



AGENDA FOR THE

FINANCE AND PERFORMANCE
COMMITTEE

TO BE HELD IN THE
COUNCIL CHAMBERS

SELWYN DISTRICT COUNCIL
ROLLESTON

WEDNESDAY 2 APRIL 2025

COMMENCING AT 9AM

Finance & Performance Committee - 2 April 2025

PUBLIC AGENDA

Attendees: Councillors S N O H Epiha (Chair), G S F Miller (Deputy Chair), Mayor Sam Broughton, Councillors, P M Dean, L L Gliddon, D Hasson, M B Lyall, S G McInnes, R H Mugford, E S Mundt & N C Reid & Ms M McKay

02 April 2025 09:00 AM

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Public portions of this meeting are audio-recorded and livestreamed via the Council's YouTube channel.

Members attending by means of audio link or audiovisual link are able to be counted as present for the purposes of a quorum and able to vote. The recently enacted Local Government Electoral Legislation Act has made these emergency provisions permanent, and this came into effect in October 2024. Standing Orders have been amended to reflect any changes.

OPENING KARAKIA

Whakataka te hau ki
te uru

Cease the winds from
the west

Whakataka te hau ki
te tonga

Cease the winds from
the south

Kia mākinakina ki uta

Let the breeze blow over
the land

Kia mātaratara ki tai

Let the breeze blow over
the sea

E hī ake ana te
atakura

Let the red-tipped dawn
come with a sharpened
air

He tio, he huka, he
hau hū

A touch of frost, a
promise of a glorious
day

Tīhei mauri ora!

**MINUTES OF AN ORDINARY MEETING OF THE
FINANCE & PERFORMANCE COMMITTEE
HELD IN THE COUNCIL CHAMBER
ON WEDNESDAY 5 FEBRUARY 2025
COMMENCING AT 9AM**

PRESENT

Mayor Broughton (online), Councillors, P M Dean, L L Gliddon, S G McInnes, G S F Miller (Deputy Chairperson), R H Mugford, E S Mundt, N C Reid & Ms M McKay

IN ATTENDANCE

Messrs. T Mason (Executive Director Infrastructure and Property), K Narang (Head of Capital Works), T Harris (Executive Director Strategy and Engagement), S Gibling (Executive Director People, Culture and Capability), R Love (Executive Director Development and Growth); Mesdames D Kidd (Executive Director Community Services and Facilities), F Radcliffe (Head of Financial Control), R Phillips (Commercial Manager), S O'Connor (Senior Finance Business Partner), T Davel (Senior Governance Advisor) and M Mordaunt (Executive Assistant)

The meeting was livestreamed.

Councillor Miller presided as Chairperson and welcomed everyone to the meeting.

APOLOGIES

Apologies were received from Councillors Epiha, Hasson and Lyall.

Moved – Councillor Miller

‘That the committee receive the apologies as indicated, for information.’

IDENTIFICATION OF ANY EXTRAORDINARY BUSINESS

None.

CONFLICTS OF INTEREST

None.

PUBLIC FORUM

None.

CONFIRMATION OF MINUTES

1. Minutes of the ordinary meeting of the Finance and Performance Committee held in the Council Chamber on Wednesday 20 November 2024

Moved – Councillor McInnes / **Seconded** – Councillor Dean

‘That the Finance and Performance Committee confirms the minutes of the ordinary meeting of the Committee held on Wednesday 20 November 2024.’

CARRIED

REPORTS

1. Chairperson Report

Chairperson’s Report

In the absence of the Chairperson, none.

2. Chief Financial Officer

Chief Financial Officer’s Report

The CFO noted the team would be looking into projections for future reports. Today’s reports will not necessarily include everything the committee would like to see but at future meetings, reports will be more comprehensive. The CFO also noted there had been some challenges with the audit this year, although not fundamental. A table of the cash situation will be added to the Treasury Report in the next meeting.

Moved – Councillor Miller / **Seconded** – Councillor Dean

‘That the Finance & Performance Committee receives the Chief Financial Officer’s (verbal) report.’

CARRIED

3. Chief Financial Officer

Selwyn District Council Financials for the Period to 30 November 2024

Staff went through the dashboard report in detail and confirmed that where budgets run over the committee will receive requests for budget increases. There was also a note about timing issues, e.g. the time between when a budget was set and council starting to spend the money. To a question from the Chair, the CFO responded that Treasury reports will always go to the Audit and Risk Subcommittee but that she would look into which reports might come to the attention of this committee as well.

Moved – Councillor Gliddon / **Seconded** – Councillor McInnes

‘That the Finance and Performance Committee receives for information the report – Selwyn District Council Finance and Performance Report for the period ended November 2024.’

CARRIED

4. Head of Programme and Performance

Organisational Projects and Performance Report, YTD November 2024

Staff presented their report noting key projects and said Pines was one of the accelerated projects.

Moved – Councillor Miller / **Seconded** – Councillor Dean

‘That the Finance and Performance Committee receive for information the Organisational Projects and Performance Report for the reporting period covering YTD November 2024.’

CARRIED

5. Head of Financial Control

Summary of Development Contributions (DCs) movements for the period to 30 November 2024

Staff presented noting this was a new report and open to any changes. There was a discussion and explanation about development contributions (DCs) with staff saying timing explained the variances. There was a table in the report with a breakdown of DCs collected in the different catchment areas. Staff will be providing even more detail in future reports, because of the questions from the committee.

Moved – Councillor Dean / **Seconded** – Councillor Gliddon

‘That the Finance and Performance Committee receives this ‘for information report’ – Summary of DC movements for the period to 30 November 2024.’

CARRIED

GENERAL BUSINESS

None.

MATTERS RAISED IN PUBLIC FORUM

No public forum.

RESOLUTION TO EXCLUDE THE PUBLIC

Moved – Councillor Reid / **Seconded** – Councillor Mugford

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

General subject of each matter to be considered		Reasons for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution	Date information can be released
1.	Minutes	<i>Good reason to withhold exists under Section 7</i>	<i>Section 48(1)(a)</i>	

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

1	Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	Section 7(2)(h)
1	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or	Section 7(2)(i)

that appropriate officers remain to provide advice to the Committee.'

CARRIED

The public meeting moved into Public Excluded at 9.52am

RESOLUTION MADE PUBLIC

As there were no other items on the public excluded minutes of 20 November it was agreed that the resolution to confirm the public excluded minutes could be released.

An amendment was requested - remove '*for lateness*' in respect of Councillors Lyall and Miller.

Moved – Councillor McInnes / **Seconded** – Councillor Dean

'That the Finance and Performance Committee confirmed the public excluded minutes of the ordinary meeting of the Committee held on Wednesday 20 November 2024.'

CARRIED

With no further business being discussed, the meeting closed at 9.52am

DATED this day of 2025

CHAIRPERSON

ACTIONS PUBLIC Finance & Performance

Item & meeting referred from	Action & due	Status
Investment Property report (25/10/2023)	Report on way forward	April



**Council Committee
Terms of Reference**

For the 2022-2025 Triennium

Adopted by Selwyn District Council

14 December 2022

List of Committees

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INTRODUCTION

1. General Principles of Delegation

This document sets out the terms of reference and delegations for Selwyn District Council, and its committees and subcommittees. It also sets out the responsibilities of and delegations associated with certain roles, including the Mayor, Deputy Mayor, Chief Executive, Committee and Subcommittee Chairs and Deputy Chairs.

The Council's functions are wide-ranging, and it has obligations and powers under many statutes and regulations.

These terms of reference are intended to allow the Council to ensure that its powers and functions are exercised at a level commensurate with efficiency and effectiveness and the significance of the power or function.

2. Establishment of Committees

Procedures, responsibilities, and accountabilities

Subject to the following limitations, the committees of the whole shall have power to act in all matters concerning the functions listed in their respective delegations, provided they do not conflict with stated policy of Council. In respect of matters requiring financial input the committee's power is limited to the extent that provision has been made in the annual budgets and in the Long-Term Plan.

