14,268	24%
102	Gains & Losses	174	-	(174)	-	-
8,600	Total Everyday Expenditure	10,972	11,081	109	43,031	25%
2,488	Everyday Surplus/(Deficit)*	1,747	989	758	2,722	64%
Capital Revenue						
3,973	Development Contributions**	2,788	2,695	93	10,782	26%
1,369	Capital Revenue**	1,429	1,552	(124)	3,174	45%
738	Vested Assets**	284	344	(61)	3,778	8%
6,079	Total Capital Revenue	4,500	4,592	(92)	17,733	25%
8,567	Operating Surplus/(Deficit)	6,247	5,581	666	20,456	31%

* 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: \$352k favourable.**

Favourability is due to Transition Support Funding received from the Department of Internal Affairs for Water Reform Transition.

Other Revenue: \$161k favourable.

The favourable non-cash fair value adjustment due to the upward trend in market interest rates on the Housing Infrastructure Fund (HIF) loan.

Property Costs: (\$124k) unfavourable.

Unfavourable due to higher electricity costs at Wastewater Treatment Plant.

Gains & Losses: (\$174k) unfavourable.

The loss on disposal of assets relates to works undertaken as part of the renewal programme.

Capital Revenue: (\$124k) unfavourable.**

Contributions toward new connections exceeded budget due to increased applications. Revenue offsets capital installation costs.

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

\$000		\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent
Everyday Revenue						
4,949	Rates**	5,487	5,537	(51)	24,019	23%
(86)	Fees & Charges	16	(84)	99	(90)	(17%)
6	Subsidies & Grants					
109	Interest Revenue	483	353	129	612	79%
131	Other Revenue	142	147	(5)	190	75%
5,110	Total Everyday Revenue	6,127	5,954	173	24,731	25%
Everyday Expenditure						
1,168	Personnel Costs	1,188	1,158	(30)	4,619	26%
696	Operating & Maintenance Costs	584	852	268	5,047	12%
352	Professional Costs	53	152	99	1,007	5%
23	Administration Expenses	18	(232)	(249)	(969)	(2%)
725	Property Costs	732	794	63	3,068	24%
468	Finance Costs**	1,269	1,381	111	3,731	34%
2,521	Depreciation & Amortisation Expense**	2,353	2,524	171	10,095	23%
93	Gains & Losses	13		(13)		
6,045	Total Everyday Expenditure	6,209	6,630	420	26,597	23%
(936)	Everyday Surplus/(Deficit)*	(83)	(675)	593	(1,866)	4%
Capital Revenue						
2,045	Development Contributions**	1,750	1,338	412	5,353	33%
1,562	Capital Revenue**	1,212	1,259	(47)	2,241	54%
153	Vested Assets**	12	31	(18)	2,042	1%
3,761	Total Capital Revenue	2,975	2,628	346	9,636	31%
2,825	Operating Surplus/(Deficit)	2,892	1,953	939	7,769	37%

* 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: \$268k favourable.

Savings in Service Providers offsets unfavourable variance in Administration Expenses

Administration Expenses: (\$249k) unfavourable.

The budgeted efficiency savings have been realised in other cost categories.

TREASURY REPORT

Year to date 30 September 2023

Attachment 3

Investment and Cash Position

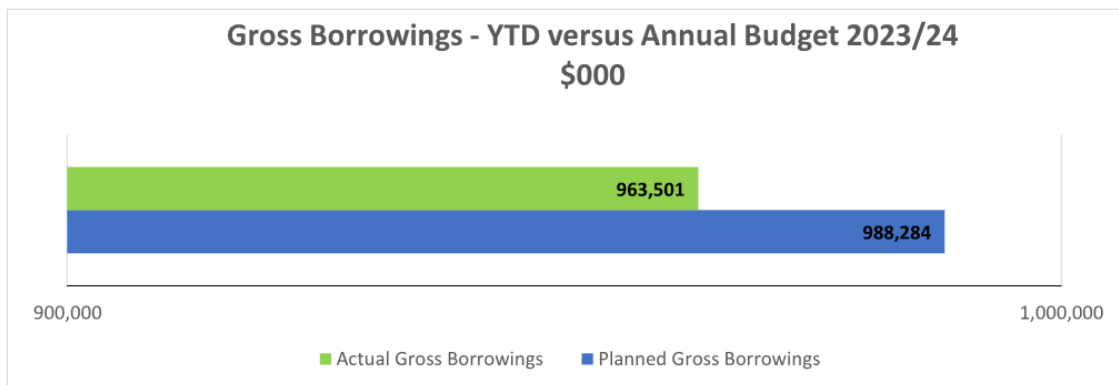
Treasury cash investments consist of:

Cash Investments	Actual \$000 Sep-23	Budget \$000 Sep-23	Variance \$000 Fav/ (Unfav)
Cash on call	47,300	not apportioned	not apportioned
Term deposit	90,500	not apportioned	not apportioned
Closing bank balances	596	not apportioned	not apportioned
LGFA borrower notes	18,337	not apportioned	not apportioned
Total cash investments	156,733	145,477	11,256

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.

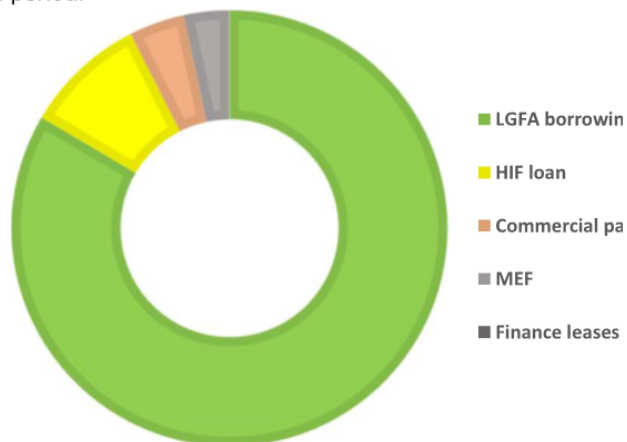
Borrowing Position

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



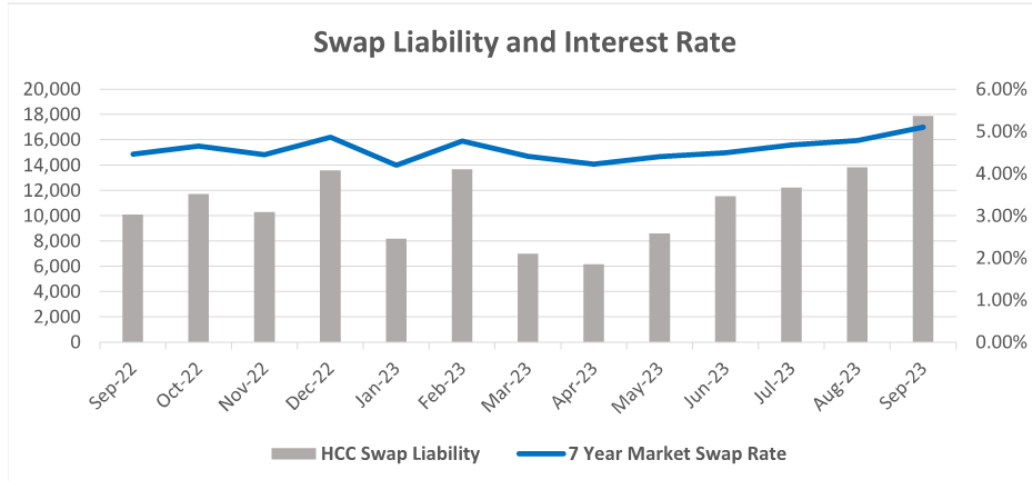
Gross external debt is favourable to budgeted debt at 30 September 2023. The favourable balance is within 2.5% of planned gross borrowings for the period.

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.

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 and Monitoring Committee Public Excluded Minutes of 31 August 2023) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)
C2. Peacocke Programme Update		
C3. Datacom Managed Services Contract Extension - CCTV Storage		
C4. Contact Centre Support - Contract Extension		
C5. Hamilton City Council HVAC Maintenance Services		

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 enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
Item C3.	to enable Council to carry out negotiations	Section 7 (2) (h)
Item C4.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C5.	to enable Council to carry out negotiations	Section 7 (2) (i)