CENTRAL HAWKE'S BAY

DISTRICT COUNCIL

I hereby give notice that a Finance and Planning Committee Meeting will be held on:

Date:	**Thursday, 29 November 2018**
Time:	**at the conclusion of the Public Forum which commences at 9.00am**
Location:	**Council Chamber**
	28-32 Ruataniwha Street
	Waipawa

AGENDA

Finance and Planning Committee Meeting

29 November 2018

Our vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand.

Monique Davidson

Chief Executive

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1 APOLOGIES

2 DECLARATIONS OF CONFLICTS OF INTEREST

3 STANDING ORDERS

RECOMMENDATION

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers
- THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

4 CONFIRMATION OF MINUTES

Finance and Planning Committee Meeting - 18 October 2018

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
FINANCE AND PLANNING COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 18 OCTOBER 2018 AT AT THE CONCLUSION OF THE EXTRAORDINARY COUNCIL MEETING**

PRESENT: Mayor Alex Walker
Cr Ian Sharp (Deputy Mayor)
Cr Tim Aitken
Cr Kelly Annand
Cr Shelley Burne-Field
Cr Gerard Minehan
Cr David Tennent

IN ATTENDANCE: Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Monique Davidson (CEO)
Bronda Smith (Group Manager, Corporate Support and Services)
Doug Tate (Group Manager, Customer and Community Partnerships)
Nicola Bousfield (People and Capability Manager)
Lisa Harrison (Organsation Transformation Lead)
Leigh Collecutt (Governance and Support Officer)

1 APOLOGIES

Cr Muggeridge

Cr Chote

Dr Roger Maaka

2 DECLARATIONS OF CONFLICTS OF INTEREST

NONE

3 STANDING ORDERS

COMMITTEE RESOLUTION

Moved: Mayor Alex Walker
Seconded: Cr Kelly Annand

- THAT the following standing orders are suspended for the duration of the meeting:
- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers

CARRIED

COMMITTEE RESOLUTION

Moved: Mayor Alex Walker
Seconded: Cr Kelly Annand

THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

CARRIED

4 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan
Seconded: Mayor Alex Walker

That the minutes of the Finance and Planning Committee Meeting held on 6 September 2018 as circulated, be confirmed as true and correct.

CARRIED

5 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

COMMITTEE RESOLUTION

Moved: Mayor Alex Walker
Seconded: Cr David Tennent

THAT Council has read the reports associated with items 6.1 to 6.3 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting.

CARRIED

6 REPORT SECTION

6.1 FINANCE AND PLANNING COMMITTEE REPORT

PURPOSE

The purpose of this report is to provide an update to the Finance and Planning Committee on the key priorities as identified in the Terms of Reference and work programme for the committee.

COMMITTEE RESOLUTION

Moved: Cr Kelly Annand
Seconded: Cr Gerard Minehan

That, having considered all matters raised in the report, the report be noted.

CARRIED

6.2 QUARTERLY ACTIVITY REPORTING - JULY TO SEPTEMBER 2018

PURPOSE

The purpose of this report is to provide Council with a summary of Council's quarterly activity reporting for the period July to September 2018

COMMITTEE RESOLUTION

Moved: Cr David Tennent
Seconded: Cr Kelly Annand

That, having all matters raised in the report, the report be noted.

CARRIED

6.3 DEVELOPMENT CONTRIBUTIONS POLICY AND CONSULTATION

PURPOSE

The matter for consideration by the Council is the adoption of the draft Development Contributions Policy for public consultation.

COMMITTEE RESOLUTION

Moved: Cr Ian Sharp
Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

a) That the draft Development Contribution Policy with the rate set at 10%, up to a calculated maximum dollar fee of $8000 plus GST be approved for consultation.

AMENDMENT

Moved: Mayor Alex Walker
Seconded: Cr Kelly Annand

That **the draft Development Contribution Policy with the rate set at 10%, be approved for consultation.**

CARRIED

7 DATE OF NEXT MEETING

COMMITTEE RESOLUTION

Moved: Cr David Tennent
Seconded: Cr Kelly Annand

THAT the next meeting of the Central Hawke's Bay District Council be held on 29 November 2018.

CARRIED

8 TIME OF CLOSURE

The Meeting closed at 10.30am.

The minutes of this meeting were confirmed at the Finance and Planning Committee Meeting held on 29 November 2018.

.....

CHAIRPERSON

5 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

RECOMMENDATION

THAT Council has read the reports associated with items 6.1 to 7.1 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting

6 REPORT SECTION

6.1 FINANCE AND PLANNING COMMITTEE WORK PROGRAMME - PROGRESS REPORT

File Number: **COU1-1410**

Author: **Monique Davidson, Chief Executive**

Authoriser: **Monique Davidson, Chief Executive**

Attachments: **Nil**

PURPOSE

The purpose of this report is to provide an update to the Finance and Planning Committee on the key priorities as identified in the Terms of Reference and work programme for the committee.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

The role of the Finance and Planning Committee is to assist Council to discharge its responsibilities for:

- Preparation and promotion of key planning documents including the Long Term Plan, Annual Plan and District Plan
- Assess and progress current and future projects
- Policy review and development relevant to finance, planning and infrastructure

Specific responsibilities include:

- Discussion and preparation of the Annual Plan
- Discussion and preparation of the Long Term Plan
- Discussion and preparation of the District Plan
- Approval of appropriate draft strategies, plans and policies for public consultation
- Recommend appropriate strategies plans and policies to council for adoption
- Council owned infrastructure
- Finance policies
- Infrastructure policies

The purpose of this report is to provide a regular update on key areas of focus for the Finance and Planning Committee.

Annual Plan 2018-2019

The annual plan process focuses on year-to-year budgets. Councils prepare an annual plan in each of the two years between LTP reviews, and set out in them what the council plans to do in the next 12 months to move towards achieving its goals.

Council commence Annual Plan Workshops on 29th November 2018, with the anticipation that Council will adopt a consultation document in February to enable community consultation. Following submission hearings and deliberations, the Annual Plan 2019/2020 must be adopted no later than 30 June 2018.

District Plan
The District Plan is progressing well with the overall project programme meeting milestone of adoption by Council on 31 October 2018.

An item on the agenda of the Finance and Planning Committee meeting today is to consider the communications, engagement and funding approach for the remaining parts of the District Plan.

Contract Management Policy
Following the Internal Audit on Contract Management, the need for the development of a Contract Management Policy was identified. The high-level approach for this Contract Management Policy was workshopped with Council at the end of June.

Following recommendations from Phil Jones, Independent Risk and Audit Advisor the Policy for Contract Management should be contained in a wider Procurement and Contract Management Policy at a governance level.

Council adopted the Contract Management and Procurement Strategy on the 31 October 2018.

Focus now turns to the development of operational procurement manual and contract management manual to be developed and implemented across the organisation. Council Officers are exploring regional shared service opportunities within the project.

Development Contributions Policy
Council are required to review its Development Contributions Policy every 6 years. The current policy is under review with an initial discussion held between Council, and work underway in reviewing the policy based on growth assumptions and forecasted capital expenditure. Council officers presented a workshop on 6 September to Council for feedback. The draft policy was included as part of the 18 October Finance and Planning Agenda and was adopted for consultation. Council will consider submissions to the Draft Policy and consider the adoption of a Final Policy on Thursday 13 December 2018.

Funding and Financing Review
1. The Government has asked the Commission to examine the **adequacy and efficiency** of the current framework for **funding and financing local government**. The inquiry terms of reference notes that costs and pressures facing local government have increased in recent years, particularly for fast-growing and declining councils, and councils with high levels of tourism. The Commission will investigate the different drivers of costs for local authorities across the country, examine the scope for councils to manage cost pressures and explore new models and tools for funding and financing. The scope of this inquiry could cover a number of potential areas, including tourism costs, transport funding for roads, infrastructure support for new growth, and examining rates affordability for households.
2. The Productivity Commission are now calling for submissions, and encouraging Council input.
The release of this issues paper is the first stage of our inquiry and will inform the commissions draft report. Council are encouraged to provide feedback to help inform Council Officers preparation of a submission for consideration at the Council workshop in January 2019.
The following timeframes have been provided to the Funding and Financing Review.

- **15 February 2019** - Submissions due on issues paper
- **June 2019** - Draft report released and invitation for submissions
- **August 2019** - Submissions due on draft report
- **30 November 2019** - Final report due to the Government

Annual Report Progress

The Annual Reporting has been completed and the Risk and Audit Committee met with the External Auditors on the 4 October to discuss the process and outcome of the audit. The auditors, following the adoption of the Annual Report by Council, have advised that they will be in a position to issue an unmodified audit opinion.

Council adopted the Annual Report on 18th October 2019, which received an unqualified audit opinion.

Rates Review

Council will begin this process with a workshop on the 29 November 2018. The purpose of the workshop is to confirm with Elected Members the issues they see as important to be considered as part of the rates review, and therefore included in the scope of the review. Some key parts of the workshop will include:

- The types of rates reviews (First principles or an amendment)
- The process that will be required which must comply with both good practice and legislation for either type of review.
- The principle that when there are some properties that receive a positive benefit as a result of a change in a policy or valuation change, that there will be properties that will be negatively impacted.
- Impacts of changes to rating valuations and possible options to manage those impacts.

The workshop will assist in determining scope and timeframes for this project, before a project scope returning to the first Finance and Planning Committee meeting of 2019 for consideration.

Key items for the Finance and Planning Committee work programme in the coming months are:

- Development of External Funding Strategy
- Development of Annual Plan 2019/2020
- Development of Scopes Review

FINANCIAL AND RESOURCING IMPLICATIONS

There are no specific financial and resourcing implications for the committee to consider.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

The Chief Executive will provide a further progress report at the next Finance and Committee meeting on the 14th February 2019.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

6.2 DRAFT DISTRICT PLAN - OPTIONS FOR NEXT PHASES

File Number: **COU1-1400**

Author: **Helen O'Shaughnessy, Senior Planner**

Authoriser: **Doug Tate, Group Manager Customer and Community Partnerships**

Attachments: **1. District Plan Proposed Programme Options**

PURPOSE

The purpose of this report is to seek from the Council consideration and approval of the date of release of the Draft District Plan for public consultation.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

a) That the Council adopt option B and release the draft District Plan for public consultation in May/June 2019.

COMPLIANCE	
Significance	This matter is assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: 1. That the Council adopt option B and to release the draft District Plan for public consultation in May/June 2019. 2. That Council not adopt the recommended option and provide officers with guidance on an alternate timeframe.
Affected persons	The persons who are affected by or interested in this matter are the wider Central Hawke's Bay Community, including key stakeholders and industry groups.
Recommendation	*This report recommends option one for addressing the matter.*
Long-Term Plan / Annual Plan Implications	Yes
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY

The Draft District Plan was adopted by Council in a public excluded meeting on 31 October 2018.

As part of the 2018 Long Term Plan Deliberations and at the time of adoption of the Draft District Plan, it was noted that further information from officers was required and would be brought back to

enable an informed decision to be made on an appropriate date for release of the draft for public consultation and the associated expenditure required for the project.

The additional information sought includes implications for budget expenditure, including an understanding of the budget forecasting for the 2019/20 financial year and subsequent financial years, as well as a consideration of the practical and logistical implications of the Councils programme to socialise, communicate and consult on the Plan. This programme has implications in terms of informal hearings, release of decisions and notification of the Proposed Plan.

The substantially complete draft will remain embargoed until council has adopted a programme for public consultation of the draft including budget implications.

BACKGROUND

Pre-statutory consultation is a priority of the District Plan Review to enable effective and meaningful engagement with the community. There are a number of options open to Council in regard to when and how this process might unfold and the consequent implications relating to different phases of the review.

It is important to note that the greater time taken outside of a statutory process to robustly consult and consider the issues, is likely to result in less legal challenge.

There are also significant budget implications regarding where the costs of the next phases of the review fall in terms of financial planning. Officers are aware of the increased costs of the statutory phases of the review and which financial years these costs fall into. In addition there are six areas of outstanding work to be completed to incorporate into the plan before it is notified as a Proposed Plan.

This report identifies and discuses three broad options formulated by officers to assist elected members with this decision and evaluates any risks and/or challenges likely to be faced by Council in regard to each option.

In 2015 Council commissioned Perception Planning Report to provide an assessment of the District Plan review process is included in the report as relevant background to current budgets.

The purpose of the Perception Planning Report was to quantify the work completed by Council at the time of the review and provide direction on the work, and cost, required to develop a draft plan ready for public consultation. This report was the basis for initial Long Term Plan estimates, with further more detailed estimates being completed as the project progresses.

The Perception Planning Report noted that the work undertaken to date (2016) was well considered and robust and had been a good investment in a process that would form a strong foundation for the process of developing Plan provisions. As the project has progressed, it has become highly apparent that many factors considered in the review of the plan by Perception Planning did not fully contemplate the state and scope of works required in this plan review. This has seen many new budget items not contemplated in the original Perception Planning Report.

OPTIONS

Three options have been identified for the socialisation, provision of key messages and consultation of the draft Plan. These options are:

Option A – retain the status quo (release of the draft in February 2019)

Option B – release the draft in June 2019

Option C – release the draft in November 2019.

A high level programme of these options is **attached**. A number of key milestones have been identified within each option to provide an indication of the comprehensive and complex nature of the review process and also to ensure that relevant budget implications have been assessed.

The next section of this report provides a brief overview of each option to provide more detail on the specific phases identified for consultation on the draft through to notification of the Proposed Plan with hearings and provision of final decisions to potential appeals to the environment court. A table detailing the LTP budget implications for each option is also provided.

Programme timeline and budgets

An outline of the three programme options is follows:

	Phase 1 **Pre communicatio n of key messages /remaining bodies of work**	**Phase 2 release of draft**	**Phase 3** **Informal hearings and amendments to draft**	**Phase 4 notify draft plan**	**Phase 5 submissions, cross submissions and hearings**	**Phase 6 final recommendati ons, potential Env Court appeals**
OPTION A	Nov 2018 – February 2019	February-March 2019	April 2019-July 2019	August 2019	Submissions, cross submissions and Hearings	From August 2020 onwards
OPTION B	Nov 2018 – May 2019	May/June 2019	November – June 2020	July - August 2020	September 2020 – April 2021	From May 2021 forwards
OPTION C	Nov 2018 – September 2019	November 2019 – February 2020	March – June 2020	July - August 2020	September 2020 – April 2021	From May 2021 forwards

Of the three options, Option A is unlikely to be achievable based on available resourcing and will not achieve robust pre-statutory consultation. It is not recommended.

Option B seeks to release the Draft Plan in May/June 2019. There is risk for the project that aspects of the project could become politicised. This option requires a approval from Council for additional budget of $110,000 in the current financial year.

Option C seeks to release the Draft Plan in November 2019, providing an extensive lead-in consultation period can begin. This options requires no additional funds this current financial year.