All Committees of the Whole:

- a) Shall be responsible for planning, reviewing and implementation of functions, duties, and powers in respect of their delegations
- b) Shall be responsible for monitoring performance (including budget and performance targets) for their areas of responsibility
- c) Have delegated power to appoint subcommittees and to delegate their powers to that subcommittee.
- d) May delegate their powers to an officer of the Council
- e) Can delegate any of its powers to any joint committee established for any relevant purpose under clause 32, Schedule 7 of the Local Government Act 2002 (LGA)
- f) Any committee of the whole has the power to adopt the Special Consultative Procedure provided for in Section 83 to 88 of the LGA in respect of matters under its jurisdiction. (This allows for setting of fees and bylaw making processes up to but not including adoption)
- g) All committees of the whole shall undertake such other functions as may be delegated by Council from time to time and are able to provide recommendations to council where appropriate

- h) When an Act or Regulation empowers 'the Council' to carry out a decision-making function, that decision must be made by way of resolution of the full council unless the Act or Regulation permits delegation to a committee, subcommittee or officer
- i) Council cannot delegate any of the following matters to committees, subcommittees or any other subordinate decision-making body (Clause 32(1)(a)- (h) of Schedule 7 of the Act):
 - a) the power to make a rate
 - b) the power to make a bylaw
 - c) the power to borrow money, or purchase or dispose of assets, other than in
 - d) accordance with the long-term plan
 - e) the power to adopt a long-term plan, annual plan or annual report
 - f) the power to appoint a chief executive
 - g) the power to adopt policies required to be adopted and consulted on under the Local Government 2002 in association with the long-term plan or developed for the purpose of the local governance statement
 - h) the power to adopt a remuneration and employment policy.
- j) The power to make or alter any council policy is limited to those instances where that power has been specifically delegated to the committee
- k) Any committee of the whole can approve submissions on legislation
- l) All Council committees will follow Tikanga and will open and close with a karakia

3. Committees

Committee includes, in relation to the Council:

- a) A committee comprising all the members of the Council;
- b) A standing committee or special committee appointed by the Council;
- c) A standing committee or special committee appointed by the Mayor;
- d) A joint committee appointed under clause 30 of Schedule 7 of the Local Government Act 2002;
- e) Any subcommittee of a committee described in items (a) (b), (c) or (d) of this definition; or
- f) A subordinate decision-making body, including Subcommittees and Forums

The terms of reference and delegations to Committees and Subcommittees are set out in full in this document. In respect of committees and subcommittees:

- a) The committees have no decision making powers other than those set out in these terms of reference
- b) Any committee may request expert advice through the Chief Executive where necessary

- c) The committees may make recommendations to their governing committee or Council, or Chief Executive as appropriate

4. Working groups

Working groups may be recommended by committees and subcommittees for Council approval. Working groups are set up to investigate a specific issue within their area of focus and report back within a specific timeframe. Working groups are made up of members of the committee or subcommittee. Working groups do not have decision making power. Working groups enable Councillors to work constructively and collegially together to consider an issue and collectively work on solutions.

5. Quorum

Unless otherwise specified, a quorum is defined as a half, if the total number of members is even or a majority, if the total number of members is odd. The quorum for committees and subcommittees are stated in the relevant terms of reference. The Mayor is included in calculating the quorum and is counted towards the quorum when present. Appointed members are included in calculating the quorum and are counted towards the quorum when present.

6. Ambiguity and Conflict

In the event of ambiguity or conflict between any of the provisions contained in these terms of reference, the Chief Executive can provide advice. If the ambiguity or conflict results in uncertainty or dispute as to which chairperson, committee or subcommittee has the delegation to act in respect of a particular matter, then the Mayor will decide in consultation with the Deputy Mayor and having received advice from the Chief Executive. The decision of the Mayor will be final and binding.

In resolving ambiguity or conflict in the allocation of matters to committees, the guiding principle is that the primary outcome of the decision required should determine which committee deals with the matter.

FINANCE AND PERFORMANCE COMMITTEE - TERMS OF REFERENCE

The Finance and Performance Committee shall be a Committee of Council, established by Council and is a Committee of the whole. The existence of the Committee does not remove from council any of its legal obligations or responsibilities.

Chair:	Councillor Epiha
Deputy Chair:	Councillor Miller
Members:	All Councillors Ms Megen McKay (Te Taumutu Rūnanga) Representative from Te Ngāi Tūāhuriri Rūnanga
Quorum:	Six (being a majority of the members physically present where the numbers of members are uneven, as per S.O 11.1(b))
Meeting Cycle:	Eight weekly or as required
Delegations Powers:	The Committee has the powers necessary to perform its responsibilities within the approved Long Term Plan and Annual Budgets
Reporting Officer:	Executive Director Enabling Services

1 Purpose

The purpose of the Finance and Performance Committee is to:

- partner with Te Taumutu Rūnanga and Te Ngāi Tūāhuriri Rūnanga
- enable, monitor, and review progress and performance of the Council in delivering its long-term and annual plans
- ensure risks are effectively identified and managed
- empower Council Officers to execute their responsibilities effectively, transparently and with integrity
- ensure compliance with applicable laws, regulations, and best practice

The Committee will request information and reports from staff on matters achieve its purpose.

The Council delegates to the Finance and Performance Committee authority to oversee and make decisions on:

2 Monitoring financial performance (capital programme, operational expenditure, and income)

- 2.1 Monitoring the Council's performance including inquiring into any material variations from budget, financial strategy parameters and other targets set out in the long-term plan and / or annual plan
- 2.2 Monitoring the Council's performance against any benchmarks set under relevant legislation
- 2.3 As may be required from time-to-time approving budget variations and any reprogramming of capex for a project or programme provided that:

- the overall budget for the Activity Group is met from savings and efficiencies within the Activity Group
- the overall budget for capex is not exceeded

Where this is not the case, the Committee must recommend to Council that additional funding is approved (outside the annual plan or long-term plan process)

- 2.4 Approve any capital or other carry forward requests, including the use of operating surpluses as the case may be

3 Capital programme and procurement

- 3.1 Approved capital programme business and investment cases and any associated operational expenditure in Council's long-term plan
- 3.2 Monitoring the delivery (cost, time, and quality) of significant capital projects.
- 3.3 Approve the procurement plans (where applicable), preferred supplier and contracts for all capital expenditure where the value of the contract exceeds \$1m (noting that the Committee may delegate authority for approval of the preferred supplier and / or contract to the Chief Executive provided the procurement policy is followed)

4 Property

- 4.1 Approve the purchase or dispose of property where required for the delivery of the capital programme in according with the Council's long-term plan and where those acquisitions or disposals have not been delegated to another decision-making body of the Council or staff
- 4.2 Approve new leases and lease renewals (of non-reserve land) in accordance with the annual plan or long-term plan
- 4.3 Ensure all leases are current and property is managed in accordance with party agreements

5 Development Contributions

- 5.1 Exercise all of the Council's powers in relation to development of contributions, other than those delegated to the Chief Executive and Council officers as set out in the Council's Delegations Manual

6 Insurance

- 6.1 All insurance matters including considering legal advice from the Council's Legal and other advisors, approving further actions in relation to the issues, and authorising the taking of formal actions (Sub-delegated to the Audit and Risk Subcommittee as per the Subcommittees Terms of Reference)

7 Loan and Debt Write-offs

- 7.1 Approving debt write-offs where those debt write-offs are not delegated to staff
- 7.2 Approving amendments to loans in accordance with Council's long-term plan

8 Non-Financial Performance (Section 17a)

- 8.1 Monitoring the Council's performance against long term plan and annual plan key performance indicators and inquiring into any material variations

