

SOUTH WAIRARAPA DISTRICT COUNCIL

5 APRIL 2017

AGENDA ITEM D3

CHIEF EXECUTIVE OFFICER REPORT

Purpose of Report

To report to Council on general activities.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Receive the financial statements for the period ended 28 February 2017 and the Financial Report for that period.*

1. Executive Summary

This period has been dominated with the preparation of the 2017/18 Annual Plan. The process involves a significant body of work and many meetings.

It is pleasing to note the proposed rates increase will be in line with that signalled in the 2015/25 Long Term Plan, prepared a couple of years ago.

The Local Government Commission has announced and published their draft proposal for consultation. This is a milestone many years in the making, and it is pleasing progress is being made.

2. Governance/Leadership/Advocacy

The following table provides the year to date results for KPI's set for the Governance output [note this report updated and is as at 30 June 2016]

GOVERNANCE, LEADERSHIP AND ADVOCACY MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15	2015/16	2015/16	COMMENTS
		ACTUAL	TARGET	ACTUAL	
Opportunities are provided for the community to have its views heard	Ratepayers and residents feel they can contact a Council member to raise an issue or problem	73%	75%	73%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out during 2013/14. In addition to the 73% (2011 75%) positive response, 16% (2011 14%) felt they were unable to comment.
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	62%	70%	62%	The NRB Customer Satisfaction survey was carried out during 2013/14. In addition to the 62% (2011 55%) positive response, 21% (2011 28%) felt they were unable to comment.
Council determines what activities it should engage in through consultation and regulatory requirements then sets clear direction	Ratepayers and residents are satisfied with Council's decisions and actions	59%	80%	76	The Colmar Brunton (CB) Customer Satisfaction survey was carried out in 2015 in addition to the 59% satisfied 11% felt they were unable to comment. The full NRB customer satisfaction survey was carried out during 2013/14. In addition to the 76% (2011 73%) positive response, 8% (2011 9%) felt they were unable to comment.
	Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	64%	78%	64%	The NRB Customer Satisfaction survey was carried out during 2013/14. In addition to the 64% (2011 59%) positive response, 14% (2011 9%) felt they were unable to comment.
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	Greytown 92% Featherston 95% Martinborough 95%	90%	Greytown 98% Featherston 97% Martinborough 97%	This measure reports on the percentage of resolutions made that relate solely to local issues.
	% of ratepayers and residents who know how to contact a community board member	65%	65%	65%	The NRB Customer Satisfaction survey was carried out during 2013/14. In addition to the 64% (2011 59%) positive response, 14% (2011 9%) felt they were unable to comment.
Opportunities are available to raise local issues and understand what will happen as a result	Ratepayers and residents satisfied with the way Council involves the public in the decision it makes	49%	68%	49%	The NRB Customer Satisfaction survey was carried out during 2013/14. In addition to the 49% (2011 50%) positive response, 26% (2011 25%) indicated they were neither satisfied nor dissatisfied, and 5% (2011 5%) felt they were unable to comment.
Opportunities are available to raise issues relating to Maori through the Maori Standing Committee	The Maori Standing Committee makes recommendations to Council in relation to policy and plan development and resource management applications	Achieved	100% applicable application s	100%	Maori Standing Committee met on 6 occasions. In total 5 resource consent applications were considered, however due to the timing of the meetings 1 was considered outside normal meetings.

2.1 Local Government Commission

The Local Government Commission released their draft proposal on 15 March. Consultation will continue, the timeline is outlined in the table below:

Date	What is happening
15 March (TBC)	Draft proposal released and submissions called for
Weekends in April	Public information stands at various locations in the Wairarapa
3 May	Submissions close
Tuesday 23 May	Hearings commence in Martinborough – with SWDC at 9am
May onwards	Commissioners consider submissions and decide whether to release a final proposal
July - November	Commissioners aim to release final proposal (if sufficient community support), or a final decision
Nov 2017 – April 2018	If final proposal issued, poll will be held sometime during this period
Early 2018	If poll endorses final proposal, transition Board formed
Oct 18 – Oct 19	Election of new council

3. Strategic Planning and Policy Development

3.1 Meetings/Conferences

3.1.1. Chief Executive Forum

One CE forum was held. Matters covered were Accelerate Wellington; Rimutaka Cycle Trails; WREMO. In addition the first part of the meeting was the usual WREMO presentation. Of note was the resignation of Bruce Pepperell, CE of WREMO, and change in chair from Pat Dougherty (CE Kapiti Coast DC) to Tony Stallinger (CE Hutt City)

3.1.2. Mayoral Forum

No Mayoral forum was held, the next Mayoral forum is due 31 March.