Councillors will recall during the finalisation of the 2017/18 financial year that funds would be carried over for use in the District Plan. This table formally advises Council that the carried over funds are required and off-set the shortfall indicated for each option in the 2018/19 year.

The following table identifies estimated financial budgets for the three options over the current and next three financial reporting periods.

	18/19	**19/20**	**20/21**	**21/22**	**TOTAL**
Expense					
Option A	$837,394	$238,750	$679,400	$165,000	$1,920,544
Option B	$530,894	$335,250	$779,400	$165,000	$1,810,544
Option C	$432,644	$408,250	$623,150	$265,000	$1,729,044

LTP Budget	**$420,600**	**$260,610**	**$287,651**	**$65,329**	
Shortfall/Surplus					
Option A	-$416,794	$21,860	-$391,749	-$99,671	-$886,354
Option B	-$110,294	-$74,640	-$491,749	-$99,671	-$776,354
Option C	-$12,044	-$147,640	-$335,499	-$199,671	-$694,854

Project Budget Breakdown

This section of the report provides detail in relation to the level of projected budget to complete the District Plan review. An understanding of the extent of funding required through the Long Term Plan process is important so that elected members gain a full understanding of funding required to complete the plan review.

The following table identifies the key groupings of expenses associated with the main phases for the plan review associated with the recommended option. The costs have been broken into four categories:

- Consultation/ communication with Central Hawke's Bay Community.
- Legal Costs, covering legal advice relating to the Hearings.
- Commissioner expenses, including attendance at both formal and informal hearings, deliberations (written reports) and disbursements.
- Preparation for formal hearings, including writing section 42A Reports, and associated costs such as venue hire.

It is important to note that the following table represents the major areas of expense relating to the review. There are numerous other expenses incurred in a review of the plan that have not been included in these calculations as these costs. The focus in this report has been to include the major areas of costs.

	2018/19	2019/20	2020/21	2021/22
Expenses				
Consultation (includes community meetings; publicity material; preparation of the Engagement Plan; technical support; hui and cultural consultation; SNA's and landscape consultation and support from technical experts, advertising costs)	$142.200	$57,750		
Legal Costs (includes legal review of draft after amendments; legal review of Section 42A Reports; legal opinion on RWSS/landscape issues; Legal fees in relation to hearings/appeals based on four months " at $50.000/month	$53,000	$232,000		$165,000
Commissioner Expenses			$161,600	

(includes engagement of three commissioners including Chair, disbursements, deliberations and report preparation, venue hire)				
Hearings (includes preparation of s42A Reports (based on 1000 submissions/500 cross submissions), mapping, Sage Planning attendance, support if required from technical experts) Informal hearings are estimated separately and occur in 2018/19 period	$35,000		$225,800	

Benefits and Risks of Associated Options

This section of the report discusses the risks and challenges associated with each of the three options. This information is presented in the following Table

Table detailing Benefits/ Risks of each Option

Option	Benefits / Challenges	Risks
Option A	- Maximizes momentum of the review.	- Highly unlikely the programme can be achieved. - Too tight in terms of giving due consideration to remaining bodies of work and incorporating them into the draft - too tight to have meaningful communications with key stakeholders and the public - communications occurring during December/January closedown period could compromise its effectiveness - could compromise meaningful engagement - could seem rushed and give key stakeholders and the community the impression of a 'fait accompli' from Council - Budget/resourcing constraints as the 2018/19 LTP requirements are considerably higher than Option B & C over this period. - inflexible and restricting if roadblocks appear - notification of Proposed Plan prior to local body elections means that any change in approach sought by a new Council could prove expensive as now in the formal Schedule 1 RMA process (some risk that this may

		result in withdrawal of part or all of the Plan and re notification of amended Plan)
Option B	- Continues momentum of the review. - Allows remaining bodies of work to be completed and incorporated into the draft - Allows meaningful engagement with key stakeholders and affected parties through to June 2019. - Avoids December/January closedown period - Provides for some flexibility to respond if roadblocks appear - Better spreading of budget/resourcing requirements as considerably less resourcing required in LTP 2018/19 year - Public release of Draft Plan in May/June may enable for discussion of issues prior to local body elections, and provide time to respond to this and front-foot any issues - Investment in the process allows community buy-in to occur prior to local body election - Spreads budget/resourcing requirements	- Not notified prior to local body elections – risk that new Council may wish for different focus - Detailed aspects of the Draft Plan could become politicized as election issues (but risk considered lower than for Options B or C) - Delays notification of formal Proposed Plan by further 5-6 months (compared to Option A) - Requires additional funding of $110K in the current financial year.
Option C	- Allows remaining bodies of work to be completed and incorporated into the draft through to September 2019. - Allows a longer period of engagement with key stakeholders and affected parties - Detail of Draft Plan is less able to be politicized through the local body election as won't have been publicly released - Provides for some flexibility to respond if roadblocks appear - Spreads budget/resourcing requirements over three LTP periods	- Loses momentum in relation to adoption of the draft on 31st October 2018. - New Council may seek radical changes to the Draft before release – or may even seek to change provisions of the Draft. - Very protracted communications phase before Draft is publicly released – therefore limits value of intervening conversations as stakeholders have no detail in front of them and could impact on the momentum of the review. - Draft Plan release occurring during December/January closedown period could compromise meaningful submissions although this may be offset by a longer consultation period.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of some importance.

OPTIONS

Option 1 Option Release of the Draft District Plan in May/June 2019.

a) Financial and Resourcing Implications
There are financial and resourcing implications for Council with this option.

The LTP budget shortfall for 2018/19 is $110,294 that at this time could possibly be funded from the forecast Surplus resulting from higher than forecast consenting income.

New expenditure in the 2019/20 Draft Annual Plan is required to meet the balance of the programme.

b) Risk Analysis
There is a risk of the Operative District Plan becoming more outdated if the draft is not released in a reasonable period of time for public consultation, as this marks the beginning of the next phase of the review.

It is noted that delaying the release of the draft over an extended period of time may frustrate the community and result in loss of momentum for the review.

c) Alignment to Project Thrive and Community Outcomes
Several of the amendments of existing chapters or introduction of new chapters align with Project Thrive and Community Outcomes. The alignment of the draft with Project Thrive have been workshopped with the Councillors in October prior to adoption of the draft Plan.

d) Statutory Responsibilities
Council has a statutory responsibility under the Resource Management Act 1991 to commence a review of the District Plan every 10 years.

e) Consistency with Policies and Plans
The Draft Plan complies with the Policies and Plans of Council.

f) Participation by Māori
Consultation with Māori have taken place during the preparation of the Draft and is anticipated to continue through the next phase of the review. The Schedule one process to be adopted with the notification of the Proposed Plan also provides for consultation with Māori.

g) Community Views and Preferences
Many of the provisions in the draft Plan reflect and address community views and preferences as expressed through Project Thrive consultation. There will however be adverse reaction to the some of the changes. A strategic and considered approach to engagement with affected stakeholders is critical to ensure the risks to Council are minimised.

h) Advantages and Disadvantages
The advantages of adopting the blend of Option B is that the draft will be released for public comment within a reasonable period of time from adoption of the Draft by Council on 31 October 2018. This ensures that the momentum of the review process is retained.

Option 2 That Council not proceed with adopting Option B and provide officers with guidance on an alternative timeframe for release of the draft.

a) Financial and Resourcing Implications
There will be financial and resourcing implications for Council with this option. There has been a substantial consideration of budget implications for released of the draft which will need to be reworked if the recommended option is not adopted.

Regardless of any option adopted, there are additional budget requirements for the project.

b) Risk Analysis
The community are aware that the Council is preparing a draft District Plan and may become frustrated with an unexplained delay in release of this document,

c) Alignment to Thrive and Community Outcomes
A delay in release of the draft does not align with Project Thrive of Community Outcomes.

d) Statutory Responsibilities
Council has a statutory responsibility under the Resource Management Act to commence a review of the District Plan every 10 years.

e) Consistency with Policies and Plans
A delay in release of the draft may create inconsistencies with other policies and plans under review the draft aims to complement.

f) Participation by Māori
Consultation with Māori has been incorporated into the draft and discussion have taken place with Taiwhenua O Tamatea about how best to consult with Māori during this phase of the review.

g) Community Views and Preferences
There is a strong community interest in the draft plan and a desire to see it released for public comment.

h) Advantages and Disadvantages
There is a clear disadvantage to delaying the release of the draft Plan as the review process may loss its momentum and may become frustrated with lack of continuity with the review.

Recommended Option

This report recommends option B for addressing the matter.

NEXT STEPS

Pending the outcome of the decision made by elected member's officers will proceed to formulate a detailed programme to address the socialisation, education and communication of the key messages of the draft prior to its release for public consultation.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

a) That the Council adopt option B and release the draft District Plan for public consultation in May/June 2019.

Draft District Plan Options

		2018/19									2019/20										2020/2021										2021/2022										
		Oc	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oc	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
OptionA	Status Quo	Draft Substantial completion	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Release of draft plan	Draft Plan out for consultation	Prepare for informal hearings	Informal hearings	Amendments to plan	Amendments to plan	Ratify and Notify Plan	Notified plan consultation period	Council Elections	Induction for new Council	Summary of Submissions	Summary of Submissions	Call for further submissions	Preparation of Section 42a Report	Preparation of Section 42a Report	Preparation of Section 42a Report	Commisioner Hearings	Commissioner Deliberations	Decision	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court
Option B	June Draft Release	Draft Substantial completion	Remaining bodies of work	Remaining bodies of work	Remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Release of draft plan	Draft Plan out for consultation	Draft Plan out for consultation	Prepare for hearings	HOLD ELECTIONS/Prepare for hearings	Council Elections/Prepare for hearing	Induction for new Council and hearing of submissions	Hearing of submissions/amendment to plan	Amendments to plan	Amendments to plan	Amendments to plan/ Further consultation	Amendments to plan/ Further consultation	Amendments to plan/ Further consultation	Amendments to plan/ Further consultation	Ratify and Notify Plan	Notified plan consultation period	Summary of Submissions	Summary of Submissions	Call for further submissions	Preparation of Section 42a Report	Preparation of Section 42a Report	Preparation of Section 42a Report	Commisioner Hearings	Commissioner Deliberations	Decision	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court
Option C	November Release	Draft Substantial completion	Remaining bodies of work	Remaining bodies of work	Remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Proactive Communications on Plan/remaining bodies of work	Council Elections	Induction for new Council and release of draft plan	Draft Plan out for consultation	Draft Plan out for consultation	Draft Plan out for consultation	Prepare for informal hearings	Informal hearings	Amendments to plan	Amendments to plan	Ratify and Notify Plan	Notified plan consultation period	Summary of Submissions	Summary of Submissions	Call for further submissions	Preparation of Section 42a Report	Preparation of Section 42a Report	Preparation of Section 42a Report	Commisioner Hearings	Commissioner Deliberations	Decision	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court	Expect Appeals /Mediation/environment Court

6.3 REGIONAL THREE WATERS REVIEW TERMS OF REFERENCE AND SCOPE

File Number: **COU1-1410**

Author: **Monique Davidson, Chief Executive**

Authoriser: **Monique Davidson, Chief Executive**

Attachments: **Nil**

PURPOSE

The matter for consideration by the Council is to provide its support and endorsement to the Regional three water review.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report, the Finance and Planning Committee recommend to Council:

a) **That the Council provide its support for the project to deliver a review in association with the other Hawkes Bay Council's to address how we can improve the management of drinking water, storm water and wastewater ("Three Waters") to better support our community's prosperity, health, safety and environment.**
   •

b) **That Council note that the cost of the review is within the Chief Executive delegated authority and shall be apportioned across the Hawkes Bay Councils are as follows: 35% NCC, 35% HDC, 15% HBRC, 7.5% WDC, 7.5% CHBDC.**

COMPLIANCE	
Significance	This matter is assessed as being of high importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: Approve this review to contribute to Central Government strategy for Three Waters. Not approve use of money to complete the review and wait for Central Government outcome without considered Hawkes Bay regional input.
Affected persons	The persons who are affected by or interested in this matter are Councilors, Council staff, Rate Payers, Community Members, LGNZ and Central Government.
Recommendation	*This report recommends option 1 for addressing the matter.*
Long-Term Plan / Annual Plan Implications	None

COMPLIANCE	
Significant Policy and Plan Inconsistencies	Not applicable for this phase of activity – Review Only

EXECUTIVE SUMMARY

This paper requests the Council to approve a review in association with the other Hawkes Bay Council's to address how we can improve the management of drinking water, storm water and wastewater ("Three Waters") to better support our community's prosperity, health, safety and environment.

The outcome of the review is to have developed recommendations for regional performance improvements to our Three Waters systems to help shape Central Governments thinking to deliver:

- Safe, NZDWS compliant and reliable drinking water
- Better environmental performance for our water services
- Efficient, sustainable, resilient, and accountable water services
- Achieving these aims in ways our communities can afford their water bills.
-

The Councils will need to engage the services of an external agency to support the delivery of this review of which the cost is estimated at $200,000. This cost will be attributed on the following basis: 35% NCC, 35% HDC, 15% HBRC, 7.5% WDC, 7.5% CHBC. We will be seeking a fixed cost engagement via our procurement process.

BACKGROUND

The Government is reviewing how to improve the management of drinking water, stormwater and wastewater (three waters) to better support New Zealand's prosperity, health, safety and environment. Local Government Minister Nanaia Mahuta has announced a reform programme to transform drinking, storm and wastewater. It is focused on the challenges facing the sector, including funding pressures, rising environmental standards, climate change, seasonal pressure from tourism, and the recommendations of the Havelock North Inquiry. The review is in its second stage.

Stage One – This stage explored the issues and opportunities with three waters services by gathering and analysing information. This was completed at the end of 2017.

Stage Two – This stage commenced in March 2018. It is looking at options for improving the three waters system, including the management, service delivery, funding, and regulatory arrangements.

Central government has advised that they will work closely with councils, iwi and all stakeholders with an interest in three waters services in order to develop options and recommendations.

This review is an opportunity to provide the Hawkes Bay's perspective into the Central Government review on developing options to address the key concerns on how we can improve the management of drinking water, storm water and wastewater ("Three Waters") to better support our community's prosperity, health, safety and environment.

The review is supported by Department of Internal Affairs and the Minister of Local Government.

This review will need to address the following challenges for our water systems and communities:

- Meeting community expectations for each of the 3 waters across quality, treatment and management
- Meeting regulatory requirements for the 3 waters for quality, treatment and management
- The ability to replace infrastructure as it ages, and or fund and manage new infrastructure to meet changing customer and regulatory requirements.
- Declining rating bases in some areas, high growth in others
- High seasonal demand in small tourism centres
- Adapting for climate change and adverse natural events.