- 8.2 Amending levels of service targets, unless the decision is precluded under s97 of the Local Government Act 2002 (LGA 2002)
- 8.3 Exercising all the Council's powers under section 17a of the Local Government Act 2002, relating to service delivery reviews and decisions not to undertake a review

9 Annual plan and long-term plan

- 9.1 Recommending service level changes and new initiatives to the long-term plans and annual plans processes within its core area of focus
- 9.2 Provides oversight and monitors the development of the long-term plan (including associated strategies and policies) and annual plan

10 Council Investments

- 10.1 Monitoring the financial and non-financial performance of the Council's investments and Council Controlled Organisations (CCO)
- 10.2 Ascertain and outline the Council's key priorities for each CCO to address in their Statement of Intent, in an annual Letters of Expectations and issue these letters
- 10.3 Make governance decisions related to the CCOs under sections 65 to 72 of the LGA 2002
- 10.4 Exercising the Council's powers shareholder in relation to:
 - 10.4.1 (Without limitation) the modification of constitutions and/or trust deeds, and other governance arrangements, granting shareholder approval of major transactions, appointing directors and approving policies related to Council Controlled Organisations; and
 - 10.4.2 In relation to the approval of Statements of Intent and their modification (if any)
- 10.5 Recommending to Council the acquisition or disposal of assets
- 10.6 Monitoring the performance of the investment portfolio in relation to Council's expected rates of return, and market rate of return

11 Submissions

- 11.1 The Council delegates the Committee to consider and approve draft submissions on behalf of the Council on topics within its Terms of Reference.
- 11.2 Where the timing of the consultation does not allow for consideration of a draft submission by the Council or relevant Committee, the draft submission can be considered an approved-on behalf of the Council

12 Chairperson may refer urgent matters to the Council

- 12.1 As may be necessary from time to time, the Committee Chairperson is authorised to refer urgent matters to the Council for decision, where this Committee would ordinarily have considered the matter. To exercise this authority:
 - 12.1.1 the Committee Advisor must inform the Chairperson in writing of the reasons while this referral is necessary
 - 12.1.2 the Chairperson must then respond to the Committee Advisor in writing of their decision
- 12.2 If the Chairperson agrees to refer the report to the Council, then Council may then assume decision-making authority for that specific report

13 Urgent matters referred from the Council

13.1 As may be necessary from time to time, the Mayor is authorised to refer urgent matters to this Committee for decision, where the Council would ordinarily have considered the matter, except for those matters listed in the limitations below. To exercise this authority:

13.1.1 The Committee Advisor must inform the Mayor and Chief Executive in writing the reasons why the referral is necessary.

13.1.2 The Mayor and Chief Executive must respond in writing with their decision.

13.2 If the Mayor and Chief Executive agrees to refer the report to the Committee, the Committee may then assume decision-making authority for that specific report.

14 Limitations

14.1 The general delegations to this Committee exclude any decision-making powers that are delegated to a Community Board, another Committee of Council or joint Committee

14.2 The Council retains the authority to adopt policies, strategies and bylaws

14.3 Council cannot delegate any of the following matters to committees, subcommittees or any other subordinate decision-making body (Clause 32(1)(a)- (h) of Schedule 7 of the Act):

15 Compliance with Legislation, Standards and Best Practice Guidelines

15.1 Review the effectiveness of the system for monitoring Council's compliance with laws, Council's own standards and best practice guidelines

16 Terms of Reference Review Process

16.1 On an annual basis the Committee will review its terms of reference to ensure all relevant legislation is acknowledged and incorporated

16.2 At the commencement of each calendar year the Committee will develop its work programme for the year ahead. The work programme will include linkage to Council's Long-term Plan and Annual Plan key activities and projects, the CEO's agreed KPIs and to risk assessment

TERMS OF REFERENCE REVIEW TABLE

Date of review	Status / summary of changes made
November 2022	TOR established
14 December 2022	Adopted by Council
1 March 2023	Adopted by the Committee
11 October 2023	Amended and adopted by Council
	Adopted by the Committee

REPORT

TO: Chief Executive Officer
FOR: Finance and Performance Committee
FROM: Chief Financial Officer
DATE: 13 March 2025
SUBJECT: **Selwyn District Council Financials for the period to 28 February 2025**

RECOMMENDATION

'That the Finance and Performance Committee receives for information the report – Selwyn District Council Finance and Performance Report for the period ended 28 February 2025'.

1. PURPOSE

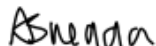
The purpose of this report is to provide the Finance and Performance Committee with a summary of the financial and operational performance against the planned performance highlighting any material variances.

This report covers the year-to-date period ended February and is based on the Council's monthly management accounting and performance information. It does not include technical accounting adjustments; these are made at the end of the year to comply with accounting standards. The expenditure information is accrual-based and does not include depreciation.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report is not considered to be significant in the context of the Council's Significance Policy. As it is for the Council's information.

Report of:



Allison Sneddon
Chief Financial Officer

DASHBOARD (see separate handout preceding this paper)

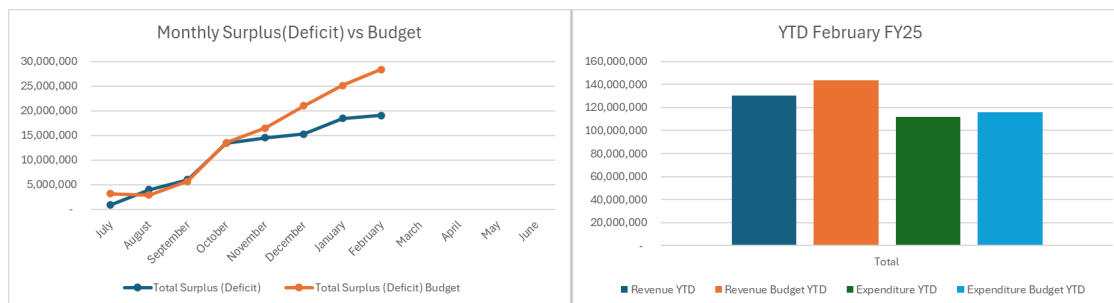
FORECAST

The dashboard's forecast uses year to date (YTD) actuals and March – June budgets to give a projected full year revenue and expenditure forecast.

DEVELOPMENT CONTRIBUTIONS

Development contributions of \$11.1m have been received YTD to February. The dashboard displays the split by contribution types and wards.

Further comment has been included below the (surplus)/deficit before depreciation, amortisation & tax about development contributions received.

(SURPLUS) / DEFICIT BEFORE DEPRECIATION, AMORTISATION & TAX

Selwyn District Council	2024/25	2024/25	2024/25	2024/25	2023/24
Account Group Details	YTD	YTD	YTD	Full Year	Full Year
For Period 2024/25	Actuals	Budgets	Variance	Budgets	Actuals
February	February	February	February		
Revenue					
General rates	28,869,357	28,957,296	(87,939)	43,435,927	34,710,284
Targeted rates	46,564,201	47,208,245	(644,044)	71,159,214	60,898,216
Rates penalties	304,672	266,664	38,008	400,000	495,254
Subsidies and grants	12,986,737	15,714,030	(2,727,293)	23,600,143	26,930,316
Fees and charges	27,534,374	23,392,611	4,141,763	34,614,319	34,634,825
Investment revenue	2,761,771	2,315,953	445,818	5,963,000	7,525,413
Other gains	1	-	1	3,005,386	(1,702,709)
Other revenue	248,477	233,336	15,141	350,000	273,405
Total Revenue (Excl. Development Contributions)	119,269,591	118,088,135	1,181,456	182,527,989	163,765,003
Development and financial contributions	11,108,433	25,540,984	(14,432,551)	38,311,497	14,913,802
Total Revenue	130,378,023	143,629,119	(13,251,096)	220,839,486	178,678,805
Expenditure					
Personnel costs	30,222,390	31,227,534	1,005,144	46,791,655	41,657,326
Elected members' remuneration	588,758	568,232	(20,526)	852,355	838,473
Maintenance expenditure	36,213,923	35,646,222	(567,701)	53,589,131	47,557,870
Consulting, legal and professional services	6,059,232	4,068,996	(1,990,236)	6,130,144	8,166,507
Overheads	7,619,930	7,851,158	231,228	9,753,282	9,148,760
Other expenditure	18,070,328	20,138,540	2,068,212	29,188,488	18,136,287
Finance costs	5,821,721	5,965,618	143,897	8,566,460	5,099,963
Operating projects	6,755,555	9,789,299	3,033,744	22,009,553	15,612,376
Total Expenditure	111,351,837	115,255,599	3,903,762	176,881,068	146,217,563
Total Surplus (Deficit)	19,026,186	28,373,520	(9,347,334)	43,958,418	32,461,242

For the period ended 28 February 2025, the Council's Year to date (YTD) net operating surplus (excluding vested asset revenue and depreciation) is \$19.0m, unfavourable to budget by \$9.3m.