3.1.3. Community Boards

The second round of community board meetings for the year has been completed.

3.1.4. Shared Services Working Party

One shared services working party was held, the following items were discussed: Rural broadband; Resilience regarding CDEM; Predator Free / Cats; joint submission on Land Transport Government Policy Statement.

3.1.5. Rural & Provincial

This meeting was held 16 and 17 March, and included the usual wide range of current topics. Day 1 included LGNZ Update; Local Government Excellence program; presentation from the Ombudsman; and a couple of Tourism sessions. Day two covered risk and resilience; and Ministry of culture and heritage.

Key outtakes from this forum were the focus (still) on infrastructural assets, particularly underground, and the now prominent focus on resilience. The

other outtake was that it was obviously election year, with the rhetoric that precedes that event.

4. Corporate

4.1 Financial Statement for the eight months ended 28 February 2017

The Financial Statements and Financial Report for the eight months ended 28 February 2018 are attached as Appendix 1.

4.2 Occupational Health and Safety

We continue to make good progress on health and safety matters. No matters were reported during the period. Attached as Appendix 2 is a summary of activities for 1 February to 31 March 2017.

4.2.1. Waihinga Centre/Martinborough Town Hall

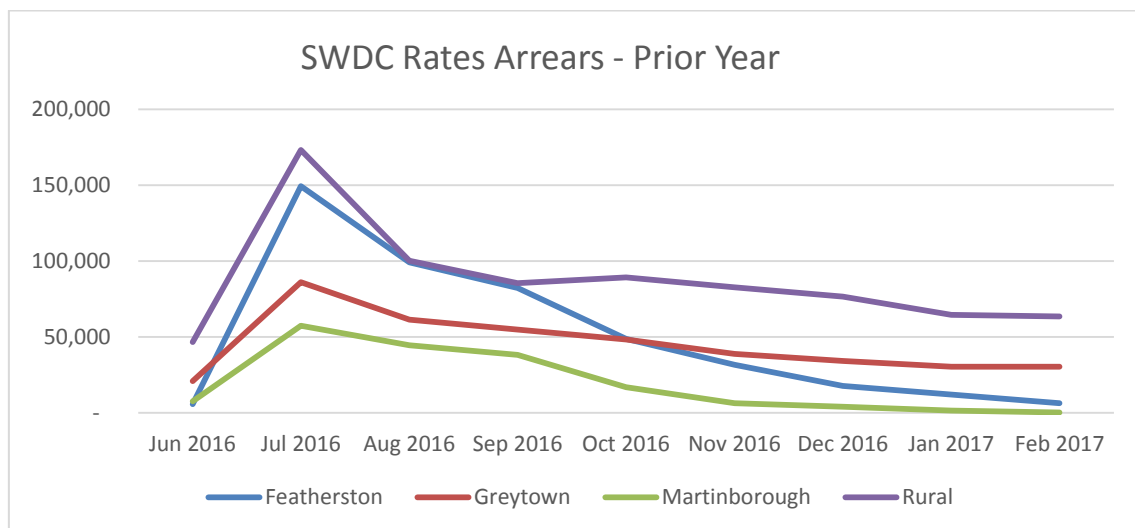
The project has commenced with work in the Town Hall being the initial focus.