SCOPE OF THE REVIEW

The review shall identify and develops options for structure and governance models that:

- Develops and confirms 'Key Principles' of approach that are shared and agreed by the respective council's
- Identifies service and delivery model opportunities through joint provision of all or some elements of the 3 water services
- Develops strategic capacity and resilience across the water network
- Provides excellence in strategic and management capability to ensure safe, secure efficient drinking water, waste water and storm water service outcomes to our communities.
- Provide economic value
- Provides capital efficiency current and future 3 waters assets
- Delivers operational and maintenance excellence through the most effective service delivery model
- Improves customer service
- Provides greater environmental, community and cultural focus

In addition, the review shall:

- Identify a range of models which shall be compared to the status quo including clustering of sub-regional entities. The model's must be flexible enough to future proof for the inclusion of private water suppliers.
- Clearly demonstrate how well and why the identified models meet each of the objectives including benefits analysis, cost of service delivery, funding requirements, how fees and charges are levied, and processes.
- Consideration must be given to where benefits/costs shall be distributed.
- Undertake risk analysis of the options (with mitigating actions) and the status quo including identifying explicitly information with respect to the risk and legal liability issues that arises from the implementation of the scenario's.
- Recommend the next steps to enable the entire objectives to be met including a programme and cost/resource estimates to do this – this should also include transition plans/costs and timetables for such a transition

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of high importance. It is worth noting that no changes would be made without wider community engagement and Council resolution.

OPTIONS

The following considerations apply to all options:

- Participation by Maori
  - This review has been identified as requiring specific engagement with Maori. CHBDC will be engaging specifically with Te Taiwhenua o Tamatea on the matter.

Option 1 Council provides its support for the project to deliver a review in association with the other Hawkes Bay Council's to address how we can improve the management of drinking water, storm water and wastewater ("Three Waters") to better support our community's prosperity, health, safety and environment.

a) Financial and Resourcing Implications
The review will be outsourced to an external consultancy to deliver the report, however the will be an impact on council staff to provide information to complete the analysis and participate in workshops throughout the review process. The Cetnral Hawke's Bay contribution to the review will be covered by existing budgets.

b) Risk Analysis
This option is considered the lowest strategic risk option. This option would contribute the Hawkes Bay regional perspective into the Central Government review on how we can improve the management of drinking water, storm water and wastewater ("Three Waters").

c) Alignment to Project Thrive and Community Outcomes
This review supports the Project Thrive 'The Big Water Story' demonstrating our commitment to making sustainable investment in durable infrastructure that promotes smart growth and ensures we are environmentally responsible.

d) Statutory Responsibilities
Will contribute towards meeting our three waters standards & legal obligations

e) Consistency with Policies and Plans
This project is consistent with existing policies and plans.

f) Community Views and Preferences
This option has been identified as requiring specific engagement Maori. Community engagement will be required should any decision be made following the review.

g) Advantages and Disadvantages
The advantages of this option are:
- provision of the Hawkes Bay's regional perspective into the Central Government review to shape their thinking
- working together as a region to develop the best regional model to deliver a strategic and sustainable approach to Three Waters.

There are no perceived disadvantages of this option relative to option 2.

Option 2 Not approve use of money to complete the review and wait for Central Government outcome without considered Hawkes Bay regional input.

a) Financial and Resourcing Implications
There are no financial or resourcing implications in choosing to do nothing in the short term.

b) Risk Analysis
By doing nothing, the Government may mandate a new regime that does not address the specific requirements of the Hawkes Bay region & our communities.

c) Alignment to Thrive and Community Outcomes
The Council would continue progressing against its LTP plan whilst noting that the Government has a Three Waters review which is subject to change that plan.

d) Statutory Responsibilities
Not applicable - other than where we may be in breach of meeting standards and obligations

e) Consistency with Policies and Plans
This is an opportunity for the Hawkes Bay to develop a regional vs local approach. If we act independently then the review will still need to occur in accordance with our LTP, or a Central Government imposed regime. It will cost significantly more than this combined regional approach to the review.

f) Community Views and Preferences
This option has been identified as requiring specific engagement Maori. Community engagement will be required should any decision be made following the review.

g) Advantages and Disadvantages
Disadvantages are significant and preclude us from developing solutions for our region to deliver:

- Safe, NZDWS compliant and reliable drinking water
- Better environmental performance for our water services
- Efficient, sustainable, resilient, and accountable water services
- Achieving these aims in ways our communities can afford their water bills.
-

Recommended Option

This report recommends option 1 for addressing the matter.

NEXT STEPS

Should Option 1 be approved our next steps are as follows:

1. Commence Request for Proposal process for consultant to lead the review across the respective Councils with the expectation that this is completed in December
2. Confirm scope and draft project plan with a view to completing review by the end of June 2019.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report, the Finance and Planning Committee recommend to Council:

a) That the Council provide its support for the project to deliver a review in association with the other Hawkes Bay Council's to address how we can improve the management of drinking water, storm water and wastewater ("Three Waters") to better support our community's prosperity, health, safety and environment.

b) That Council note that the cost of the review is within the Chief Executive delegated authority and shall be apportioned across the Hawkes Bay Councils are as follows: 35% NCC, 35% HDC, 15% HBRC, 7.5% WDC, 7.5% CHBDC.

6.4 QUARTERLY FINANCIAL REPORTING FOR SEPTEMBER 2018

File Number: **COU1-1410**

Author: **Bronda Smith, Group Manager, Corporate Support and Services**

Authoriser: **Monique Davidson, Chief Executive**

Attachments: **1. 2018/19 Quarterly Financial Report September 2018**

PURPOSE

Provide Council with a summary of Council's first quarter financial performance for the 2018/19 financial year.

RECOMMENDATION

That, having considered all matters raised in the report, the report on Council's first quarter financial performance for the 2018/19 financial year be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

This report is to supply Council with a summary of the financial performance of Council and highlights the key financials for the first quarter for the year ended 30 June 2019.

The report contains a Financial Overview for Whole of Council and the Groups of Activities, Treasury Report and Rates Debt Information.

This Financial Report is for the 3 months to 30 September 2018. Overall the Surplus for Operational Funding is ahead of operating budget by $277k which includes a revenue increase in Subsidies and Grants of $88K and Payment to Staff and Suppliers being below budget by $74k. Employment Costs are $34k below budget due to vacant positions which are currently being advertised and other expenses are below budget by $47K.

FINANCIAL AND RESOURCING IMPLICATIONS

Officers will continue to monitor and management the finances of Council.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

Officers will continue to monitor and management the finances of Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report on Council's first quarter financial performance for the 2018/19 financial year be noted.

Central Hawke's Bay District Council - Whole of Council

Funding Impact Statement - Operational	As at 30 September 2018	Key Indicators

Rates Revenue
Received from ratepayers
$4,896K
$24k Favourable YTD
Full Year Budget $19,772k

+

Other Operating Revenue
User charges, Subsidies & Grants, Finance Revenue & Other Revenue
$1,965K
$136k Favourable YTD
Full Year Budget $6,491k

-

Operating Expenditure
Payments to Staff and Suppliers, Finance, Other Expenses
$5,382k
$67k Favourable YTD
Full Year Budget $18,667k

=

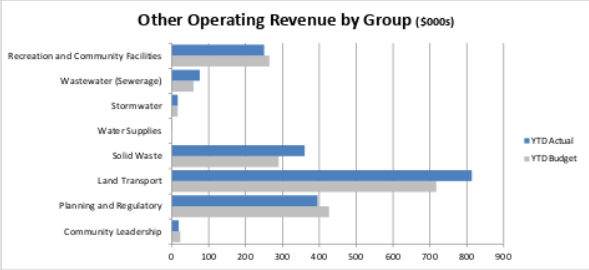
Net Operating Surplus/(-)Deficit
$1,479k
$227k Favourable YTD
Full Year Budget $7,596k

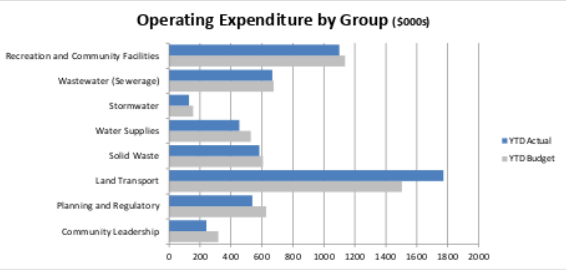
Employment Costs
$1,169K
$34k Favourable YTD
Full Year Budget $4,737k

Operations & Maintenance Costs
$3,289K
-$7k Unfavourable YTD
Full Year Budget $12,258k

Finance Costs
Interest on external debt
$68K
-$8k Unfavourable YTD
Full Year Budget $239k

Other Expenses
$856K
$47k Favourable YTD
Full Year Budget $1,433k





Funding Impact Statement - Capital Expenditure As at 30 September 2018 Key Indicators

Sources of Capital Funding

Subsidies & Grants, Development Contributions, Debt and Other Revenue

$493k

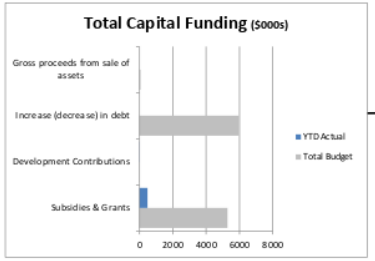
Full Year Budget $11,339k

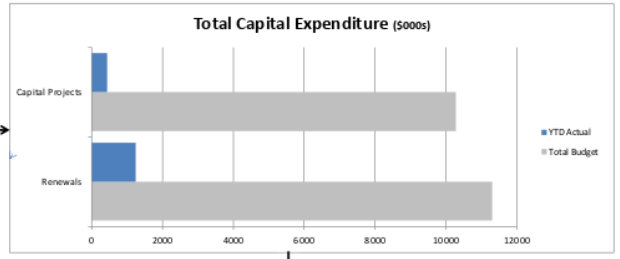
Capital Expenditure

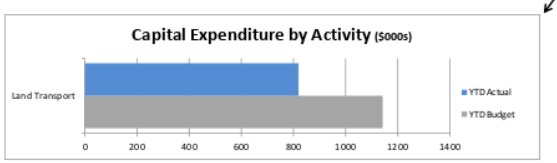
New Capital and Renewal Projects

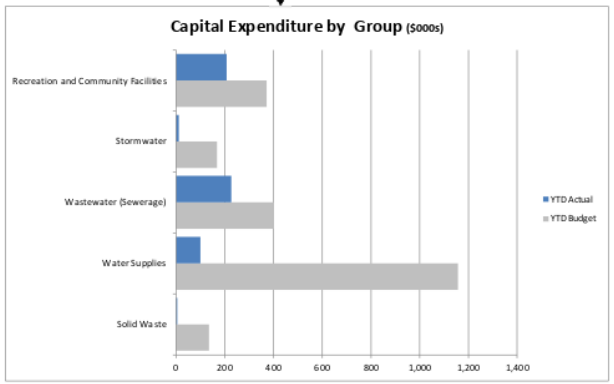
$1,684k

Full Year Budget $21,594k







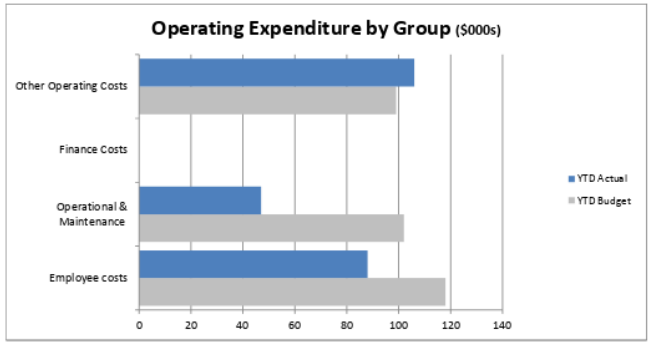


Central Hawke's Bay District Council: Funding impact statement 2018/19
Whole of Council
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	12,609	12,884	12,884	3,207	3,198	(8)	0%
Targeted rates	6,526	6,888	6,888	1,666	1,698	32	2%
Subsidies and grants for operating purposes	3,905	2,598	2,727	713	801	88	12%
Fees, charges	2,946	2,950	2,950	900	950	50	6%
Interest and dividends from investments	170	125	125	31	31	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	430	306	689	185	183	(2)	-1%
Total operating funding	**26,586**	**25,751**	**26,263**	**6,702**	**6,861**	**160**	
Applications of operating funding							
Payments to staff and suppliers	19,675	17,972	18,428	5,389	5,315	74	1%
Finance costs	120	239	239	60	68	(8)	-13%
Other operating funding applications	0	(183)	0	0	(1)	1	0%
Total applications of operating funding	**19,795**	**18,028**	**18,667**	**5,449**	**5,382**	**67**	
Surplus (deficit) of operating funding	**6,791**	**7,723**	**7,596**	**1,253**	**1,479**	**227**	
Sources of capital funding							
Subsidies and grants for capital expenditure	4,771	4,387	5,279	657	482	(175)	-27%
Development and financial contributions	95	22	22	5	11	5	100%
Increase (decrease) in debt	0	4,798	5,971	125	0	(125)	-100%
Gross proceeds from sale of assets	103	67	67	17	0	(17)	-100%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**4,969**	**9,274**	**11,339**	**804**	**493**	**(312)**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	1,054	7,977	10,285	1,693	439	1,254	74%
to replace existing assets	9,033	9,134	11,309	1,857	1,245	611	33%
Increase (decrease) in reserves	1,466	0	(2,543)	(922)	(2,711)	1,789	-194%
Increase (decrease) of investments	207	(115)	(115)	(29)	7	(35)	121%
Total application of capital funding	**11,760**	**16,996**	**18,936**	**2,599**	**(1,020)**	**3,619**	
Surplus (deficit) of capital funding	**(6,791)**	**(7,722)**	**(7,597)**	**(1,795)**	**1,513**	**3,307**	
Funding balance	**0**	**1**	**(1)**	**(542)**	**2,992**	**3,534**	

Community Leadership
As at 30 September 2018

Operating Revenue		Operating Expenditure		Net Surplus/(-)Deficit		Capital Expenditure
$310K	-	$242k	=	$68k		$0k
-$4k Unfavourable YTD		$77k Favourable YTD		$73k Favourable YTD		$0k Favourable YTD
Full Year Budget $1,203k		Full Year Budget $1,229k		Full Year Budget -$26k		Full Year Budget $0k



Central Hawke's Bay District Council: Funding impact statement 2018/19
Community Leadership
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	896	1,157	1,157	289	291	1	0%
Targeted rates	27	0	0	0	0	0	0%
Subsidies and grants for operating purposes	40	46	46	23	19	(5)	-22%
Fees, charges	0	0	0	0	0	0	0%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	0	0	0	0	0	0	0%
Total operating funding	**963**	**1,203**	**1,203**	**312**	**310**	**(4)**	
Applications of operating funding							
Payments to staff and suppliers	798	938	948	249	167	82	33%
Finance costs	0	0	0	0	0	0	0%
Other operating funding applications	275	281	281	70	75	(5)	-7%
Total applications of operating funding	**1,073**	**1,219**	**1,229**	**319**	**242**	**77**	
Surplus (deficit) of operating funding	**(110)**	**(16)**	**(26)**	**(7)**	**68**	**73**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	0	0	0	0	0	0	0%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**0**	**0**	**0**	**0**	**0**	**0**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	0	0	0	0	0	0%
to replace existing assets	0	0	0	0	0	0	0%
Increase (decrease) in reserves	(110)	(15)	(25)	(10)	(10)	0	0%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**(110)**	**(15)**	**(25)**	**(10)**	**(10)**	**0**	
Surplus (deficit) of capital funding	**110**	**15**	**25**	**10**	**10**	**0**	
Funding balance	**0**	**(1)**	**(1)**	**3**	**78**	**73**	

Explanation of changes between Annual Plan and Total Operating Budget

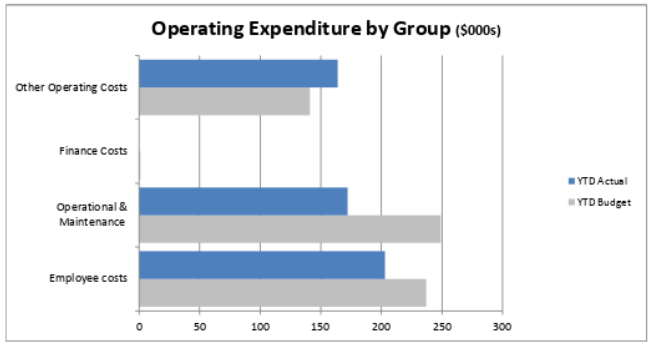
Payment to Staff and Suppliers
Addition of grant for Hawke's Bay Biodiverstiy Trust approved by Council from Reerves

Explanation of Variance to YTD Budget

Variances are based on timing of phasing of budgets and invoices for the first quarter yet to be received. Expected to be within budgets.