Total year to date (YTD) **revenue** (excluding vested assets) for the period ended 28 February was \$130.4m, unfavourable to budget by \$13.3m. Total year to date operating revenue (excluding development contributions) was \$119.3m, favourable to budget by \$1.2m. The main YTD variances (excluding development contributions) are:

- Fees and charges: \$4.1m favourable to budget due to increased resource consent fees (\$1.2m), building consents (\$484k), dumping fees (\$883k), and dog control fees & fines (\$188k). The increases in resource consent and building consent revenue are completely offset by additional consulting spend. The favourable variance in dog control fees & fines is expected to reduce towards year end as the penalties are written off when the owners make payment.

- Subsidies and grants: \$2.7m unfavourable to budget mainly due to budgeted NZTA capital subsidies not being received as a result of the reduced National Land Transport Fund (NLTF) allocation. The full year NZTA capital receipts are forecast to be under budget by \$4m. The subsidies expected to be received from Foodstuffs in June for the Levi/Lowes Road intersection project will contribute towards reducing the YTD variance.
- Targeted rates: \$644k unfavourable to budget due to the timing of the billing periods for the metered water charges, the rates revenue is expected to align to budget by year end.
- Investment revenue: \$446k favourable to budget due to higher-than-expected interest revenue.

For the period ended 28 February 2025, the Council's YTD **operating expenses** (excluding depreciation and amortisation) were \$111.4m, favourable to budget by \$3.9m. The main YTD variances to budget are:

- Personnel costs collectively are \$1.0m favourable due to vacancies and seasonal variances. A review of all budgeted vacancies is currently underway.
- Elected members' remuneration: \$21k unfavourable to budget due to the release of Local Government Members 2024/25 Determination falling outside of the Long-Term Plan budgeting period.
- Maintenance expenditure: \$568k unfavourable mainly due to increased expenditure on roading repairs and maintenance, partially offset by the increased NZTA maintenance, operations and renewals (MOR) claim received. Roading maintenance is expected to be on budget for the full year.
- Consulting, legal and professional services: \$2.0m unfavourable, \$1.5m of which is directly rechargeable for building and resource consents. The balance of the unfavourable variance is spread across a number of departments including asset service delivery, finance, legal, corporate, engagement & communications teams.
- Overheads: \$231k favourable mainly due to savings against budget for insurance of \$493k, this is a timing variance as additional invoices are expected before year end, offset by electricity which is \$149k over budget YTD.
- Other expenditure: \$2.1m favourable across activities such as carriageway lighting, monitoring water quality, conference and training.
- Finance costs: \$144k favourable to budget due to less external borrowings drawn down.
- Operating projects: \$3.0m favourable to budget – this is being investigated as part of the finance hygiene project to determine why some projects are yet to begin and which projects need to be reclassified as operating expenditure. The favourable variance is likely to continue to year end and the reclassification will be addressed for the 25/26 Annual Plan.

BALANCE SHEET

Management has reviewed the mapping structure of the balance sheet and amended it to align with accounting standards as well as Council's annual report.

The only material change is the remapping of Development contribution balances from Equity to Non-current Liabilities.

Selwyn District Council	2024/25		2024/25	Movement	2023/24
Account Group Details	YTD		Full Year	from 30 June	Full Year
For Period 2024/25	Actuals	Budgets	Budgets	2024	Actuals
December	December	December			
	\$000	\$000	\$000	\$000	\$000
Current Assets					
Cash and cash equivalents	15,590	14,617	21,926	(11,809)	27,399
Trade and other receivables	34,440	9,333	14,000	9,911	24,529
Other current assets	6,225	1,787	2,680	2,259	3,966
Total Current Assets	56,254	25,738	38,606	361	55,894
Non Current Assets					
Property, plant and equipment	2,862,967	2,072,751	3,114,701	21,053	2,841,914
Investment in CCOs and other similar entities	202,757	130,403	195,605	0	202,757
Other non-current assets	0	6,667	10,000	(10,000)	10,000
Total Non Current Assets	3,065,724	2,209,821	3,320,306	11,053	3,054,670
Total Assets	3,121,978	2,235,558	3,358,912	11,414	3,110,564
Current Liabilities					
Trade Payables and revenue received in advance	(50,793)	(19,817)	(29,726)	(10,913)	(39,880)
Other current liabilities	(2,365)	(850)	(1,274)	(1,012)	(1,353)
Total Current Liabilities	(53,159)	(20,667)	(31,000)	(11,925)	(41,234)
Non Current Liabilities					
Borrowings and other financial liabilities	(219,561)	(195,956)	(293,934)	(14,174)	(205,387)
Development contributions	(9,770)	(26,879)	(13,696)	22,913	(32,683)
Total Non Current Liabilities	(229,331)	(222,835)	(307,631)	8,740	(238,071)
Total Liabilities	(282,489)	(243,502)	(338,631)	(3,185)	(279,304)
Total Equity	(2,839,489)	(1,992,056)	(3,020,281)	(8,229)	(2,831,260)
Total Equity and Liabilities	(3,121,978)	(2,235,558)	(3,358,912)	(11,414)	(3,110,564)

Trade and other receivables of \$34.4m have increased by \$9.9m from FY24 and are \$25.1m higher than budget due to the timing of quarterly due dates and an unphased Rates debtors budget.

Property, plant and equipment of \$2.86b is \$790m higher than budget due to the incorrect phasing of the budget. Current year movement should be ignored at this stage as management is investigating prior year mapping.

Investment in CCOs and other similar entities of \$202.8m are \$72.4m higher than budget due FY24 revaluation increase not included in the budget. There is no current year movement as the revaluation is only done at yearend.

Other non-current assets have a zero balance after the FY24 term deposit was utilised to repay debt in October 2024.

Trade payables and revenue received in advance of \$50.8m have increased by \$10.9m from FY24 and are \$19.8m higher than budget. This is driven by increased accruals resulting from Finance and business units working collaboratively to ensure goods/services delivered are accounted for.

Borrowing and other financial liabilities of \$219.6m have increased by \$14.2m from FY24 to fund capital expenditure. Year to date, the balance is \$23.6m higher than budget due to higher Development contribution spent to contributions received – refer to the next item.

Development contributions of \$9.8m have decreased by \$22.9m from FY24 and are \$17.1m lower than budget due to significant spend in the Sewerage and Water catchments and timing difference in receipts. Refer to the “*Summary of Development Contributions (DCs) movements for the period to 28 February 2025*” report for more detail.