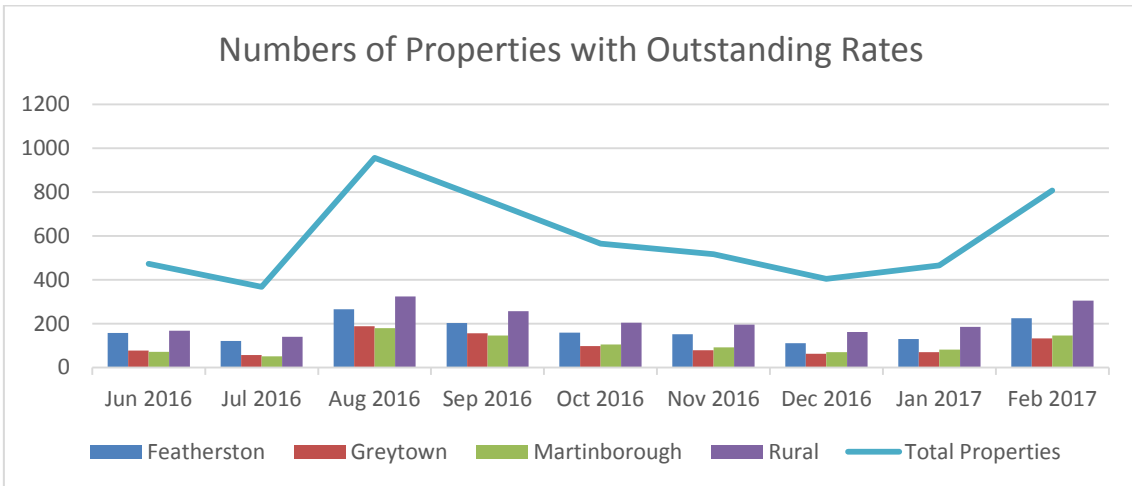
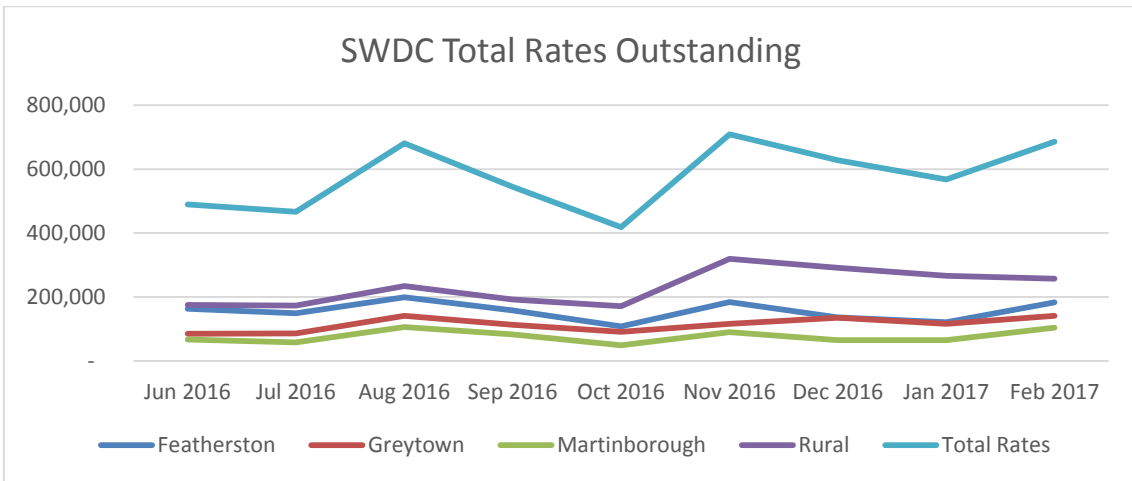
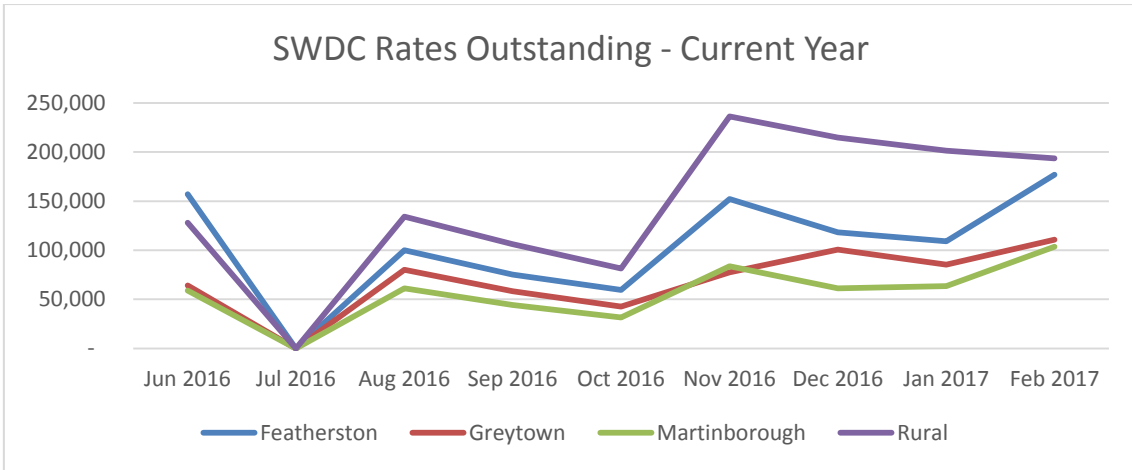
A stakeholder meeting was held with all stakeholder groups represented. This meeting was held to ensure all stakeholders are aware of progress and to seek further feedback if required.

As construction progresses further stakeholder meetings will be held to ensure any issues that may arise are able to be resolved.

4.3 Rates Arrears (Incl. GST)

As discussed at the previous meeting, rates debt will now be shown in graphical form, from which it is easier to ascertain trends.