Planning and Regulatory
As at 30 September 2018

Operating Revenue		Operating Expenditure		Net Surplus/(-)Deficit		Capital Expenditure
$578K	-	$539k	=	$39k		$0k
-$31k Unfavourable YTD		$89k Favourable YTD		$58k Favourable YTD		$0k Favourable YTD
Full Year Budget $1,785k		Full Year Budget $2,110k		Full Year Budget -$325k		Full Year Budget $82k



Central Hawke's Bay District Council: Funding impact statement 2018/19
Planning and Regulatory
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	1,177	721	721	180	181	0	0%
Targeted rates	0	0	0	0	0	0	0%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	951	1,048	1,048	425	397	(29)	-7%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	9	16	16	1	0	(2)	-200%
Total operating funding	**2,137**	**1,785**	**1,785**	**606**	**578**	**(31)**	
Applications of operating funding							
Payments to staff and suppliers	1,781	1,298	1,627	507	392	115	23%
Finance costs	0	2	2	1	0	1	100%
Other operating funding applications	413	481	481	120	147	(27)	-23%
Total applications of operating funding	**2,194**	**1,781**	**2,110**	**628**	**539**	**89**	
Surplus (deficit) of operating funding	**(57)**	**4**	**(325)**	**(22)**	**39**	**58**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	0	78	78	(1)	0	1	-100%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**0**	**78**	**78**	**(1)**	**0**	**1**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	82	82	0	0	0	0%
to replace existing assets	0	0	0	0	0	0	0%
Increase (decrease) in reserves	(56)	0	(329)	(163)	(375)	212	-130%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**(56)**	**82**	**(247)**	**(163)**	**(375)**	**212**	
Surplus (deficit) of capital funding	**56**	**(4)**	**325**	**162**	**375**	**213**	
Funding balance	**(1)**	**0**	**0**	**140**	**414**	**271**	

Explanation of changes between Annual Plan and Total Operating Budget

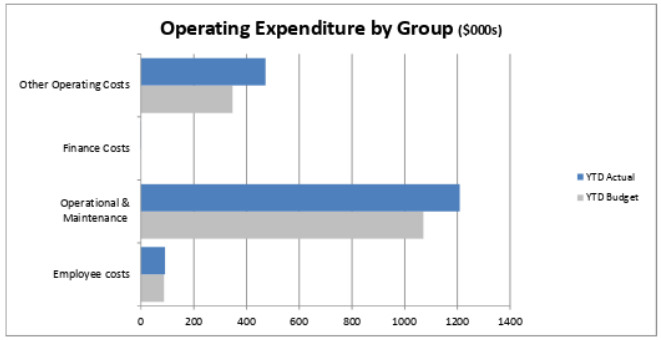
Payment to Staff and Suppliers
Addition of Carry Forward for District Plan Review $339k from Reserves

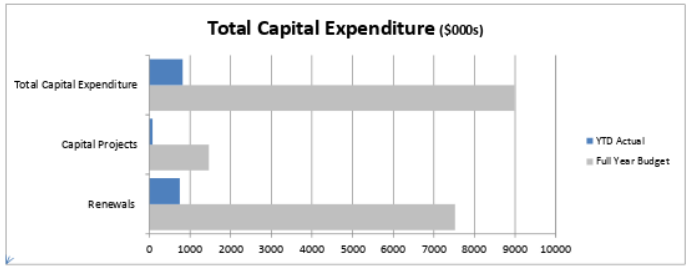
Explanation of Variance to YTD Budget

Operating Expenditure
The Payment to Staff and Suppliers is lower than budgeted and includes:
Under budget
District Planning - $48k - Budget for planning being finalised with an update to Council to come in November
Compliance - $43K - Review of Compliance being conducted and Territorial Authority Officer yet to be appointed

Land Transport
As at 30 September 2018

Operating Revenue	-	Operating Expenditure	=	Net Surplus/(-)Deficit	Capital Expenditure
$2,421K		$1,773k		$648k	$819k
$97k Favourable YTD		-$268k Unfavourable YTD		-$171k Unfavourable YTD	$323k Favourable YTD
Full Year Budget $9,215k		Full Year Budget $5,849k		Full Year Budget $3,366k	Full Year Budget $8,994k





Central Hawke's Bay District Council: Funding impact statement 2018/19
Land Transport
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	6,243	6,426	6,426	1,606	1,608	1	0%
Targeted rates	50	0	0	0	0	0	0%
Subsidies and grants for operating purposes	3,798	2,483	2,613	674	764	90	13%
Fees, charges	28	18	18	5	9	5	100%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	213	158	158	40	40	1	3%
Total operating funding	**10,332**	**9,085**	**9,215**	**2,325**	**2,421**	**97**	
Applications of operating funding							
Payments to staff and suppliers	6,578	4,488	4,503	1,167	1,307	(139)	-12%
Finance costs	3	0	0	0	1	(1)	0%
Other operating funding applications	1,062	1,163	1,346	337	465	(128)	-38%
Total applications of operating funding	**7,643**	**5,651**	**5,849**	**1,504**	**1,773**	**(268)**	
Surplus (deficit) of operating funding	**2,689**	**3,434**	**3,366**	**821**	**648**	**(171)**	
Sources of capital funding							
Subsidies and grants for capital expenditure	4,771	4,387	5,279	657	482	(175)	-27%
Development and financial contributions	1	3	3	1	0	(1)	-100%
Increase (decrease) in debt	(47)	0	0	0	(12)	(12)	0%
Gross proceeds from sale of assets	80	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**4,805**	**4,390**	**5,282**	**658**	**470**	**(188)**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	341	1,000	1,471	52	74	(23)	-44%
to replace existing assets	7,347	6,809	7,523	1,092	745	346	32%
Increase (decrease) in reserves	(195)	16	(346)	(190)	(362)	172	-91%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**7,493**	**7,825**	**8,648**	**954**	**457**	**495**	
Surplus (deficit) of capital funding	**(2,688)**	**(3,435)**	**(3,366)**	**(296)**	**13**	**307**	
Funding balance	**1**	**(1)**	**0**	**525**	**661**	**136**	

Explanation of changes between Annual Plan and Total Operating Budget

Operating Subsidies and Grants - $118k
- Movement of Subsidiy Overhead included in Annual Plan Capital budgets based on NZTA requirements

Other Operating Funding Applications - $183K
- Movement of Overhead included in Annual Plan Capital budgets based on NZTA requirements

Capital Subsidies and Grants - $892k
- Subsidy for footpaths renewal and new now being funded - $471K
- Funding for June Flood Event - $543K
- Less movement of subsidiy Overhead included in Annual Plan Capital budgets based on NZTA requirements - $118k

Capital Expenditure - $1,185k
- Increase in Footpath budget based on NZTA funding - $471k
- Remaining June flooding event expendiutre - $905k
- Less movement of Overhead included in Annual Plan Capital budgets based on NZTA requirements - ($183K)

Increase (decrease) in reserves
- Remaining June flooding event funding carried forward from 2017/18 - $362K

Explanation of Variance to YTD Budget

Operating Expenditure
The Payment to Staff and Suppliers is lower than budgeted and includes:
Under budget
Sealed Pavement Maintenance - $120k - spent in October
Over budget
Emergency Management funding - $314k - yet to be approved by NZTA

Capital Expenditure

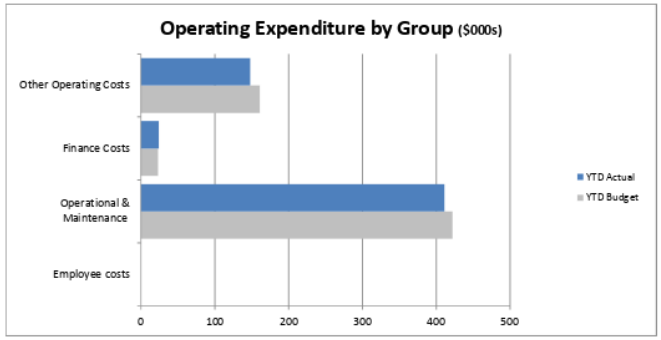
The Replacement of Existing Assets is lower than budgeted and includes:
Emergency Minor Events - $73K - funding not required at year to date
Emergency Reinstatement - $193K - timing of expenditure based on phasing - will be spent this year.

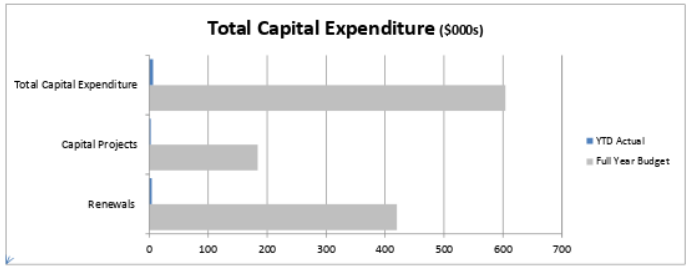
Central Hawke's Bay District Council: Renewal Update 2018/19
Land Transport
At 30 SEPTEMBER 2018

	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	Forecast to June 30th 2019 $000	Under/ (Over) By Year End 2019 $000	Comments
Account Name	Adopted Annual Plan Budget 2018/19	Operating Budget Total 2018/19	YTD Operating Budget 2018/19	YTD Actuals	YTD Variance	Forecast to June 30th	Under/ (Over) By Year End	
Subsidised MINOR EVENTS	300	293	73	0	73	293	0	No minor events this financial year
Subsidised EMERGENCY REINSTATEMENT	0	905	485	292	193	905	0	Waiting on approval of funding and planning of work programme
Subsidised UNSEALED ROAD METALLING	475	454	167	199	-32	454	0	
Subsidised SEALED ROAD RESURFACING	1,364	1,304	11	21	-10	1,304	0	
Subsidised DRAINAGE RENEWAL	1,207	1,179	88	51	37	1,179	0	
Subsidised SEALED ROAD REHAB	1,890	1,339	130	122	8	1,339	0	
Subsidised STRUCTURES RENEWAL	900	1,383	64	31	33	1,383	0	
Subsidised ENVIRONMENTAL RENEWAL	0	0	0	0	0	0	0	
Subsidised TRAFFIC SERVICES RNWLS	177	170	23	18	6	170	0	
Subsidised FOOTPATH RENEWALS	0	300	0	0	0	300	0	
Subsidised PREVENTATIVE MAINTENANCE	0	0	0	0	0	0	0	
Subsidised REPLACE BRIDGES AND STRUCTURES	50	50	0	0	0	50	0	To investigate the bridge network to determine the remaining life of our most vunerable bridges. Work to be programmed
Subsidised PAVEMENT & TRAFFIC FACILITIES	540	540	0	0	0	540	0	This is to be programmed later in the year
Subsidised FOOTPATH NEW	0	478	0	0	0	478	0	This is to be programmed later in the year
Subsidised MINOR CAP IMPVTS	300	293	1	24	-23	293	0	This is to be programmed later in the year. Spend includes safety work at Porangahu School
Subsidised VEGETATION RESILIENCE IMPROVEMENTS	110	110	51	51	0	110	0	Phasing to later in the year, waiting on quotes
Subsidised CAPITAL RENEWAL	0	0	0	0	0	0	0	
Unsubsidised ROAD LEGALISATION COSTS	0	0	0	0	0	0	0	
Unsubsidised ANNUAL EMERGENCY REINST RNWL	145	145	36	0	36	145	0	Used for September event
Unsubsidised CAPITAL RENEWAL	0	0	0	0	0	0	0	
Unsubsidised FOOTPATH RENEWALS	301	0	0	10	-10	0	0	
Unsubsidised BRIDGE REPLACEMENTS	51	51	13	0	13	51	0	This is budgeted to be added to reserves for future work.
Unsubsidised WALKING & CYCLING	0	0	0	0	0	0	0	
Unsubsidised CARPARK RNWL	0	0	0	0	0	0	0	
Total	**7,809**	**8,994**	**1,143**	**820**	**324**	**8,994**		

Solid Waste
As at 30 September 2018

Operating Revenue	-	Operating Expenditure	=	Net Surplus/(-)Deficit	Capital Expenditure
$718K		$583k		$135k	$6k
$72k Favourable YTD		$25k Favourable YTD		$97k Favourable YTD	$129k Favourable YTD
Full Year Budget $2,583k		Full Year Budget $2,326k		Full Year Budget $257k	Full Year Budget $604k





Central Hawke's Bay District Council: Funding impact statement 2018/19
Solid Waste
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	1,318	1,193	1,193	298	299	1	0%
Targeted rates	240	231	231	58	58	0	0%
Subsidies and grants for operating purposes	52	52	52	13	13	0	0%
Fees, charges	1,143	1,107	1,107	277	348	71	26%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	0	0	0	0	0	0	0%
Total operating funding	**2,753**	**2,583**	**2,583**	**646**	**718**	**72**	
Applications of operating funding							
Payments to staff and suppliers	1,863	1,835	1,835	484	462	22	5%
Finance costs	95	94	94	23	24	0	0%
Other operating funding applications	316	397	397	99	97	3	3%
Total applications of operating funding	**2,274**	**2,326**	**2,326**	**606**	**583**	**25**	
Surplus (deficit) of operating funding	**479**	**257**	**257**	**40**	**135**	**97**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	(97)	78	78	(27)	(24)	2	-7%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**(97)**	**78**	**78**	**(27)**	**(24)**	**2**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	184	184	46	2	44	96%
to replace existing assets	78	93	420	89	4	85	96%
Increase (decrease) in reserves	304	59	(267)	(327)	(327)	0	0%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**382**	**336**	**337**	**(192)**	**(321)**	**129**	
Surplus (deficit) of capital funding	**(479)**	**(258)**	**(259)**	**165**	**297**	**131**	
Funding balance	**0**	**(1)**	**(2)**	**205**	**432**	**228**	

Explanation of changes between Annual Plan and Total Operating Budget

Replace Exisiting Assets - Inclusion of Carry Forward of $327K from Reserves

Explanation of Variance to YTD Budget

Operating Income
Income for Solid Waste is over budget in Fees and Charges by
Extra Out of District Income - $51K
Carbon Credit Income - $22k

Capital Expenditure
This is currently underspent by $129k

As shown in the project breakdown, this includes money to be spent on landfill capping and transfer station and closed dump minor renewals. Design work has started for the Leachate Irrigation.