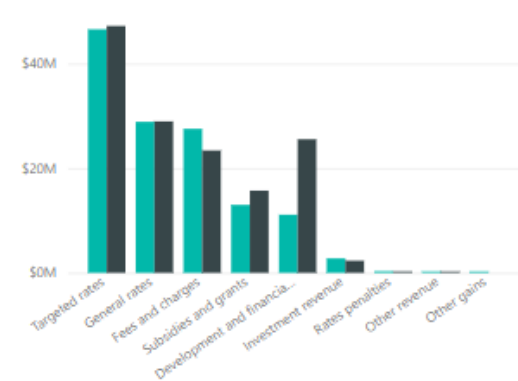
Overview

for the month ended 28 February 2025

Comparison of actuals to budgets

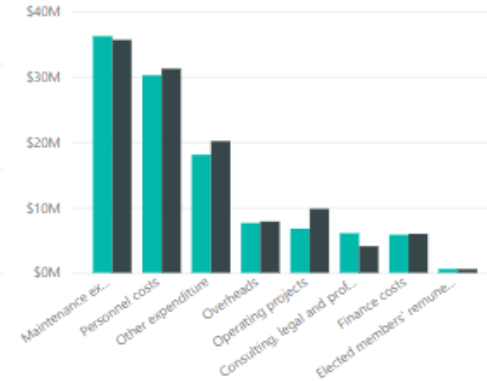
Revenue YTD Actual

● YTD Actuals ● YTD Budgets



Expenditure YTD Actual

● YTD Actuals ● YTD Budgets



Development Contributions 2024/25 Actual

Account	Malvern	Ellesmere	Springs	Rolleston	Total
Community	(\$4,276)	(\$1,715)	\$0	(\$5,059)	(\$11,050)
Reserve	(\$485,082)	(\$141,229)	(\$839,671)	(\$1,604,920)	(\$3,070,902)
Roading	(\$170,045)	(\$81,154)	(\$239,154)	(\$1,259,838)	(\$1,750,191)
Sewerage	(\$669,101)	(\$7,750)	(\$494,285)	(\$2,819,600)	(\$3,990,736)
Stormwater	\$0	\$0	(\$363,656)	\$0	(\$363,656)
Water	(\$787,003)	\$0	(\$274,134)	(\$860,759)	(\$1,921,896)
Total	(\$2,115,507)	(\$231,848)	(\$2,210,900)	(\$6,550,176)	(\$11,108,431)

The dashboard displays the split by contribution types and wards. A separate paper covers the development contributions component.

Revenue

Month

Year to date

Full year (forecast)

\$14.7M

Revenue February 2025

\$130.4M

Revenue YTD

\$217.9M

Projected revenue 2024/25

\$17.7M

Budget February 2025

\$143.6M

Budget YTD

\$220.8M

Revenue budget 2024/25

(\$3.0M)

Variance February 2025

(\$13.3M)

Variance YTD

(\$3.0M)

Projected variance

Expenditure

\$14.1M

Expenditure February 2025

\$111.4M

Expenditure YTD

\$176.6M

Projected expend. 2024/25

\$14.4M

Budget February 2025

\$115.3M

Budget YTD

\$176.9M

Budget 2024/25

\$0.3M

Variance February 2025

\$3.9M

Variance YTD

\$0.3M

Projection Variance

REPORT

TO: Chief Executive

FOR: Finance and Performance Committee Meeting

FROM: Kamal Narang – Head of Capital Works
Peter Edghill – Capital & Projects Accountant

DATE: 21 March 2025

SUBJECT: **ORGANISATIONAL PROJECTS AND PERFORMANCE:
YTD FEBRUARY 2025**

RECOMMENDATION

'That Council

- a) receive for information the Organisational Projects and Performance Report for the reporting period covering YTD February 2025.'*

1. PURPOSE

The purpose of this report is to provide the Committee with an update on the status of the Council's capital project expenditure and major project portfolio.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

This report is for information only and is therefore considered to be of low significance in the context of the Council's Significance and Engagement Policy.

3. ORGANISATIONAL PROJECTS

The Council Projects Programme Total for FY 2024/25 is \$181,488,473. This can be further broken down as per Table 1 showing the % complete as per February 2025.

For future reporting, the financial year expenditure has been classified into the following project types where;

- Capital Projects are projects that lead to the creation of a capitalisable asset.
- Operational Projects are A process/task/initiative that adds value to or improves day-to-day operations with a distinct timeframe.
- Emergency Funding
- NLTP is as per the decision made by Council Nov. 2024.

The remainder of report focuses on capital project expenditure only.

Project Types	Budget	Budget Savings to date	Carry Forward estimated	February YTD Complete
Capital Projects	\$154,419,943	\$10,454,019	\$13,810,263	\$81,043,959
NLTP (Nov. 2024)	\$3,696,823	\$3,696,823	NIL	
Total Capital Projects	\$158,116,766	\$14,150,842	\$13,810,263	\$81,043,959
Operational Projects/ BAU (Cost Reallocations)	\$22,059,553	\$1,742,055	\$6,487,750	\$6,487,750
Emergency Funding	\$1,312,154	\$1,000,000	\$306,214	\$306,214
Total Operational Projects	\$23,371,707	\$2,742,055	\$6,793,965	\$6,793,965
TOTAL	\$181,488,473	\$16,892,897	\$20,604,228	\$87,837,924

Table 1. FY2024/25 Budget breakdown estimated Carry forward and % complete (YTD February 2025).

It is to be noted

- Comparing the previous 2 years Capital projects have completed approximately twice the amount of work as at month ending February 2025.
- Projects teams have driven value engineering and budget savings throughout the capital works programme.

Figure 1 below represents our actuals for Capital Projects to date along with our forecasted figures as of February 25 Year to Date (YTD).

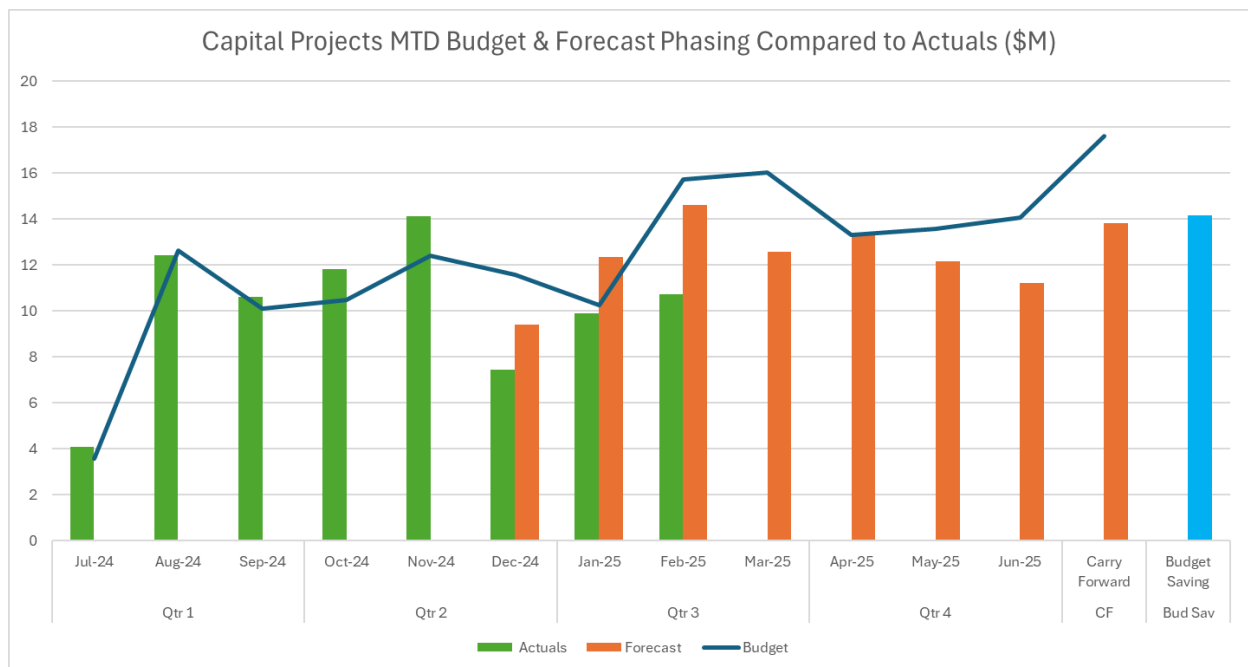


Figure 1. FY2024/25 Capital Projects Actuals vs Forecast

It is to be noted that Budgets were baselined in October 2024 and the Forecast is as per January 2025 with February being actuals and accruals.