4.4 LGOIMA Requests

DATE	TOPIC OF INFORMATION REQUEST	RESPONSE
5 February 2017	Traffic management plan for the Martinborough Fair	Information supplied
15 February 2017	Electronic Copy of the Council's District Valuation Roll information	Information supplied
28 February 2017	Information relating to dogs euthanized in the last five calendar years (2011 -2016).	Information supplied
8 March 2017	Government funding of product stewardship schemes in New Zealand, and the return of investment from these.	
16 March 2017	Chief Executive pay rates	
17 March 2017	Council rules relating to impounding of dogs.	

We continue to charge for those requests that require more than 1 hour and 20 pages of material. This charging regime is standard and used by central Government.

5. Appendices

Appendix 1 – Financial Statements for the period ended 28 February 2017

Appendix 2 – Health and Safety Report

Contact Officer: Paul Crimp, Chief Executive Officer

Appendix 1 – Financial Statements for the period ended 28 February 2017

SOUTH WAIRARAPA DISTRICT COUNCIL

MONTHLY FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2017

STATEMENT OF FINANCIAL PERFORMANCE
STATEMENT OF FINANCIAL POSITION
STATEMENT OF CASHFLOWS
SCHEDULE OF CAPITAL EXPENDITURE
SCHEDULE OF INVESTMENTS

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 28 FEBRUARY 2017**

	YTD			2017	
	Actual	Budget	Variance	Budget	% of Budget
<u>OPERATING INCOME</u>					
Rates	9,511,641	9,520,675	(9,034)	12,656,876	75%
Rates Penalty	127,839	69,497	58,342	143,000	89%
Interest	121,204	91,680	29,524	245,866	49%
Internal Interest Loans	13,901	13,938	(37)	20,880	67%
Fees & Licences	826,769	603,559	223,210	878,000	94%
User Levies	470,497	341,152	129,345	659,851	71%
Commissions	41,853	38,202	3,651	66,604	63%
NZ Transport Agency Subsidy	827,778	856,982	(29,204)	1,224,192	68%
Petrol Tax	56,815	60,733	(3,918)	80,000	71%
Grants, Donations & Subsidies	12,040	14,034	(1,994)	14,526	83%
Rental / Hire	335,141	364,610	(29,469)	502,332	67%
Profit on Sale of Assets	-	-	-	-	0%
Miscellaneous Income	225,994	211,655	14,339	331,811	68%
Total Operating Income	12,571,472	12,186,717	384,755	16,823,937	
<u>OPERATING EXPENDITURE</u>					
Corporate Services	1,155,866	1,212,606	56,739	1,766,817	65%
In-House Professional Services	548,666	513,572	(35,094)	771,023	71%
Governance, Leadership & Advocacy	355,963	281,793	(74,170)	432,036	82%
Public Protection	890,499	900,746	10,247	1,339,608	66%
Resource Management	266,058	258,686	(7,372)	419,788	63%
Economic, Cultural & Community Development	217,452	268,473	51,021	322,955	67%
Amenities	1,652,242	1,599,947	(52,295)	2,285,086	72%
Land Transport	3,370,549	2,983,018	(387,531)	4,831,146	70%
Water Supply	1,445,281	1,472,977	27,696	2,179,455	66%
Solid Waste Management	846,446	767,551	(78,895)	1,273,590	66%
Sewerage	1,039,155	1,123,140	83,985	1,774,833	59%
Stormwater Drainage	103,647	116,856	13,209	162,207	64%
Rate Debtors Written Off	14,007	-	(14,007)	40,000	35%
Bad Debts	-	-	-	-	0%
Loss on Sale of Assets	52,216	-	(52,216)	-	0%
Total Operating Expenditure	11,958,045	11,499,365	(458,681)	17,598,546	
Operating Surplus/(Deficit)	613,427	687,353	(73,926)	(774,609)	
<u>CAPITAL EXPENDITURE INCOME</u>					
NZ Transport Agency Subsidy	491,180	503,307	(12,127)	902,189	0%
Grants, Donations & Subsidies	438,700	420,000	18,700	420,000	0%
Contributions	710,716	199,247	511,469	332,311	214%
Total Capital Expenditure Income	1,640,596	1,122,554	518,042	1,654,500	
<u>OTHER INCOME</u>					
Assets Vesting in Council	-	-	-	-	0%
Gain on Asset Revaluations	-	-	-	38,421	0%
Total Other Income	-	-	-	38,421	
TOTAL SURPLUS / (DEFICIT)	\$ 2,254,023	\$ 1,809,907	\$ 444,116	\$ 918,312	

Included in the operating expenditure is:

Depreciation	2,859,371	2,785,969	73,402	4,189,213	68%
Interest	618,771	604,828	13,943	862,092	72%

SOUTH WAIRARAPA DISTRICT COUNCIL

STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2017

	28 FEBRUARY 2017	30 JUNE 2016	MOVEMENT
<u>ASSETS</u>			
<u>Current Assets</u>			
Cash and Bank	98,475	424,998	(326,522)
Short Term Deposits	14,500,783	5,228,061	9,272,722
Investments	-	1,610,317	(1,610,317)
Prepayments & Receivables	1,411,636	1,930,974	(519,338)
Inventories	21,124	12,202	8,922
Properties Intended For Sale	-	2,874,000	(2,874,000)
Total Current Assets	16,032,019	12,080,552	3,951,467
<u>Non-Current Assets</u>			
Investments	308,914	212,914	96,000
Investment Properties	7,162,975	6,998,000	164,975
Intangible Assets	160,919	175,070	(14,151)
Property, Plant & Equipment	384,169,272	381,993,468	2,175,804
Total Non-Current Assets	391,802,080	389,379,452	2,422,628
TOTAL ASSETS	\$ 407,834,098	\$ 401,460,003	6,374,095
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Cash and Bank	-	-	-
Payables and Accruals	3,688,245	3,591,091	97,154
Employee Entitlements	242,548	317,317	(74,768)
Public Debt - Current Portion	-	1,000,427	(1,000,427)
Finance Leases - Current Portion	-	-	-
Provisions - Current Portion	-	33,486	(33,486)
Total Current Liabilities	3,930,794	4,942,321	(1,011,528)
<u>Non-Current Liabilities</u>			
Public Debt - Non-Current Portion	17,500,000	12,401,887	5,098,113
Finance Leases - Non-Current Portion	-	-	-
Provisions - Non-Current Portion	440,033	406,546	33,486
Total Non-Current Liabilities	17,940,033	12,808,433	5,131,600
<u>EQUITY</u>			
Public Equity	148,789,330	146,736,957	2,052,373
Special Separate & Trust Funds	17,902,497	17,652,497	250,000
Asset Revaluation Reserve	219,268,555	219,316,904	(48,350)
Sinking Fund Reserves	-	-	-
Other Reserves	2,891	2,891	-
Total Equity	385,963,271	383,709,249	2,254,022
TOTAL LIABILITIES & EQUITY	\$ 407,834,098	\$ 401,460,003	6,374,095

SOUTH WAIRARAPA DISTRICT COUNCIL

STATEMENT OF CASHFLOWS AS AT 28 FEBRUARY 2017

	28 FEBRUARY 2017	30 JUNE 2016
<u>OPERATING ACTIVITIES</u>		
<u>Cash was provided from:</u>		
Rates	10,738,112	15,655,638
Government Grants & Subsidies	2,153,003	2,606,098
Petrol Tax	42,038	81,976
Other Income	2,642,729	3,243,153
Interest on Investments	134,143	236,659
Total Operating Cash Inflow	15,710,025	21,823,524
<u>Cash was applied to:</u>		
Payments to Suppliers & Employees	9,569,898	15,470,229
Interest Paid	441,716	795,282
Total Operating Cash Outflow	10,011,614	16,265,511
Net Cashflow from Operating Activities	5,698,412	5,558,014
<u>INVESTING ACTIVITIES</u>		
<u>Cash was provided from:</u>		
Sale of Property, Plant & Equipment	-	(2,837)
Term Investments, Shares & Advances	1,610,317	1,591,845
Investments in Loan Redemption & Sinking Funds	-	-
Total Investing Cash Inflow	1,610,317	1,589,008
<u>Cash was applied to:</u>		
Purchase of Property, Plant & Equipment	2,460,215	4,942,441
Term Investments, Shares & Advances	-	2,864,264
Investments in Loan Redemption & Sinking Funds	-	-
Total Investing Cash Outflow	2,460,215	7,806,705
Net Cashflow from Investing Activities	(849,898)	(6,217,697)
<u>FINANCING ACTIVITIES</u>		
<u>Cash was provided from:</u>		
Public Debt	9,838,897	7,500,000
Total Financing Cash Inflow	9,838,897	7,500,000
<u>Cash was applied to:</u>		
Repayment of Public Debt	5,741,210	8,815,519
Total Financing Cash Outflow	5,741,210	8,815,519
Net Cash Flow from Financing Activities	4,097,687	(1,315,519)
NET INCREASE / (DECREASE) IN CASH	8,946,200	(1,975,201)
OPENING CASH BALANCE	1 JULY 2016	5,653,059
CLOSING CASH BALANCE	28 FEBRUARY 2017	\$ 5,653,059
<u>REPRESENTED BY:</u>		
Cash and Cash equivalents	98,476	424,998
Short Term Deposits	14,500,783	5,228,061
Investments	-	-
	\$ 14,599,259	\$ 5,653,059