Central Hawke's Bay District Council: Project Update 2018/19
Solid Waste
At 30 September 2018

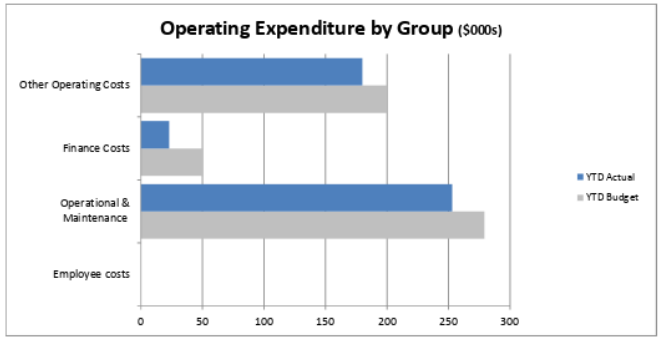
Project	LTP Project Budget $000	Reforecast Budget $000	Total Cost to Date 2019 $000	This Year Actual 2019 $000	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
SW 18 Landfill Leachate Disposal	180	184	2	2	184	0	On track	Work has begun on the planning stages of the project and relies on the capping to be completed prior to commensment of the build of the project.
SW 19 Landfill Cell Capping		80	0	0	80	0	On track	Expected to be completed by March 2019
SW 19 Closed Dump Minor Renewals	32	31	0	0	31	0	On track	
SW 19 Landfill Minor Renewals	25	25	0	0	25	0	On track	
SW 19 Litter Bins Minor Renewals	5	5	0	0	5	0	On track	
SW 19 Recycling Minor Renewals	6	6	4	4	6	0	On track	
SW 19 Transfer Station Minor Renewals	26	26	1	1	26	0	On track	
Total	274	357	7	7	357	0		

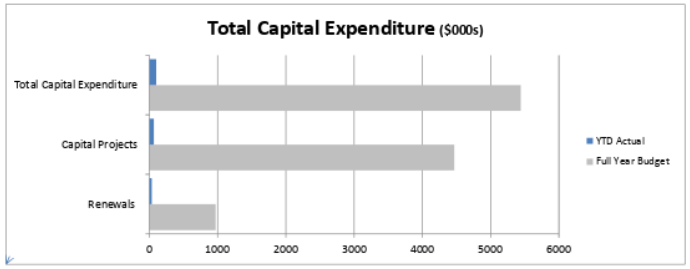
Unallocated carry forwards	246
Agreed to Total Operating Budget 2019	603

- Achieved
- On track
- May not be met
- Deferred

Water Supplies
As at 30 September 2018

Operating Revenue	-	Operating Expenditure	=	Net Surplus/(-)Deficit	Capital Expenditure
$676K		$455k		$221k	$99k
$32k Favourable YTD		$73k Favourable YTD		$105k Favourable YTD	$1,058k Favourable YTD
Full Year Budget $2,804k		Full Year Budget $1,902k		Full Year Budget $902k	Full Year Budget $5,443k





Central Hawke's Bay District Council: Funding impact statement 2018/19
Water Supplies
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0%
Targeted rates	2,766	2,804	2,804	645	675	31	5%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	3	0	0	0	1	1	0%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	0	0	0	0	0	0	0%
Total operating funding	**2,769**	**2,804**	**2,804**	**645**	**676**	**32**	
Applications of operating funding							
Payments to staff and suppliers	1,124	1,195	1,195	352	317	34	10%
Finance costs	92	199	199	50	23	27	54%
Other operating funding applications	644	508	508	127	115	12	9%
Total applications of operating funding	**1,860**	**1,902**	**1,902**	**529**	**455**	**73**	
Surplus (deficit) of operating funding	**909**	**902**	**902**	**116**	**221**	**105**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	48	5	5	1	1	0	0%
Increase (decrease) in debt	46	3,836	4,120	(28)	(56)	(27)	96%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**94**	**3,841**	**4,125**	**(27)**	**(55)**	**(27)**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	355	3,990	4,469	1,007	63	944	94%
to replace existing assets	312	603	974	151	36	114	75%
Increase (decrease) in reserves	339	150	(418)	0	(568)	568	0%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**1,006**	**4,743**	**5,025**	**1,158**	**(469)**	**1,626**	
Surplus (deficit) of capital funding	**(912)**	**(902)**	**(900)**	**(1,185)**	**414**	**1,599**	
Funding balance	**(3)**	**0**	**2**	**(1,069)**	**635**	**1,704**	

Explanation of changes between Annual Plan and Total Operating Budget

Capital Expenditure - $850k - Inclusion of $568K from Carry Forward from Reserves and Loans Carried Forward of $284k

Explanation of Variance to YTD Budget

Capital Expenditure
The Spend in Capital Expenditure is below budget by $1,058K.

Details of the capital projects is on the Project sheet.

Central Hawke's Bay District Council: Project Update 2018/19
Water Supply
At 30 September 2018

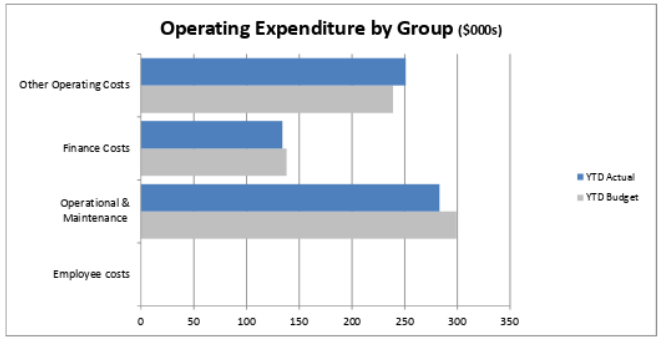
Project	LTP Project Budget $000	Reforecast Budget $000	Total Cost to Date 2019 $000	This Year Actual 2019 $000	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
WS 17 Waipukurau SH2 Pump Station Upgrade	308	608	34	0	800	(192)		Design work completed. Land purchase has been done. Identified budget required approx 800k, paper to be taken to council on 31st October 2018, to discuss and talk funding.
WS 16 Waipukurau UV Treatment SH2	0	530	527	59	530	0		Finalisation of the project includes the purchase of the generators for resilience.
WS 18 Waipukurau Peel St Water Main Replacement	0	91	91	3	91	0		Work has been completed
WS 17 Porangahau Treatment Plant Upgrade	0	220	5	0	220	0		Work to start this year, and continue into 2020, 2021 with additional funding in BWS if required, will package works with Takapau
WS 18 Waipukurau Second Supply	2,046	2052	6	0	2,052	0		Design, testing underway, likely not all budget required in 2018/19, likely required additional budget set aside in 2019/20 budget - as mostly design and procurement this financial year - working with landowners to gain consent to drill test bores.
WS 17 Waipukurau Porritt Upgrade	0	57	0	0	57	0		Looking at starting in Dec 2018, 2 week project, confirmed rates still stand with Higgins, waiting for Otane Land development to finish.
WS 19 Takapau Treatment Improvement	767	767	0	0	767	0		Planned for this year, improve water quality, reduce manganese and iron, package with Porangahau
WS 18 Otane Land Development	155	155	28	4	155	0		Expected to be on budget, planned to be completed by end of Nov 2018
WS 19 Otane Alternative Water Supply	1,023	1023	1	1	1,023	0		Finalising scope, once confirmed, will confirm design and tender out request for proposal
WS 19 Waipukurau Shortfalls Fire Fight Improve Modelling		30	0	0	30	0		Phase 1 of low pressure resilience from Hunter Reservoir down ito Waipukurau planned to be tendered shortly, also looking at packaging in 3 year programmes
District renewals as required	603	475	33	33	475	0		
Total	4,902	6,008	725	100	6,200	-192		

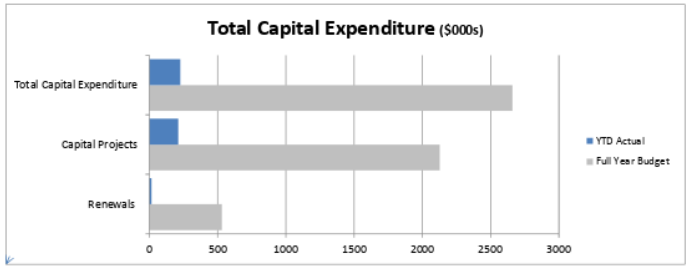
Capital Expenditure In Work In Progress For Previous Years	-626
Carry Forward for Porangahau not added to Total Operating Budget	-215
Budget yet to be allocated to projects	277
Agreed to Total Operating Budget 2019	5,444

Achieved
On track
May not be met
Deferred

Wastewater
As at 30 September 2018

Operating Revenue	-	Operating Expenditure	=	Net Surplus/(-)Deficit	Capital Expenditure
$852K		$668k		$184k	$227k
$17k Favourable YTD		$8k Favourable YTD		$25k Favourable YTD	$175k Favourable YTD
Full Year Budget $3,336k		Full Year Budget $2,369k		Full Year Budget $967k	Full Year Budget $2,660k





Central Hawke's Bay District Council: Funding impact statement 2018/19
Wastewater
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0%
Targeted rates	2,952	3,101	3,101	775	776	0	0%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	353	235	235	59	76	17	29%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	200	0	0	0	0	0	0%
Total operating funding	**3,505**	**3,336**	**3,336**	**834**	**852**	**17**	
Applications of operating funding							
Payments to staff and suppliers	1,502	1,309	1,309	411	380	31	8%
Finance costs	535	552	552	138	134	4	3%
Other operating funding applications	533	508	508	127	154	(27)	-21%
Total applications of operating funding	**2,570**	**2,369**	**2,369**	**676**	**668**	**8**	
Surplus (deficit) of operating funding	**935**	**967**	**967**	**158**	**184**	**25**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	45	10	10	2	9	6	300%
Increase (decrease) in debt	(19)	661	1,488	(103)	(94)	9	-9%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**26**	**671**	**1,498**	**(101)**	**(85)**	**15**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	292	1,074	2,127	269	211	58	22%
to replace existing assets	367	533	533	133	16	117	88%
Increase (decrease) in reserves	304	31	(195)	0	(225)	225	0%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**963**	**1,638**	**2,465**	**402**	**2**	**400**	
Surplus (deficit) of capital funding	**(937)**	**(967)**	**(967)**	**(503)**	**(87)**	**415**	
Funding balance	**(2)**	**0**	**0**	**(345)**	**97**	**440**	

Explanation of changes between Annual Plan and Total Operating Budget

Capital Expenditure - increase of $1,053k - Inclusion of $225K from Carry Forward from Reserves and Loans Carried Forward of $828k

Explanation of Variance to YTD Budget

Capital Expenditure
The Spend in Capital Expenditure is below budget by $175K.

Details of the capital projects is on the Project sheet

Central Hawke's Bay District Council: Project Update 2018/19
Wastewater
At 30 September 2018

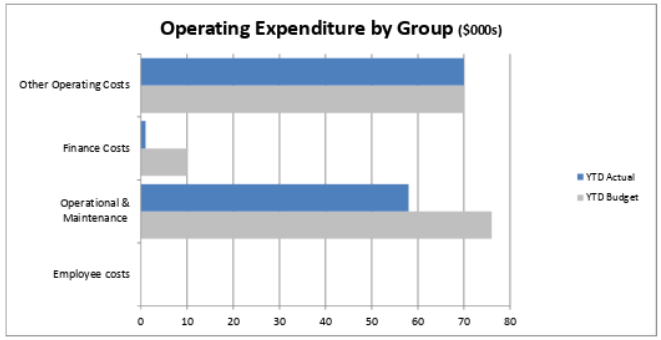
Project	LTP Project Budget $000	Reforecast Budget $000	Total Cost to Date 2019 $000	This Year Actual 2019 $000	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
WW 18 Otane Treatment Plant Upgrade	1,353	1353	132	59	132	1,221		On hold pending the outcome of the resource consent extension application
WW 19 Otane Resource Consent Extension		40	0	0	40	0		Currently working with the consent submitters and neighbours to gain an extension
WW 19 Otane WWTP I&I Study		80	0	0	80	0		Currently identifying contractors to undetake I&I works, likely to start in Feb 2019
WW 17 Waipawa Great North Road Stage 2	272	120	0	0	120	0		Plan to do this works this year (tender shortly) - new main betwween abbotsford and Tamumu Rd, along SH2 $60k to be found
WW 18 Takapau Resource Consent	105	105	24	0	105	0		Currently working with the community to gain consent extensions, remainder of the money to be used for when consent is required
WW 19 Takapau treatment upgrade	831	831	0	0	831	0		To be used late in 2019, once consent has been granted
WW 18 Otane Land Development	0	200	161	126	200	0		Site works complete, pump commissioning required, budget on track
WW 18 Waipukurau Mt Herbert Landscaping	0	122	110	6	122	0		This is the final planting and fencing plus minor improvements for the completion of the Mt Herbert Pump Station completed last year. Will be completed this year
WW 19 Waipukurau Waipawa Treatment Investigation	0	300	20	20	300	0		Currently working with community and technical experts to come up with a preferred option.
WW 19 Waipawa Main Trunk Renewal	1,770	1770	0	0	1,770	0		Working on design, with a view to tender work out in early 2019
District Wide renewals	338	120	16	16	120	0		This includes some equipment purchases for the review ($27k), Te Paerahi pump and other work as required
Total	4,669	5,041	463	227	3,820	1,221		