For the capital projects, the variation between forecast and actual spend for quarter 2 & 3 has mainly been in the areas of Wastewater projects, Transport projects, Reserve projects and Resource Recovery in the projects

Wastewater Projects

- Ellesmere to Pines Wastewater Pipeline as the full budget savings including project risk had not been realised. The overall budget saving for the project is being realised and savings will be deducted from future payment claims.
- Edwards Road Pump Station. Programme had to change to suit site conditions due to design changes. Progress spend will catchup during the remainder of FY.
- Pines 120. Commissioning of part of new plant (mechanical thickeners leading to refurbished digester) delayed and this delayed progress payment. Progress spend will catchup during the remainder of FY.

Transport Projects

- Levi Road Intersection Upgrade as there were delays to the start of project due to unforeseen service utility clashes. Project is back on track with completion anticipated for May/ June 2025 and progress spend will catchup during the remainder of FY.
- Lincoln Town Centre – carparks as there were delays to the start of project due to scope changes which has resulted in value engineering. Project is back on track with completion anticipated for August 2025. Progress spend will catchup during the remainder of FY with some carry forward into next FY.
- Weedons Ross Road Seal widening – Delayed contract appointment. Work on track to be completed May 2025
- East Maddisons Road Upgrade - Delayed due to other subdivision contractors on site. Works are on track to be completed by June 2025
- Ellesmere Road Seal Widening – Ontrack to be completed before the end of year

Reserve projects

- Kakaha Park. Kakaha land purchase which occurred on 26th February 2025

Resource Recovery Projects

- Delays due to procurement of plant. This is now expected in May 2025. Progress spend will carry forward into next FY.

4. PROGRESS AND EXPENDITURE

Reviewing the February YTD costs of \$81M, the budget savings to date have been \$14.2M vs the \$154.5M capital budget. This brings the revised Capital target budget to \$144M which represents 56% capital spend progress. To date, \$13.8M capital carry forward is anticipated into FY 2025/26.

Financial Summary – Capital Projects

Feb MTD Actuals	Feb MTD Budget	Feb MTD Bud Var	Feb YTD Actuals	Feb YTD Budget	Feb YTD Bud Var
\$10,705,432	\$15,699,475	\$4,994,043	\$81,043,959	\$86,685,756	\$5,641,797

Total Capital Annual Budget including NLTP	Budget Savings including NLTP	Budget Saving % of Capital Annual Budget	Capital Forecast Carry Forward	Carry Forward % of Capital Annual Budget
\$158,116,766	\$14,150,842	9%	\$13,810,263	9%

**Capital Target Budget is defined as the original Capital Budget for the year less any budget savings found*

Capital Target Budget	% Spend. Feb YTD Actual / Capital Target Budget YD	Capital Forecasted Final Spend FY 24/25	% Forecasted Final Spend of Capital Target Budget
\$143,965,924	56%	\$130,367,659	91%

Capital Forecast Carry Forward

- A detailed breakdown of the top projects can be found in Table 2 below. These figures are approximate and at a point in time. Certain projects may be brought forward to suit programming.
- Total Capital Projects budget for the next 3 financial years is approximately \$500M. The net carry forwards from FY 2024/25 will be phased over the LTP.

Delivery Area	Project	CF (\$M)	Comments
5 Waters	WW Capital Improvements	1.70	In Design phase as scope had to be further reviewed, rephased and combined with next FY delivery.
	SW - Capital Works	1.07	Related mostly to Leeston bypass project which is still being finalised in terms of consents and property purchase. Carry forward into next FY for construction
	WW Renewals - Linear Pipe	1.05	Budget required to combine with FY25/26 Linear Renewals to fund project, work priced with construction due to start August 2025.
	WW Capital Works	0.75	Castle Hill WW upgrade. Projects to start construction in April 2025 and finish December 2025. Delays due to land purchase. Carry forward into next FY for construction
	Kirwee growth	0.68	The current scope of works will be completed May 2025. The additional funds will be required to continue next FY work.
	Water - Capital Improvements & Linear	0.99	Projects in Construction phase. Carry forward into next FY for construction
	West Melton Growth	0.39	Ridgeland way Water Treatment Plant. Construction underway, expected completion June 2026. Delays due to consents and community consultation.
	Prebbleton Growth	0.25	Part of project completed. Funds carried forward into next FY to complete bore works that has been scheduled for next FY.
	WW Renewals - P&E	0.20	Funds dedicated to reactive renewals and future renewals. Any additional funds will be required to continue next FY work.
	Consent Renewals	0.19	This is based on a 3-year consent review cycle. Funds required for continuous engagement, review and update.
5 Waters Total		7.26	

Delivery Area	Project	CF (\$M)	Comments
Parks & Reserves	Kakaha Park Reserve Development	0.64	Project in design phase. Carry forward into next FY for construction
	Foster Park Development	0.37	Project in Construction phase, expected completion August 2025. Carry forward into next FY to complete construction.
	Refurbish Library space	0.28	Project in design phase. Carry forward into next FY for construction
	Sports Park Lighting Programme	0.26	Funding from FY26 required to complete projects as specification & procurement for sports park lighting has increased. Sports Park lighting programme under review. Carry forward into next FY for staged completion.
	West Melton Tennis Court replacement & Reserve development	0.23	Project in design phase. Carry forward into next FY for construction
	Lincoln Reserve Extension	0.35	Project in design phase. Carry forward into next FY for construction
	New Passive Reserves Rolleston	0.17	Awaiting Developer to prepare land for reserves.
	West Melton Reserve Development	0.17	Design delays and additional fundings required to complete project. Carry forward to complete next FY. Construction expected to start in November 2025 and complete next FY.
Parks & Reserves Total		2.47	
	Two Chain Road Widening Stage	0.60	Part of Rolleston Access Projects. To be constructed as part of Jones Road realignment next FY. Carry forward required to complete project.
	Sealed Road Resurfacing	0.52	Seasonal work, expect to spend All by June 25
	Structures Component Replacement	0.45	Seasonal work, expect to spend All by June 25
	Road Renewals Backlog Funding	0.23	Seasonal work, expect to spend All by June 25
	Pavement Rehabilitation	0.20	Seasonal work, expect to spend All by June 25
Transport Total		2.00	
Operational Delivery	Exterior Repairs	0.50	Project to start June 2025 and complete by November 2025. Carry forward into next FY to complete construction.
	Pod / Meeting Space Extension	0.50	Project in planning & concept phase. Carry forward into next FY for design & construction
Operational Delivery Total		1.00	
Facility	Leeston Library/community cent	0.54	Project in planning & concept design phase. Carry forward into next FY for design & construction
Facility Total		0.54	

Delivery Area	Project	CF (\$M)	Comments
Resource Recovery	Compost Capital Works	0.54	Plant& equipment due in May 2025. Remaining funds required next FY to complete project.
Resource Recovery Total		0.54	
TOTAL Capital Forecast Carry Forward		13.81	

Table 2 – Capital Forecast Carry Forward projects breakdown

Projected Capital Forecast Budget Savings

A summarised breakdown of the top budget savings for the different areas can be found in Table 3 below. Savings account for approximately 9% of capital budget. These savings have been realised.