SOUTH WAIRARAPA DISTRICT COUNCIL

SCHEDULE OF CAPITAL EXPENDITURE FOR THE PERIOD ENDED 28 FEBRUARY 2017

<u>DESCRIPTION</u>	Year to Date		Annual	Budget	Total	Full	Carry
	Actual	Budget	Budget	Brought Forward from Prev Years	Budget Available	Year Forecast	Forward to 2017-18
Baseline CAPEX:							
Amenities	391,417	569,984	864,109	-	864,109	650,335	480,402
Water Supply	574,868	919,888	1,379,840	551,430	1,931,270	1,906,790	-
Solid Waste Management	-	11,336	17,000	-	17,000	17,000	-
Stormwater Reticulation	-	34,864	52,300	-	52,300	52,300	-
Sewerage	413,309	994,752	1,492,123	575,053	2,067,176	1,227,176	840,000
Land Transport	1,062,121	1,185,520	1,778,304	-	1,778,304	1,778,268	-
Information Technology	22,859	63,104	94,648	-	94,648	94,648	-
Council Property	13,030	84,424	126,632	-	126,632	126,632	-
Waihinga Centre	362,044	2,530,000	3,795,000	780,172	4,575,172 *	975,000	3,600,172
	<u>\$ 2,839,647</u>	<u>\$ 6,393,872</u>	<u>\$ 9,599,956</u>	<u>\$ 1,906,655</u>	<u>\$ 11,506,611</u>	<u>\$ 6,828,149</u>	<u>\$ 4,920,574</u>

* Full budget approved at January 2017 Council meeting \$5.132 million for core project \$362K is year to date Waihinga Centre spend, Project to date spend is \$899K

SOUTH WAIRARAPA DISTRICT COUNCIL

SCHEDULE OF INVESTMENTS AS AT 28 FEBRUARY 2017

<u>ORGANISATION</u>		<u>INTEREST RATE</u>	<u>DATE INVESTED</u>	<u>DATE MATURES</u>	<u>TOTAL INVESTED</u>	<u>INVESTED FUNDS %</u>	<u>AUTHORISED FUNDS %</u>
SHORT TERM DEPOSITS							
Registered Banks							
ANZ CALL ACCOUNT	99182813	0.70%	31-Dec-16	On Call	\$1,001,735.83		
ANZ Term Deposit	99182813	3.10%	17-Feb-17	18-May-17	\$920,000.00		
ANZ Term Deposit	99182813	3.10%	21-Feb-17	22-May-17	\$1,000,000.00		
					\$2,921,735.83	20%	30%
BNZ AUTOCALL (-025)	99182812	3.00%	31-Dec-16	On Call	\$502,004.08		
BNZ - Reserves Fund	99182812	3.41%	27-Feb-17	27-Jun-17	\$827,244.74		
BNZ - Reserves Fund	99182812	3.41%	27-Feb-17	27-Jun-17	\$1,151,323.62		
BNZ Term Deposit	99182812	3.23%	21-Feb-17	22-May-17	\$510,000.00		
BNZ Term Deposit	99182812	3.23%	21-Feb-17	22-May-17	\$1,250,000.00		
					\$4,240,572.44	29%	30%
KIWIBANK - Term Deposit	99182819	1.75%	28-Feb-17	On call	\$1,500,000.00		
KIWIBANK - Term Deposit	99182819	1.82%	22-Feb-17	24-Mar-17	\$2,000,000.00		
					3,500,000.00	24%	30%
WBS (21220)	99182816	3.55%	30-Nov-16	29-May-17	\$172,210.90		
WBS (21220)	99182816	3.65%	11-Sep-16	10-Mar-17	\$136,505.88		
WBS (21220)	99182816	3.70%	25-Feb-17	22-Nov-17	\$179,087.84		
WBS (21220)	99182816	0.50%	31-Dec-16	On Call	\$370.96		
					\$488,175.58	3%	10%
WESTPAC TRUST ONLINE CALL	99182814	0.35%	31-Dec-16	On Call	\$80.30		
WESTPAC - Reserves Fund	99182814	2.24%	21-Nov-16	21-Mar-17	\$1,149,248.29		
WESTPAC - Reserves Fund	99182814	2.24%	21-Nov-16	21-Mar-17	\$701,031.01		
WESTPAC TRUST ONLINE CALL	99182814	2.68%	21-Feb-17	28-Mar-17	\$1,500,000.00		
					\$3,350,359.60	23%	30%
TOTAL					14,500,843.45	100%	100%
INVESTMENTS							
NZLGFDG472C5					\$28,800.00		
NZLGFDG472C3					\$91,200.00		
LGFA Borrower Bonds					\$64,000.00		
LGFA Borrower Bonds					\$32,000.00		
TOTAL					\$216,000.00		
SHARES							
NZ Local Govt Insurance Co Limited	99283823				\$78,737.80		
Airtel Limited	99283824				\$7,791.00		
Farmlands Trading Society Limited	99283825				\$1,159.00		
TOTAL					\$87,687.80		
FORESTRY							
Plantation - Hurupi Stock	99283827				\$5,226.00		
TOTAL					\$5,226.00		
TOTAL INVESTMENTS					\$14,809,757.25		
REPRESENTED BY:							
Short Term Deposits					14,500,843		
Investments - Current Assets					-		
Investments - Non-Current Assets					308,914		
					\$14,809,757.25		