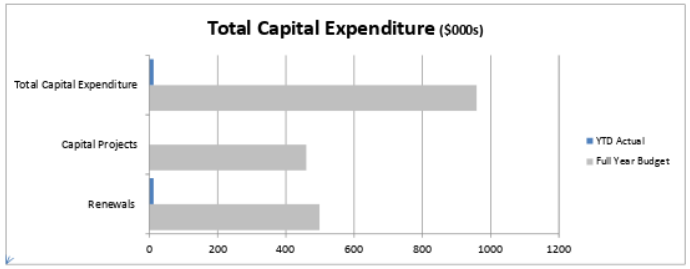
Previous Year Capital Expenditure in WIP	-238
Funding from future years included in Projects	-2083
Funding yet to be identified for Great North Road	-60
Agreed to Total Operating Budget 2019	2,660

- Achieved
- On track
- May not be met
- Deferred

Stormwater
As at 30 September 2018

Operating Revenue	-	Operating Expenditure	=	Net Surplus/(-)Deficit	Capital Expenditure
$205K		$129k		$76k	$12k
$1k Favourable YTD		$28k Favourable YTD		$29k Favourable YTD	$157k Favourable YTD
Full Year Budget $768k		Full Year Budget $541k		Full Year Budget $227k	Full Year Budget $959k





Central Hawke's Bay District Council: Funding impact statement 2018/19
Stormwater
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0%
Targeted rates	491	752	752	188	189	1	1%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	0	0	0	0	0	0	0%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	0	0	16	16	16	0	0%
Total operating funding	**491**	**752**	**768**	**204**	**205**	**1**	
Applications of operating funding							
Payments to staff and suppliers	243	335	335	105	79	26	25%
Finance costs	3	41	41	10	1	10	100%
Other operating funding applications	114	165	165	41	49	(8)	-20%
Total applications of operating funding	**360**	**541**	**541**	**156**	**129**	**28**	
Surplus (deficit) of operating funding	**131**	**211**	**227**	**48**	**76**	**29**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	(8)	450	450	112	(2)	(114)	-102%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**(8)**	**450**	**450**	**112**	**(2)**	**(114)**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	460	460	115	0	115	100%
to replace existing assets	64	215	499	54	12	42	78%
Increase (decrease) in reserves	60	(15)	(283)	16	(261)	277	1731%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**124**	**660**	**676**	**185**	**(249)**	**434**	
Surplus (deficit) of capital funding	**(132)**	**(210)**	**(226)**	**(73)**	**247**	**320**	
Funding balance	**(1)**	**1**	**1**	**(25)**	**323**	**349**	

Explanation of changes between Annual Plan and Total Operating Budget

Capital Expenditure - increase of $1,053k - Inclusion of $284K from Carry Forward from Reserves

Explanation of Variance to YTD Budget

Capital Expenditure
Capital Expenditure is under budget by $157K

Details of the projects is included on the Project Sheet.

Central Hawke's Bay District Council: Project Update 2018/19
Stormwater
At 30 September 2018

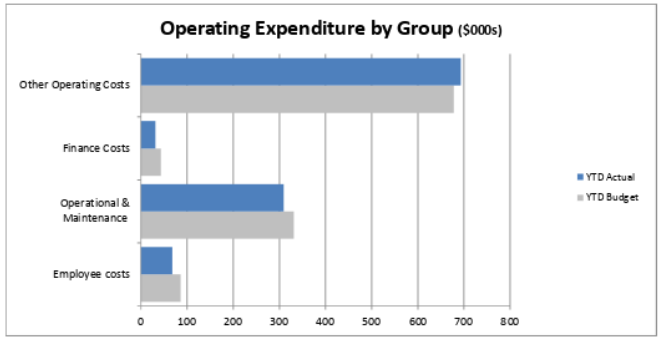
Project	LTP Project Budget $000	Reforecast Budget $000	Total Cost to Date 2019 $000	This Year Actual 2019 $000	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
Waipurukau Helicoil Pipe work		281			281	0		There are now 4 areas in Waipukurau requiring work, once CCTV work has been completed: Ruataniwha, Nelson, Francis Drake and Jellicoe Streets. All work is on hold until enough information has been collected and the project costs and priorities have been determined.
ST 18 District Minor Renewals	62	75	23	11	75	0		
Total		75	23	11	75	0		

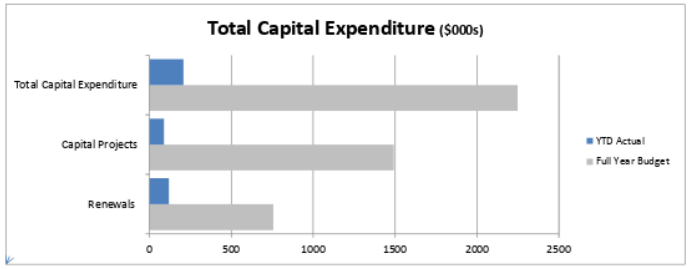
Capital Expenditure In Work In Progress For Previous Years	-11
Waipukurau CBD improvements unallocated budgets	614
Agreed to Total Operating Budget 2019	678

- Achieved
- On track
- May not be met
- Deferred

Recreation and Community Facilities
As at 30 September 2018

Operating Revenue	-	Operating Expenditure	=	Net Surplus/(-)Deficit	Capital Expenditure
$1,093K		$1,100k		-$7k	$208k
-$13k Unfavourable YTD		$38k Favourable YTD		$25k Favourable YTD	$165k Favourable YTD
Full Year Budget $4,415k		Full Year Budget $3,216k		Full Year Budget $1,199k	Full Year Budget $2,249k





Central Hawke's Bay District Council: Funding impact statement 2018/19
Recreation and Community Facilities
As at 30 September 2018

	Full Year Actuals 2018 $000	Annual Plan 2019 $000	Total Operating Budget 2019 $000	YTD Operating Budget 2019 $000	YTD Actuals 2019 $000	YTD Variance 2019 $000	YTD Variance % 2019 $000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	2,945	3,359	3,359	840	842	2	0%
Targeted rates	0	0	0	0	0	0	0%
Subsidies and grants for operating purposes	14	16	16	4	5	2	50%
Fees, charges	466	542	542	134	119	(16)	-12%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax,fines, infringement fees and other receipts	6	131	498	127	127	(1)	-1%
Total operating funding	**3,431**	**4,048**	**4,415**	**1,105**	**1,093**	**(13)**	
Applications of operating funding							
Payments to staff and suppliers	2,116	2,253	2,272	902	841	61	7%
Finance costs	126	173	173	43	31	12	28%
Other operating funding applications	496	771	771	193	228	(35)	-18%
Total applications of operating funding	**2,738**	**3,197**	**3,216**	**1,138**	**1,100**	**38**	
Surplus (deficit) of operating funding	**693**	**851**	**1,199**	**(33)**	**(7)**	**25**	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	1	4	4	1	0	(1)	-100%
Increase (decrease) in debt	56	740	802	(34)	(30)	4	-12%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	**57**	**744**	**806**	**(33)**	**(30)**	**3**	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	66	1,187	1,492	204	89	116	57%
to replace existing assets	637	541	757	168	119	49	29%
Increase (decrease) in reserves	47	(134)	(244)	(81)	(235)	154	-190%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	**750**	**1,594**	**2,005**	**291**	**(27)**	**319**	
Surplus (deficit) of capital funding	**(693)**	**(850)**	**(1,199)**	**(324)**	**(3)**	**322**	
Funding balance	**0**	**1**	**0**	**(357)**	**(10)**	**347**	

Explanation of changes between Annual Plan and Total Operating Budget

Local authorities fuel tax,fines, infringement fees and other receipts - $367K Increase in donations to cover increase in costs and expectation of timing of receipt

Payment to Staff and Suppliers - $19k - Addition of Carry Forward for Libraries from Reserves

Capital Expenditure - increase of $521k - Inclusion of $217K from Carry Forward from Reserves, Loan Funding carried forward of $101k and increase in Pool costs of $204k covered by donations.

Explanation of Variance to YTD Budget

Operating Expenditure
The Payment to Staff and Suppliers is lower than budgeted based in timing of expenditure across the group

Capital Expenditure
Capital Expenditure is under budget by $164K

Details of the projects is included on the Project Sheet.

Central Hawke's Bay District Council: Project Update 2018/19
Recreation and Community Facilities
At 30 September 2018

Activity	Project	LTP Project Budget $000	Reforecast Budget $000	Total Cost to Date 2019 $000	This Year Actual 2019 $000	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
Parks Reserves and Swimming Pools	Russell Park Projects	82	174	4	88	174	0		Work is complete on the construction of an unsealed carpark, work on the Scout Hall is yet to be scoped
	PR 19 Camping Grounds Waipukurau Toilets	61	61	0	0	61	0		Project is unlikely to commence this calendar year. Insufficient budget for scope of works. Full scope in light of future lease sale needs to be completed first.
	Waipawa Pool	900	1185	94	13	1185	0		Works underway. Full details available in the 6 weekly Organisational Report
	Waipawa Pool Sewer Upgrade		33	0	0	33	0		
	Minor renewals	165	156	5	5	156	0		Will be spent as required
	Total	**1208**	**1609**	**103**	**106**	**1609**	**0**		
Public Toilets	New Te Paerahi Toilet	60	60	0	0	60	0		Dependent on receiving funding from Tourism Infrastructure Fund. Next funding round not expected until March 2019.
	Minor Renewals	36	36	0	0	36	0		Will be spent as required
	Total	**96**	**96**	**0**	**0**	**96**	**0**		
Retirement Housing	**Minor Renewals**	**36**	**36**	**0**	**0**	**36**	**0**		Depends on refurbishments required when tenants vacate. Funded from Retirement Housing Reserves.
Libraries	Books Renewals	88	88	18	18	88	0		Expected to be on Budget
	Minor Renewals	11	11	0	0	11	0		Expected to be on Budget
	Kotui Software	51	51	0	0	51	0		Project underway. Expect to be fully invoiced by November.
	Total	**150**	**150**	**18**	**18**	**150**	**0**		
Theatres and Halls	CHB Municipal Theatre		74	13	10	74	0		Quotes currently being recieved. Works expected to commence December 2018,
	Minor Renewals	132	193	4	4	193	0		Planning work for this still underway.
	Settlers Museum Painting	11	25	0	0	25	0		Works programmed and planned for implementation in early 2019.

Activity	Project	LTP Project Budget $000	Reforecast Budget $000	Total Cost to Date 2019 $000	This Year Actual 2019 $000	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	Total	**134**	**292**	**17**	**14**	**292**	**0**		
Cemeteries	**Minor Renewals**	**29**	**41**	**0**	**0**	**41**	**0**		Planning underway for works in the new year.
Properties and Buildings	Council Chamber upgrade		61	61	51	61	0		Works complete.
	Minor renewals	77	93	17	17	93	0		To be spent thorugh year as required.
	Total	**77**	**154**	**78**	**68**	**154**	**0**		
Total		**1730**	**2378**	**216**	**206**	**2378**	**0**		

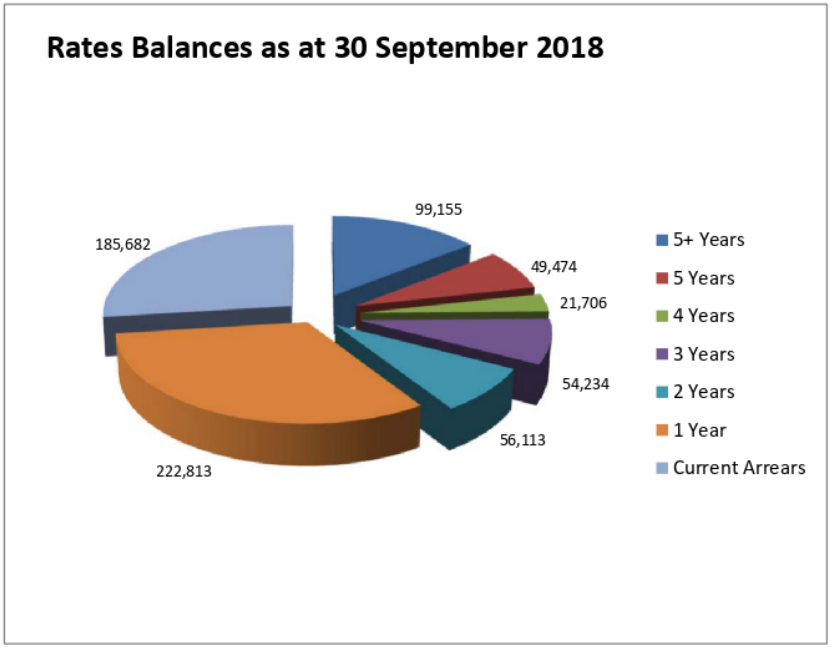
Capital Expenditure From Previous Years in WIP	-109
Makaretu Hall from Reserves not added to operating budget	-20
Agreed to Total Operating Budget 2019	2249

- Achieved
- On track
- May not be met
- Deferred

Central Hawke's Bay District Council
Rates Debt Information
At 30 September 2018

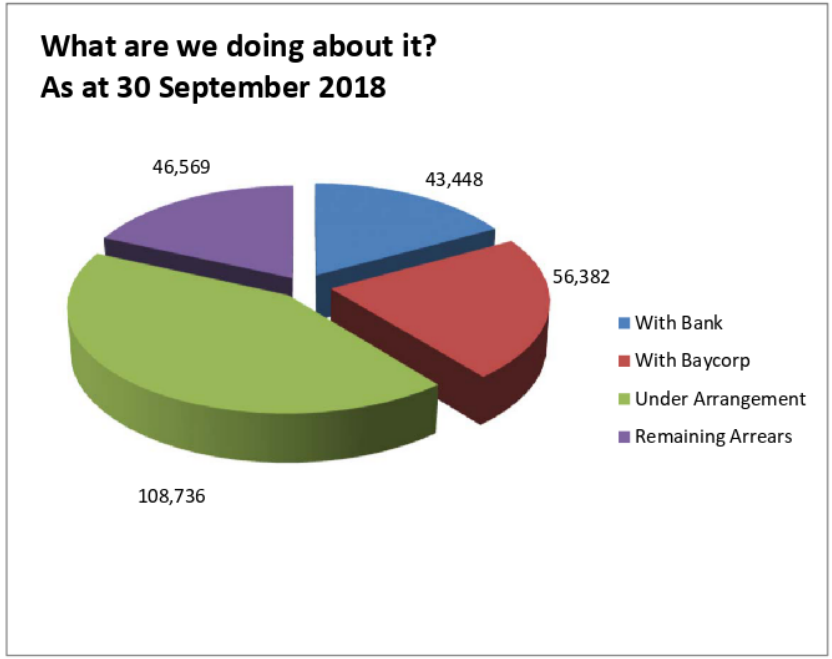
	Jun-18	Sep-18	Movement
5+ Years	111,145	99,155	-11,990
5 Years	55,569	49,474	-6,095
4 Years	28,348	21,706	-6,642
3 Years	63,218	54,234	-8,984
2 Years	71,578	56,113	-15,465
1 Year	367,637	222,813	-144,824
Current Arrears	0	185,682	185,682
Total	**697,494**	**689,177**	**-8,317**

There are total rates arrears outstanding of $689,177. The rates department consistantly manage ratepayer debt by ensuring new debt is brought to the attention of the ratepayer quickly. The Rates officers have found that direct phone calls are a very efficient and personable way to contact our ratepayers and this is proving to be well received with more arrangments being accepted and newer debt reducing at a steady rate. All debt is actively managed by the rates department and a break down of how this is acheived is in the next table.