Delivery Area	Budget Savings (\$M)	Comments
5 Waters	6.15	Predominantly Ellesmere to Pines Wastewater pipeline
Transport	4.36	Predominantly NLTP based on Nov 24 decision
Operational Delivery	2.87	Predominantly BAU that have not required renewal
Parks & Reserves	0.67	Predominantly Foster Park
Property	0.10	Predominantly HVAC renewals
Grand Total	14.15	

Table 3 – Capital Forecast Budget Saving projects breakdown

Phasing and Spend YTD

Figures 3 & 4 show the capital works spread over the annual year by the different capital delivery areas for SDC.

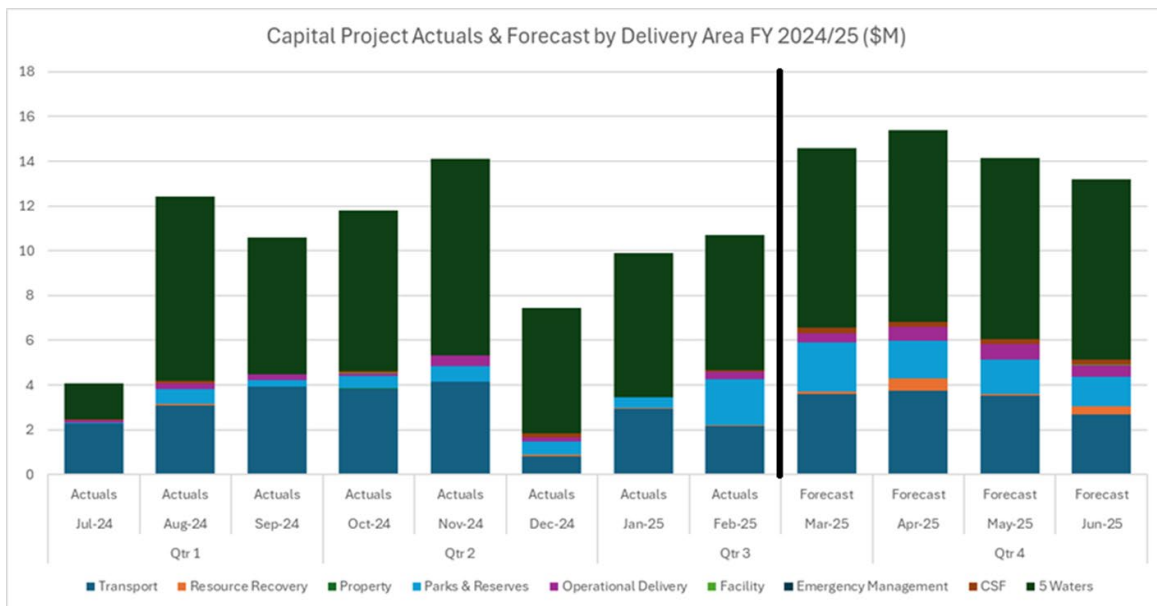


Figure 3. Phasing of month to date actuals & forecast for capital projects by delivery area

Water (62%) and Transport (29%) projects continue to feature as Council's larger portfolios for our delivery programme. Together they make up 91% of our Capital spend YTD.

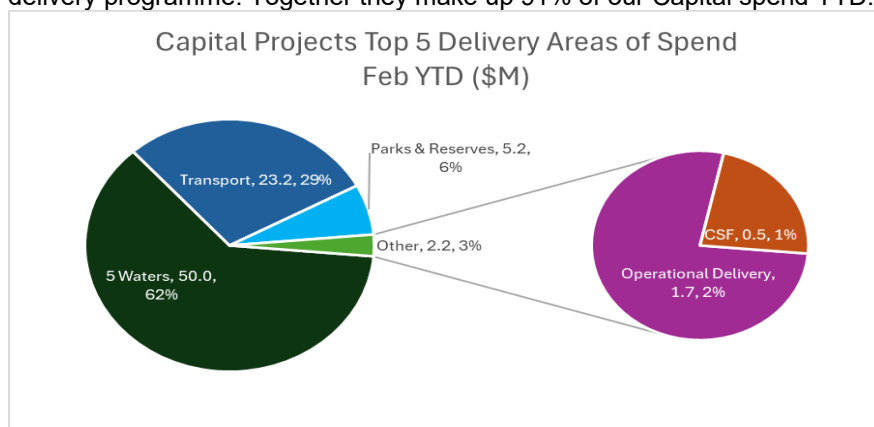


Figure 4. Capital Projects Top 5 Areas of Spend in Feb 25 YTD

Capital Forecast Spend Mar 25 to Jun 25

For the coming months, March to June 2025, the top projects with forecasted spend and delivery can be seen as per Table 4 and Figure 5.

Delivery Area	Project	Forecasted Spend (\$M)
5 Waters	SE Pump Station & Pipe Renewals / Conveyance and pumping	6.04
	West Melton Growth (Ridgeland way WTP)	3.51
	Pines WWTP – Solid stream upgrade & Design for inlet works	3.40
	Lincoln Town Centre – WW relining	3.15
	Ellesmere WW Pipeline	2.86
	Rolleston Growth – Water trunk mains (lzone to Dunns rd)	2.85
	Water - Capital Improvements District wide	2.25
	WW Capital Improvements District wide	1.82
	Potable Renewals - Linear District wide	1.75
	Water - Capital Works District wide	1.18
	Renewals - P&E District wide	1.05
	Castle Hill WW Capital Works	0.71
	Darfield Conveyance & Pumping DC	0.51
5 Waters Total		31.08
Transport	Lowes Rd/Levi Dr/Masefield Dr/	3.60
	Lincoln Town Centre – Carparks and Design	2.31
	Sealed Road Resurfacing	1.75
	Ellesmere Road Seal Widening	0.55
Transport Total		8.21
Parks & Reserves	Foster Park Development	1.43
	Leeston Reserve Development	0.59
	West Melton Reserve Development	0.47
Parks & Reserves Total		2.49
Grand Total		41.78

Table 4 – Top 20 Forecasted Spend by Delivery Areas for Mar 25 to Jun 25

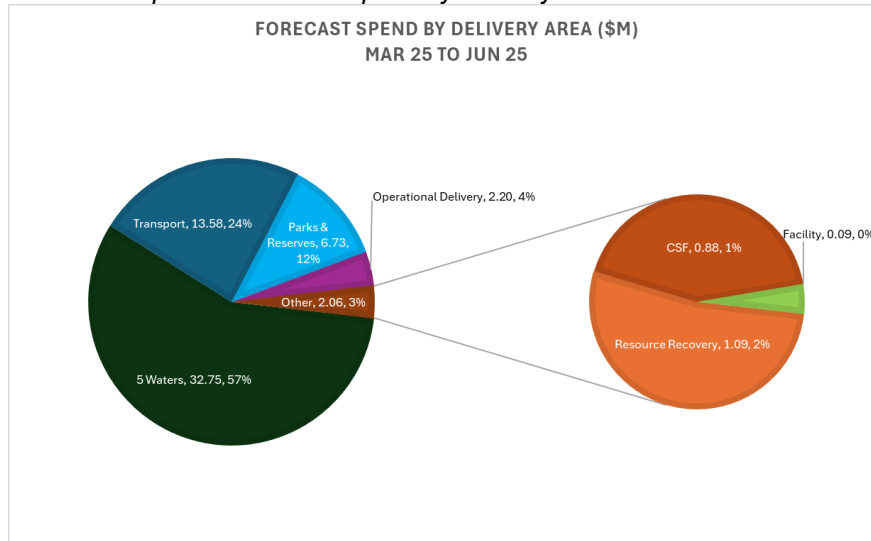


Figure 5. Capital Forecast Spend by Delivery Areas Mar 25 to Jun 25
Project Report Tracking for Key Projects

The project report tabled below, Table 5, currently highlights key projects based on 2024-34 Long-Term Plan delivery. The previous project portfolio issues and risks can be found in the Appendix to the report.