South Wairarapa District Council

For the eight months ending 28 February 2017

Financial Report

1. SUMMARY & HIGHLIGHTS

1.1 Purpose:

The purpose of this report is to provide Council with a commentary on:

- Year to date budget vs actual.
- Commentary on material variances.
- Full year risks (if any) for each significant activity.

1.2 Highlights

- Year to date operating deficit \$613K vs. budget deficit \$687K.
- Total surplus amounts to \$2,254K vs. budget surplus \$1,810K.
- Sound cash position, Working capital \$12,101K.
- Interest cost 6.51% of rates revenue, SWDC maximum 12%.
- Current Net debt \$17,500K, SWDC maximum (at 3.02% average borrowing rate). \$50,292K.
- Have phased budgets on last years actual spend, Some variances are due to actual spend patterns being different between years.
- Sale of stock holding paddock has been made awaiting final costs of sale before processing and recording sale in accounting system.

2. STATEMENT OF FINANCIAL PERFORMANCE

2.1 Operating Income

2.1.1. Rates

On budget.

2.1.2. Rates Penalty

83.95% Ahead of plan, payments being made on time.

2.1.1. Interest

32.20% Ahead of plan, Interest received earlier than last year, so due to budget phasing.

2.1.2. Fees & Licences

36.98% Ahead of plan, Liquor licencing up, Building consents up number of consents applied for has remained high, Resource consents income also up.

2.1.3. User Levies

37.91% Ahead of plan, LIMS applications up due to increased activity and a conservative budget, Martinborough landfill fees up due to reported higher volumes over holiday period.

2.1.4. Commissions

9.56% Ahead of plan.

2.1.5. NZTA Subsidy

3.41% Behind plan, Operating Income and Capital Income both down on budget, full year program will be met so actual should align with budget at year end.

2.1.6. Petrol Tax

6.45% Behind plan, actual revenue not in our control.

2.1.7. Rental / Hire

8.08% Behind plan, due to lease properties income lower than budget.

2.1.8. Miscellaneous Income

6.77% Ahead of plan.

2.2 Operating Expenditure

2.2.1. Corporate Services

4.68% Behind plan, No budgetary concerns.

2.2.2. In-house Professional Services

6.83% Ahead plan, Revaluation budget needs to be moved to June.

2.2.3. Governance

26.32% Ahead of plan, Election expenses over budget this is due to election expenses being spread and budgeted for every year, training also over due to new Councillors.

2.2.4. Public Protection

1.14% Behind plan, there are some variances in the outputs below that offset each other.

Public Protection & Health

18.52% Behind plan, due to staff vacancies positions now filled.

Building and Construction

3.69% Behind plan.

Emergency Management

24.50% Ahead of plan, due to budget phasing will be on track for year end.

2.2.5. Resource Management

2.85% Ahead of plan, salaries and wages, consultants and Valuation expenses all under budget, Legal Expenses over budget mostly due to a judicial review, this will remain over budget for full year.

2.2.6. Economic Cultural & Community Development

19% below plan due to budget phasing, No budgetary concerns.

2.2.7. Amenities

Note: there are some "overs and unders" in the overall amenities expenditure as is usual with these outputs year on year as it is difficult to budget for one off maintenance e.g. more work required on pools early in the season, offset by less work in elsewhere.

3.27% Ahead of plan.

Parks & Reserves

9.60% Ahead of plan, Tree maintenance over budget due to spending being unpredictable, and urgent maintenance done for safety reasons, will be on track for year end.