	Jun-18	Sep-18	Count	Movement
With Bank	6,775	43,448	23	36,673
With Baycorp	81,045	56,382	12	-24,663
Under Arrangement	142,988	108,736	776	-34,252
Remaining Arrears	215,932	46,569	230	-169,363
Maori Land	250,754	248,359	13	-2,395
Total	**697,494**	**503,494**	**1,054**	**-194,000**

Our dilegent Rates Officers have actively engaged with ratepayers to help minimise their debt before it becomes a bigger problem and possibly unmanageable.



Other Rates Information
Rates emailed to ratepayers 15% (14% Jun 18)
Ratepayers on direct debit 39% (39% Jun 18)

Interim Treasury Report As at 30 September 2018

Cash and Cash Investment Balance

	Full Year Actuals 2017/18 $000	Total Annual Plan Budget 2018/19 $000	YTD Actual $000	YTD Variance $000
Cash and Cash Equivalents	3,956	2,453	5,989	3,536
Bonds and Stock	2,362	3,135	2,367	(768)
Total	**6,318**	**5,587**	**8,355**	**2,768**

We are retaining liquid cash to meet operational and capital spending requirements until we are more certain of timing for the 3 waters projects. Once we have a better picture of the timing of these projects we will review our level of bonds and stock.

Debt Position

	Full Year Actuals 2017/18 $000	Total Annual Plan Budget 2018/19 $000	YTD Actual $000	YTD Variance $000
Secured Loans - Less than 12 months	710	727	792	64
Secured Loans - Greater than 12 months	2,027	6,980	1,965	(5,015)
Total	**2,737**	**7,707**	**2,757**	**(4,950)**

Borrowing is kept to a minimum while we manage our short and long term cash facilities.

Finance Costs

	Full Year Actuals 2017/18 $000	Total Annual Plan Budget 2018/19 $000	YTD Actual $000	YTD Variance $000
Finance Costs	120	239	58	(181)

Below budget due to low borrowings based on timing of capital expenditure.

Compliance with Liability Management Policy

Item	Limit	Actual	Policy
External term debt + committed bank facilities + unencumbered cash/cash equivalents to existing external debt	>130%	457%	
Net Interest on External Debt / Total Revenue	<10%	0.58%	
Net Interest on External Debt / Annual Rates Income	<20%	0.76%	
Total debt per head of population	$2,000	$207	

Council is within policy in all areas.

Reserve Funds

Special Funds	Full Year Actuals 2017/18 $000	YTD Actual $000	Movement YTD $000
Reserves held for Emergency Purposes	3,490	3,490	0
Reserves held for Future Asset Purchases	2,463	2,453	(10)
Reserves held for Future Operational Purposes	839	839	0
Reserves held for Other Funds	43	59	16
Total	6,835	6,841	6

Reserves held for Future Asset Purchases
Biodiversity Funding $10k has been transferred from Rural Fire.
Reserves held for Other Funds
Funding of $16k from tree felling in the Te Aute Drainage Scheme has been credited to their reserve.

Subject to change based on the finalisation of the Annual Report 2018/19

6.5 CENTRAL HAWKE'S BAY DISTRICT COMMUNITY TRUST - ANNUAL REPORT

File Number: **COU1-1410**

Author: **Doug Tate, Group Manager Customer and Community Partnerships**

Authoriser: **Monique Davidson, Chief Executive**

Attachments: **1. Central Hawke's Bay Community Trust Annual Report 2017-18**

PURPOSE

To present to Council the Central Hawke's Bay Community Trust Annual Report.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

By way of an agreement commencing 8 November 1996 and ending on 30 June 2022, the Central Hawke's Bay District Council makes a financial contribution to the operation of the A.W. Parson's Memorial Pool.

The Chairman's Report notes the Trusts pleasure with the operation of the facility by Contractor Aqua Management providing significant benefits to the Central Hawke's Bay Community.

Of note in the Chairman's Report, is the development of the Multi-Use Turf Complex that opened on November 3. This project is a major achievement for the Trust and will be a significant contributor to supporting sport in Central Hawke's Bay for many years to come.

Sadly, Trustee Renata Apatu passed during the year. His contributions as a Trustee and behind the scenes will be missed.

Overall the Trust have had a very successful year, both in terms of the ongoing success of the existing facility and stadium, as well as the addition of the new Multi-Use Turf.

FINANCIAL AND RESOURCING IMPLICATIONS

There are no financial and resourcing implications from this report.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and

- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

CENTRAL HAWKE'S BAY DISTRICT COMMUNITY TRUST

CHAIRMAN'S REPORT

I am pleased to present this report in respect of the Trust's financial year ended 30 June 2018.

Operations within the AW Parsons complex (i.e. swimming pool, stadium and gymnasium) have continued unabated with all facilities continuing to provide significant health, sporting, cultural and social benefits for our Central Hawke's Bay community. The Trust remains very pleased and satisfied with the manner in which Aqua Management operates and cares for the facilities.

There are industry guidelines as to the expected life of the machinery which runs any indoor heated swimming pool and the Trustees are aware that, thanks to close attention paid by Michele Hayes, the pumping, heating and filtering plant at Waipukurau has generally exceeded life expectations. Notwithstanding, there has been, and always will be, a need for plant replacement from time to time and the Trustees endeavour to maintain cash reserves to meet these calls as they arise.

As is now very apparent, the construction of the multi-use turf facility adjacent to the Parsons complex is nearing completion – in fact, the official opening is set for 3 November. This has been a monumental undertaking by a small, but energetic, working party, under the leadership of Di Petersen, which has raised the necessary funding (approximately $1.8million). Contributions towards these funds from local businesses, service organisations, sporting groups and individuals in our community have been monumental along with generous donations from various charitable and community funding organisations. The opening ceremony will see many of these contributors publically acknowledged – with sincere gratitude.

It is interesting to note that the pool, stadium and gymnasium complex, which originally cost approximately $3.5million to build, has recently been assessed to have a replacement value of $15million.

It is appropriate to record, with great sadness, the tragic and untimely death of Trustee Renata Apatu. Ren was a valuable member of the Trustee group and he was particularly involved, behind the scenes, in the multi-use turf project. His interest and efforts are sorely missed.

I acknowledge the input of my co-trustees and the continuing efforts of Michele Hayes.

J P GALLAGHER
CHAIRMAN

24 OCTOBER 2018

Financial Report

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

Prepared by BM Accounting Limited

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Entity Information

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Central Hawke's Bay District Community Trust

Entity Type and Legal Basis

Charitable Trust registered under the Charities Act 2005

Registration Number

CC24063

Entity's Purpose or Mission

Provision of facilities to promote sport and recreation in Central Hawkes Bay

Entity Structure

Charitable Trust

Main Sources of Entity's Cash and Resources

Central Hawke's Bay District Council

Charitable Organisations

Main Methods Used by Entity to Raise Funds

Service Agreements

Grants

Investments

Donations

Entity's Reliance on Volunteers and Donated Goods or Services

The Trustees act in a voluntary capacity

Physical Address

AW Parsons Complex
River Terrace, Waipukurau

Postal Address

P O Box 397,WAIPUKURAU,4242

Approval of the Performance Report

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

The Trustees are pleased to present the approved performance report including the historical financial statements of Central Hawke's Bay District Community Trust for year ended 30 June 2018.

APPROVED

J P Gallagher

Trustee

Date 10/10/18

P A Fleming

Trustee

Date 10/10/2018

Statement of Service Performance

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

Mission: To provide, extend, improve, repair and maintain cultural and sporting amenities for recreation and leisure. To operate and manage such cultural and sporting amenities in Central Hawkes Bay.

Outcome: To improve health and well-being in Central Hawkes Bay through participation in local sport and recreation activities based at the amenities provided by the trust.

	2018	2017
Description and Quantification of the Entity's Outputs		
Repairs & Maintenance - Stadium	8,921	11,313
Repairs & Maintenance - Pool	15,208	8,224
Management Fees	159,203	156,541
Capital Expenditure		
Capital Expenditure Turf	905,618	-
Capital Expenditure Aquatic Wheelchair	3,100	-

Description and Quantification of the Entity's Outputs

The existence, development and maintenance of the amenities over the years.

The Performance report is to be read in conjunction with the Independent Auditor's report

Statement of Financial Performance

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

'How was it funded?' and 'What did it cost?'

	NOTES	2018	2017
Revenue			
Donations, fundraising and other similar revenue	1	844,800	402,198
Interest, dividends and other investment revenue	1	6,156	6,510
Other revenue	1	12,432	710
Operating Activities	1	226,218	222,773
Total Revenue		**1,089,606**	**632,192**
Expenses			
Costs related to providing goods or service	2	213,348	200,306
Other expenses	2	15,659	12,812
Total Expenses		**229,007**	**213,119**
Surplus/(Deficit) for the Year		**860,599**	**419,073**

The Performance Report is to be read in conjunction with the Independent Auditor's Report

Statement of Financial Position

Central Hawke's Bay District Community Trust
As at 30 June 2018

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2018	30 JUN 2017
Assets			
Current Assets			
Bank accounts and cash	3	501,444	536,719
Other Current Assets	3	135,675	62,194
Total Current Assets		**637,119**	**598,913**
Non-Current Assets			
Property, Plant and Equipment	5	2,602,574	1,709,515
Non-Current Investments	3	110,000	90,000
Total Non-Current Assets		**2,712,574**	**1,799,515**
Total Assets		**3,349,694**	**2,398,428**
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	112,665	21,997
Total Current Liabilities		**112,665**	**21,997**
Total Liabilities		**112,665**	**21,997**
Total Assets less Total Liabilities (Net Assets)		**3,237,029**	**2,376,430**
Accumulated Funds			
Accumulated surpluses or (deficits)	6	3,237,029	2,376,430
Total Accumulated Funds		**3,237,029**	**2,376,430**

The Performance report is to be read in conjunction with the independent Auditor's Report

Statement of Cash Flows

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

'How the entity has received and used cash'

	2018	2017
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	844,800	402,198
Receipts from providing goods or services	237,945	222,773
Interest Received General Bank Accounts	705	710
GST	(91,874)	3,093
Payments to suppliers	(134,559)	(207,697)
Total Cash Flows from Operating Activities	**857,017**	**421,077**
Cash Flows from Investing and Financing Activities		
Interest, dividends and other investment receipts	5,077	7,736
Payments to acquire property, plant and equipment	(897,368)	(24,181)
Total Cash Flows from Investing and Financing Activities	**(892,292)**	**(16,445)**
Net Increase/ (Decrease) in Cash	**(35,275)**	**404,632**
Cash Balances		
Cash and cash equivalents at beginning of period	536,719	132,087
Cash and cash equivalents at end of period	501,444	536,719
Net change in cash for period	(35,275)	404,632

The Performance Report is to be read in conjunction with the Independent Auditor's Report.

Statement of Accounting Policies

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

'How did we do our accounting?'

The day-to-day accounting is performed by the Trustees, and the end of year accounting is done by BM Accounting Limited.

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than $2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Central Hawke's Bay District Community Trust is a Registered Charitable Trust.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

Central Hawke's Bay District Community Trust
For the year ended 30 June 2018

	2018	2017
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donations re Turf Development	102,194	54,589
Donations re Turf Tiles	39,650	-
Signage for Turf	21,000	-
Eastern and Central Community Trust re Turf Development	140,000	-
Estate AW Parsons re Turf Development	20,000	-
Kingdom Foundation re Turf Development	10,000	-
Lion Foundation re Turf Development	10,000	-
Lotteries Grants Board re Turf Development	500,000	-
Kingdom Foundation Correction to Grant 2015 Year re GST	1,957	-
Central Hawkes Bay District Council re Turf Development	-	232,609
Infinity Foundation re Turf Development	-	15,000
NZ Community Trust re Turf Development	-	100,000
Total Donations, fundraising and other similar revenue	**844,800**	**402,198**
Interest, dividends and other investment revenue		
Interest Received - New Zealand Post Group	3,175	3,175
Interest Received - Westpac Term Deposits	2,981	3,335
Total Interest, dividends and other investment revenue	**6,156**	**6,510**
Other revenue		
Insurance Claim re Pool Compressor	11,727	-
Interest Received - Westpac	705	710
Total Other revenue	**12,432**	**710**
Operating Activities		
Rent Received - Sport Hawkes Bay	825	825
Service Payment - Central Hawkes Bay District Council	206,056	202,611
Staduim Rent Received from Aqua Management	19,337	19,337
Total Operating Activities	**226,218**	**222,773**

	2018	2017
2. Analysis of Expenses		
Costs related to providing goods or services		
Accountancy Fees	3,172	2,918
Advertising	482	-
Audit Fee	2,300	3,100
Bank Fees & Charges	3	56
Cleaning	550	-
Freight & Cartage	372	-
General Expenses	103	158
Insurance - Pool	11,599	11,209

The Performance Report is to be read in conjunction with the Independent Auditor's Report

Notes to the Performance Report

Insurance - Stadium	8,942	6,401
Management Fees	159,203	156,541
Repairs & Maintenance - Pool	15,208	8,224
Repairs & Maintenance - Stadium	8,921	11,313
Security Expenses	394	385
Turf Signage	420	-
Valuation Fees	1,295	-
Xero Fees	385	-
Total Costs related to providing goods or services	**213,348**	**200,306**
Other expenses		
Depreciation	15,659	12,812
Total Other expenses	**15,659**	**12,812**

	2018	2017
3. Analysis of Assets		
Bank accounts and cash		
Westpac Turf Account	372,560	412,897
Westpac Stadium Account	59,934	56,649
Westpac Pool Account	68,950	67,172
Total Bank accounts and cash	**501,444**	**536,719**
Other current assets		
Accrued Interest	1,761	682
Prepayment re Turf	-	11,350
Goods & Services Tax	103,914	162
Westpac Term Deposit 9 at 3.1% - Maturity 8 June 2018	-	50,000
Westpac Term Deposit 10 at 3.8% - Maturity 12 June 2019	30,000	-
Total Other current assets	**135,675**	**62,194**
Investments		
Westpac Term Deposit 9 at 3.65% - Maturity 8 June 2020	50,000	-
New Zealand Post Group Fixed Rate Bonds @ 6.35% Maturity 15 November 2039 - Pool	50,000	50,000
Westpac Term Deposit 8 at 3.6% - Maturity 15 Feb 2020	10,000	10,000
Westpac Term Deposit 10 at 4.3% - Maturity 12 June 2019	-	30,000
Total Investments	**110,000**	**90,000**

	2018	2017
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accounts Payable	109,965	18,897
Accrued Audit Fees	2,700	3,100
Total Creditors and accrued expenses	**112,665**	**21,997**

The Performance Report is to be read in conjunction with the Independent Auditor's Report

	2018	2017
5. Fixed Assets		
Property Improvements		
Property Improvements at Cost	915,321	9,702
Opening Value	6,949	6,949
Purchases	905,619	-
Depreciation	-	-
Closing Value	912,568	6,949
Plant & Equipment		
Plant & Equipment at Cost	619,466	616,365
Opening Value	25,485	13,002
Purchases	3,100	16,075
Depreciation	5,214	3,592
Closing Value	23,371	25,485
Furniture & Fittings		
Furniture & Fittings at Cost	55,340	55,340
Opening Value	11,251	6,552
Purchases	-	8,106
Depreciation	4,852	3,407
Closing Value	6,399	11,251
Buildings		
Buildings at Cost	2,382,874	2,382,874
Opening Value	1,665,829	1,671,643
Depreciation	5,593	5,813
Closing Value	1,660,236	1,665,829
Fixed Assets		
Total Fixed Assets	2,602,574	1,709,514
Total Fixed Assets	**2,602,574**	**1,709,514**

Land and buildings have not been restated to valuation. They are included at cost.