Project	Practical Completion		Project Budget \$M			Project Progress	
	Plan	Forecast Final	Plan	Actual to date	EAC	Stage	Status
The Pines WWTP	Jun-25	Jun-25	\$37.34	\$21.25	\$37.34	Construction	On Track
Edwards Road WW PS	Dec-26	Dec-26	\$14.14	\$0.12	\$14.14	Design	On Track
South East WW PS	Nov -25	Nov -25	\$7.44	\$4.2	\$7.4	Construction	On Track
Ellesmere to Pines WW Pipeline	Dec-24	Jun-25	\$35.61	\$23.3	\$28.50	Construction	On Track
Prebbleton Roundabouts (x4)	Jun-25	Complete	\$31.53	\$32.05	\$33.38-33.92	Defects Period	Moderate
Levi Road intersection upgrade	Jun- 25	Jun- 25	\$5.26	\$1.48	\$5.26	Construction	On Track
District Park – Stage 1	2034	2034	\$28.10	\$0.70	\$28.10	Design	On Track
Waihora Whata Rau (3 Yrs)	Jun-27	Jun-28	\$17.30	\$1.77	\$17.30	Design	Minor
Lincoln Reserve Extension	Jun-27	Jun-27	\$11.30	\$2.78	\$11.30	Design	On track
Lincoln Town Centre	Jun -30	Jun -30	\$46.34	\$0.78	\$46.34	Design	On Track
Prebbleton Reservoir and pipework	Mar-25	Apr-25	\$5.71	\$5.47	\$5.71	Construction	Minor

Table 5 –Key community projects progress.

Legend:

On Track	The project is tracking to plan
Minor	Minor issues or risks have been identified and are being managed
Moderate	Issues have been identified that could impact the project outcomes, programme and/or budget
Significant	Issues have had a material impact on programme, budget, scope, and/or reputation

Master Project Programme (MPP)

The new portfolio capital expenditure repository & tracking system (Apex2) is now active as planned. To compliment this, the development of a Master Project Programme (MPP) is advancing and is essential for understanding the impact and demands of our programmes to better inform delivery strategies, resource management, risks management and overall sequencing of activity. This will provide better insight into the work that is planned and completed for the reporting period as well as expenditure. The financial hygiene project for MagiQ is currently under way. With APEX being introduced in the financial year we are continuing to improve upon our forecasting and risk analysis for capital projects. Training and iterative changes are being focussed on each month to help improve on the forecasting and reporting that is produced. Currently further dashboard reporting is expected to be introduced in the next financial year.

5. FUNDING IMPLICATIONS

Further adjustments to the funding and project timing would be considered in due course, if required.



Kamal Narang
HEAD OF CAPITAL WORKS



Peter Edghill
CAPITAL AND PROJECTS ACCOUNTANT

Endorsed For Agenda


Allison Sneddon
CHIEF FINANCIAL OFFICER



Tim Mason
**EXECUTIVE DIRECTOR
INFRASTRUCTURE AND PROPERTY**

APPENDIX & GLOSSARY

PROJECT

A project is temporary endeavour with a finite start and end, dedicated resources, and a specific and measurable outcome.

Typically projects at SDC relate to new assets or major renewals, where the cost of the renewals can be capitalised. Maintenance functions are typically considered as business as usual (BAU), except where the nature of the work in respect of scale, budget or risk is beyond the capacity of BAU team, and the renewal extends the life of the asset and impacts valuation. In this case, the maintenance work is treated as a project.

PROGRAMME

A programme is a group of dependency related projects which together generate a specific and measurable outcome. Typically programmes at SDC are geographically co-located (e.g. Rolleston Town Centre, Foster Park).

PORTFOLIO

A portfolio consists of multiple unrelated projects and programmes which together generate a specific and measurable outcome for an organisation at a strategic level.

LOW RISK / HIGH RISK PROJECTS / PROGRAMMES:

	Low Risk	High Risk
Property, infrastructure, or IT project classification	Renewal of existing asset	New / expansion of an existing asset
Business change project classification	Minimal disruption to operations; minimal risk of failure	Change, or risk of failure will impact operations
Local community interests	Minimal impact on community, iwi, local businesses	Project will impact, or will be impacted by, stakeholders beyond the control of SDC.
Project risks	Project risks are easily managed and within the capability and control of the project manager and project sponsor.	Project risks may be beyond the control of the project manager and the project sponsor, or there are risks that are unknown at this stage.
Reputation other	Minimal risk to reputation	Risk of reputation damage that needs to be carefully managed.
Budget	<\$1,000,000 for P&I Projects	>\$1,000,000 for P&I Projects
Measures	Cost, programme, scope, risk	Cost, programme, scope, risk, quality, benefits

PROJECT PORTFOLIO ISSUES AND RISKS

Issues

The following issues previously identified have been successfully managed and closed since the May Report:

Issue	Status	Commentary
Ongoing issues with misalignment between budget planning and project delivery.	Monitor	This was addressed through the Capex do-ability work undertaken with the Long-Term Plan. Continuously improving budgeting and planning processes remains a focus with a number of initiatives underway.
Large scale projects delayed by stakeholders and consenting partners. These are issues beyond the control of SDC, but improved risk and issue identification and management is being implemented to anticipate and plan for these events.	Monitor	There is an increased attention and focus on to risk and issue management. This work will be ongoing. Relationship building with ECAN and Rūnanga continues.
Procurement and approval delays. A procurement strategy is being undertaken to streamline and advance procurement activities earlier in the project to reduce unnecessary delays.	Monitor	There are a number of initiatives in progress; A more streamlined process for tenders that comply with procurement policy. Procurement papers have recently been presented to Council. Master Project Programme will better informing planning processes
Timeliness and accuracy of project reporting	Under Action	There are a number of initiatives underway that will build better efficiency and accuracy into our reporting and project finance practices. These include: The recently completed Apex project reporting platform. The Finance Hygiene project will help to remedy/improve project accounting practices within MAGIQ as well as supporting practices and process. Design and delivery of a Master project programme

Risks

The following risks are current and are updated during the financial year:

'If'	'Then'	Risk Treatment	Action
Supplier constraints on imported goods (especially war impacted countries) continue	Project costs could escalate and/ or <u>delays</u> may occur	Accept	Improved risk management at a project level, particularly through planning phases

Increases in the cost of materials	Project costs could escalate	Mitigate	Improvement in regular cost estimating practice to anticipate fluctuations
Exchange rate fluctuations	Project costs could escalate	Mitigate	Increase focus on commercial acumen
Legislation changes	Changes to LTP programme of work and associated budgets maybe necessary (LTP Amendment)	Accept	Careful monitoring of the legislative landscape. Early impact analysis and reporting proposed reforms on legal advisory services to keep decision makers informed
Consenting delays	Project costs could escalate and/ or delays may occur	Mitigate	Improved risk management and planning at a project level
Capex do-ability plans and forecasts are compromised	Debt levels could be impacted Ability to support growth initiatives could be delayed Reputational damage	Mitigate	Continue strengthening capability and performance initiatives through Financial and Reporting Systems, Procurement efficiency gains, Developing staff capability, Supply chain relationships Close cycle monitoring and reporting
Anticipated funding from external providers does not materialise	Change will be required to the work programme and potentially some projects will not progress	Accept	Alternative options will be evaluated and provided to council for decision making

RESOLUTION TO EXCLUDE THE PUBLIC**Recommended:**

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

General subject of each matter to be considered		Reasons for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution	Date information can be released
1.	Public Excluded Report – Lease Report and Investment Update	<i>Good reason to withhold exists under Section 7</i>	<i>Section 48(1)(a)</i>	

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

1	Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	Section 7(2)(h)
1	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or	Section 7(2)(i)

2 *that appropriate officers remain to provide advice to the Committee.'*

CLOSING KARAKIA

Unuhia, unuhia

Te pou, te pou

Kia wātea, kia
wātea

Āe, kua wātea

Remove, uplift

The posts

In order to be
free

Yes, it has been
cleared