Libraries

7.4% Ahead of plan, Kotui sub ahead of budget for and Salaries and wages over budget. We are reviewing the full year impact.

Community Buildings

3.6% Below plan.

Toilets

22.56% Ahead of plan.

2.2.8. Land Transport

12.99% Ahead of plan due to timing will be on track at year end.

2.2.9. Solid Waste Management

10.28% Ahead of plan, Waste minimisation Levy, Refuse Collection, Landfill Maintenance, Recycling and Resource consents all over budget, due to budget phasing as expenditure ahead of last year.

2.2.10. Sewerage

7.49% Behind plan, Interest payable under budget due to loans not yet drawn down until January, Routine Maintenance and Monitoring & Testing under budget it is anticipated budgets will be met at year end.

2.2.11. Stormwater Drainage

11.30% Behind plan, WRC drainage schemes under budget due to budget phasing, Routine maintenance over budget .

2.2.12. Capital Expenditure Income

NZ Transport Agency

Based on NZTA capital works program. Full year program will be met so actual should align with budget at year end. Capital works program on track.

Contributions

256.70% Ahead of plan, a few big subdivisions have gone through.

Grants and Subsidies

4.45% Ahead of plan, budget water subsidy now received.

3. STATEMENT OF FINANCIAL POSITION

3.1 Working Capital

Working capital (current assets less current liabilities) stands at \$12,101K (30 June 2016 \$7,138K).

3.2 Prepayments and Receivables

Prepayments and receivables sit at \$1,412K. Key components are Rates receivables \$358K, Rates in advance \$429K, Water debtors \$197K, NZTA \$244K, General debtors \$179K.

3.3 Payables and Accruals

Payables and accruals sit at \$3,688K. Key items are Rates in advance (SWDC & GWRC) \$1,279K, Audit fee accrual \$52K, Income in advance (Papawai grazing) \$151K, Footpath and other bonds \$1,121K and Contract retentions \$126K, City care \$284K, Earth care \$59K, Fulton Hogan \$171K, Accrued interest \$226K, GST Payable \$185K. The balance is normal monthly creditors.

3.4 Public Debt Current Portion

The comparative column shows a variance between the 30 June amount and that now reported. For the annual report we are required to split out the current and term portions of the public debt. For management reporting we report all public debt as one amount. (Non-current)

3.5 Gross Public Debt

Total public debt stands at \$17,500K.

30 June 2016 total public debt stood at \$13,402K.

Loans were drawn down from LGFA for Waihinga Centre earthquake strengthening, alternative disposal, toilets and water Capital expenditure.

Appendix 2 – Health and Safety Report

South Wairarapa District Council Health and Safety report 1 Feb 2017 – 31 March 2017

Health and Safety – driving continuous improvement (Lead indicators)

Health and Safety inductions	Health and Safety training	Near miss and new hazards reported
<ul style="list-style-type: none"> •No health and safety inductions this period. 	<ul style="list-style-type: none"> •One staff member attended ICAM investigation technique training. •Library staff attended safe use of ladder training by Building team member. •New H&S at Work Team members to receive training on hazard identification and risk assessment. 	<ul style="list-style-type: none"> •No near miss or hazards reported this period.

Health and Wellness programme

Employee Assistance Programme continues to be offered to all staff.

Health and Safety incidents (Lag indicators)

Non-injury incidents	Injuries requiring first aid, medical treatment (incl first aid register)	Number lost time injuries	Our learnings
<ul style="list-style-type: none"> •Non-injury Contractor incident. Overhead power cable struck with excavator while the machine was carrying pipe down the carriageway. Contractor undertook an investigation into the incident and Council notified WorkSafe. Layout, fatigue & inattentiveness by spotter identified as cause of incident. Contractor implemented actions to ensure incident does not occur again. 	<ul style="list-style-type: none"> •No incidents reported this period. 	<ul style="list-style-type: none"> •No lost time incidents reported this period. 	

Health and Safety strategy

Progress on Health and Safety work plan

- Work continues with contractor management systems, engaging with our contractors to ensure they have effective health and safety systems in place and their people are competent to work safely.

Engaging with our people

Health and Safety at Work Team continue to work hard and have made great progress since their forming late 2015. This year they have met twice and have worked on:

- Welcoming two new team members.
- Reviewing the H&S at Work Team charter.
- Reviewing the health and safety work plan.

Staff meetings

Health and safety a regular discussion point in staff team meetings.

Working with our contractors

Contractors are supplying details of their health and safety systems and council staff are reviewing to ensure they meet Council's requirements. Staff will follow up with contractors whose systems don't meet Council requirements or fail to provide information on their health and safety systems.