	2018	2017
6. Accumulated Funds		
Accumulated Funds		
Opening Balance	2,376,430	1,957,357
Accumulated surpluses or (deficits)	860,599	419,073
Total Accumulated Funds	**3,237,029**	**2,376,430**
Total Accumulated Funds	**3,237,029**	**2,376,430**

7. Commitments

There is a commitment as at 30 June 2018 to continue to install a synthetic hockey turf. This year grants, donations and sponsorship have been received amounting to $844,800 relating to this project. (Last year - $402,198.05). The balance the Trust expects to pay relating to the project is $922,552.30.

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018 (Last year - nil).

9. Related Parties

There were no transactions involving related parties during the financial year.

10. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

Audit Hawke's Bay
Assurance Specialists

Independent Auditor's Report

To the Trustees of Central Hawke's Bay District Community Trust

Qualified Opinion
We have audited the accompanying Performance Report of Central Hawke's Bay District Community Trust (the Trust) on pages 3 to 13, which comprises the Entity Information, the Statement of Service Performance, the Statement of Financial Performance and Statement of Cash Flows for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, and the Statement of Accounting Policies and Notes to the Performance Report.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report:
a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the Statement of Service Performance are suitable
b) the accompanying Performance Report presents fairly, in all material respects:
   - the Entity Information for the year then ended
   - the Service Performance for the year then ended, and
   - the Financial Position of the Trust as at 30 June 2018, and its Financial Performance, and Cash Flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion
The Trust does not depreciate the Pool and Stadium Buildings, the fit-out of these buildings have been valued at the 2012 opening book values as the base for straight line depreciation. This is a departure from Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) A107 which requires that assets be depreciated over their useful lives and that they be recorded at their cost less depreciation. We estimate that this understates the accumulated depreciation of the fixed assets overall by $420,869 and for the year by $57,385 and overstates the current year profit accordingly.

We conducted our audit of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and Notes to the Performance Report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the Entity Information and Statement of Service Performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Performance Report' section of our report.

We are independent of Trust in accordance with Professional and Ethical Standard 1 (Revised) 'Code of Ethics for Assurance Practitioners' issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than our capacity as auditor we have no relationship with, or interests in, the Trust.

Audit Hawke's Bay
Assurance Specialists

Restriction on Responsibility
This report is made solely to the Trustees of the Trust. Our audit has been undertaken so that we might state to the Trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees, for our audit work, for this report, or for the opinions we have formed.

Other Information
The Trustees are responsible for the other information. The other information comprises the Depreciation Schedule but does not include the Performance Report and our Auditor's Report thereon.

Our opinion on the Performance Report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the Performance Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Performance Report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Trustees Responsibilities for the Performance Report
The Trustees are responsible for:

a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the Statement of Service Performance
b) the preparation and fair presentation of the Performance Report on behalf of the Trust which comprises:
   - the Entity Information
   - the Statement of Service Performance; and
   - the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and Notes to the Performance Report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
c) for such internal control as the Trustees determine is necessary to enable the preparation of the Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Performance Report, the Trustees are responsible on behalf of the Trust's for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report
Our objectives are to obtain reasonable assurance about whether the Performance Report is free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

Audit Hawke's Bay
Assurance Specialists

material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Performance Report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Performance Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Performance Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Performance Report, including the disclosures, and whether the Performance Report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Audit Hawke's Bay

Audit Hawke's Bay Limited | Qualified Auditors, Hastings, New Zealand
10 October 2018

Depreciation Schedule

Central Hawke's Bay District Community Trust

For the year ended 30 June 2018

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	METHOD	RATE	CLOSING ACCUM DEP	CLOSING VALUE
Buildings									
Additions & Alterations	68,626.50	67,430.50	-	-	-	None		1,196.00	67,430.50
Automatic Doors	8,582.00	4,548.00	-	-	-	None		4,034.00	4,548.00
Building	715,841.00	415,190.00	-	-	-	None		300,651.00	415,190.00
Building consent & Fire reports for extension	3,651.00	3,541.00	-	-	-	None		110.00	3,541.00
Building Costs - Extension	73,214.00	67,541.00	-	-	-	None		5,673.00	67,541.00
Designs - Additions & Alterations	4,672.50	4,593.50	-	-	-	None		79.00	4,593.50
Landscaping	48,790.00	48,790.00	-	-	-	None		-	48,790.00
Plans - Staff & Meeting Room	1,732.00	1,680.00	-	-	-	None		52.00	1,680.00
Pool	294,167.00	129,439.00	-	-	-	None		164,728.00	129,439.00
Pool and Stadium Building Fit-out - 15% (2012)	246,598.00	217,006.08	-	-	4,931.96	SL	2.00%	34,523.88	212,074.12
Stadium Building	907,720.00	703,426.00	-	-	-	None		204,294.00	703,426.00
Stadium Curtains	9,280.00	2,644.31	-	-	661.08	DV	25.00%	7,296.77	1,983.23
Total Buildings	**2,382,874.00**	**1,665,829.39**	-	-	**5,593.04**			**722,637.65**	**1,660,236.35**
Furniture & Fittings									
Air Conditioning	3,557.00	1,337.39	-	-	160.49	DV	12.00%	2,380.10	1,176.90
Alarm	1,660.00	208.07	-	-	45.78	DV	22.00%	1,497.71	162.29
Bench Unit	1,460.00	99.52	-	-	17.91	DV	18.00%	1,378.39	81.61
Blinds - Gym	1,052.00	59.62	-	-	13.12	DV	22.00%	1,005.50	46.50
Blinds - Gym	2,222.00	96.13	-	-	21.15	DV	22.00%	2,147.02	74.98
Carpet Rollers	6,125.00	426.49	-	-	93.83	DV	22.00%	5,792.34	332.66
Chairs Microwave and Fridge	572.00	20.08	-	-	4.42	DV	22.00%	556.34	15.66
Flotex Floor	25,200.00	2,712.46	-	-	488.24	DV	18.00%	22,975.78	2,224.22

Depreciation Schedule

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	METHOD	RATE	CLOSING ACCUM DEP	CLOSING VALUE
Landing Mat and Swedish Bench	1,204.00	216.59	-	-	47.65	DV	22.00%	1,035.06	168.94
Locks	1,244.00	42.59	-	-	9.37	DV	22.00%	1,210.78	33.22
Mirrors	1,907.00	140.53	-	-	25.30	DV	18.00%	1,791.77	115.23
Rubber Mats - Stadium	8,105.86	5,842.97	-	-	3,914.79	DV	67.00%	6,177.68	1,928.18
Security Grille	217.00	14.79	-	-	2.66	DV	18.00%	204.87	12.13
Signs	167.00	11.43	-	-	2.06	DV	18.00%	157.63	9.37
Stove	647.00	22.51	-	-	4.95	DV	22.00%	629.44	17.56
Total Furniture & Fittings	**55,339.86**	**11,251.17**	-	-	**4,851.72**			**48,940.41**	**6,399.45**
Plant & Equipment									
"Elsa" Breathing Gear	819.00	-	-	-	-	DV	50.00%	819.00	-
6 Start Platforms	9,907.83	2,108.61	-	-	463.89	DV	22.00%	8,263.11	1,644.72
Aluminium Bike Racks	3,580.88	21.22	-	-	14.22	DV	67.00%	3,573.88	7.00
Aqualift	4,158.00	46.24	-	-	10.17	DV	22.00%	4,121.93	36.07
Aquavac King Shark Cleaner	7,020.00	434.14	-	-	130.24	DV	30.00%	6,716.10	303.90
Auto Pool Cleaner	2,950.00	0.90	-	-	0.30	DV	33.00%	2,949.40	0.60
Back Stroke Pole	680.00	4.87	-	-	1.07	DV	22.00%	676.20	3.80
Blinds - Extension	1,349.00	68.11	-	-	20.43	DV	30.00%	1,301.32	47.68
Cash Register	300.00	-	-	-	-	DV	33.00%	300.00	-
Chinook Buoyancy Aids	1,176.00	5.44	-	-	3.64	DV	67.00%	1,174.20	1.80
Cleaning Equipment	423.00	-	-	-	-	DV	33.00%	423.00	-
Compressor	16,075.00	15,900.85	-	-	2,067.11	DV	13.00%	2,241.26	13,833.74
Desk	129.00	10.84	-	-	1.30	DV	12.00%	119.46	9.54
Drinking Fountains - 2	2,890.13	1,716.01	-	-	429.00	DV	25.00%	1,603.12	1,287.01
False Start Pole	272.00	1.83	-	-	0.40	DV	22.00%	270.57	1.43
Filing Cabinet	111.00	9.29	-	-	1.11	DV	12.00%	102.82	8.18
Filtration and Treatment Plant	225,000.00	-	-	-	-	SL	6.50%	225,000.00	-
Heating and Ventilation Plant	285,000.00	-	-	-	-	SL	6.50%	285,000.00	-
Lane Rope Reels	1,674.00	0.90	-	-	0.30	DV	33.00%	1,673.40	0.60
Lane Ropes (5)	2,785.00	0.90	-	-	0.30	DV	33.00%	2,784.40	0.60
Macball Pool Blanket	15,287.00	1,420.61	-	-	312.53	DV	22.00%	14,178.92	1,108.08

Depreciation Schedule

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	METHOD	RATE	CLOSING ACCUM DEP	CLOSING VALUE
Office Chair	174.00	7.22	-	-	1.08	DV	15.00%	167.86	6.14
Parrots	152.00	-	-	-	-	DV	33.00%	152.00	-
Play Area Surrounds	2,575.00	48.09	-	-	8.84	DV	18.00%	2,534.75	40.25
Polo Goals	1,770.00	0.90	-	-	0.30	DV	33.00%	1,769.40	0.60
Pool Equipment Platypus Aquatic wheelchair	3,100.00	-	3,100.00	-	710.42	DV	25.00%	710.42	2,389.58
Pool Thermal Blanket and Reel Tube	3,410.20	1,500.49	-	-	600.20	DV	40.00%	2,509.91	900.29
Pump	3,243.53	1,869.78	-	-	373.96	DV	20.00%	1,747.71	1,495.82
Rubbish Bins	299.00	-	-	-	-	DV	33.00%	299.00	-
Safety Ergo Mats (92) & Safety Ergo Edge Ramp (19)	1,139.00	117.42	-	-	25.83	DV	22.00%	1,047.41	91.59
Security Grill	3,520.00	85.39	-	-	15.37	DV	18.00%	3,449.98	70.02
Security System	5,765.00	-	-	-	-	DV	22.00%	5,765.00	-
Sound System	6,556.00	2.24	-	-	0.74	DV	33.00%	6,554.50	1.50
Speedo Aqua Jogging Belts (20)	871.00	-	-	-	-	DV	33.00%	871.00	-
Speedo Pace Clock	282.00	-	-	-	-	DV	33.00%	282.00	-
Sundry Tools	202.00	-	-	-	-	DV	33.00%	202.00	-
Tiny Tots Playground Equipment	3,086.00	33.67	-	-	11.11	DV	33.00%	3,063.44	22.56
Wheelchair	1,733.00	67.91	-	-	10.19	DV	15.00%	1,675.28	57.72
Total Plant & Equipment	**619,464.57**	**25,484.87**	**3,100.00**	-	**5,214.05**			**596,093.75**	**23,370.82**
Property Improvements									
Artificial Hockey Turf	9,702.40	6,949.40	-	-	-	None		2,753.00	6,949.40
Artificial Turf Instalments Paid	905,618.30	-	905,618.30	-	-	None		-	905,618.30
Total Property Improvements	**915,320.70**	**6,949.40**	**905,618.30**	-	-			**2,753.00**	**912,567.70**
Total	**3,972,999.13**	**1,709,514.83**	**908,718.30**	-	**15,658.81**			**1,370,424.81**	**2,602,574.32**

6.6 CENTRAL HAWKE'S BAY PROMOTIONS ANNUAL REPORT - 2017/18

File Number: **COU1-1410**

Author: **Doug Tate, Group Manager Customer and Community Partnerships**

Authoriser: **Monique Davidson, Chief Executive**

Attachments:
1. **Central Hawke's Bay Promotions - Annual Accounts 2017-18**
2. **Central Hawke's Bay Promotions - Chairmans Report 2017-18**

PURPOSE

To present to Council the Annual Report for Central Hawke's Bay Promotions.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

Central Hawke's Bay Promotions had a three year agreement with Council that came to an end of 30 June 2018. This annual report reflects Central Hawke's Bay's activities for the period of 1 July 2017 to 30 June 2018, which previously included the management and accountability of the Tourism Hawke's Bay Contract. Tourism Hawke's Bay will present separately to this report.

Highlights from the Chairman's report include:

- A noted 100% increase in travel and accommodation bookings
- Business after 5 events have been and continue to be very successful
- Staff have continued to provide great service to the Central Hawke's Bay Community.

CHB Promotions now have a contract from the period of 1 July 2018 to 30 June 2019. This contract no longer includes the sub-contracting of Tourism Services from Hawke's Bay Tourism. By March 2019, Officers will have clarified a strategic position to determine the future of Visitor Information Services in Central Hawke's Bay to determine any future contract with CHB Promotions.

Donald Parkinson, Chairman of Central Hawke's Bay Promotions will be in attendance to present the report.

FINANCIAL AND RESOURCING IMPLICATIONS

There are no financial and resourcing implications from this report.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and

- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

Financial Report

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

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4 Approval of Financial Report

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7 Statement of Changes in Equity

8 Balance Sheet

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Directory

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

Nature of Business

Promotion of Central Hawkes Bay

Registered Office

9 Bogle Brothers Esplanade

Waipukurau 4200

Incorporation Number

1245282

IRD Number

084-116-982

Bankers

Bank of New Zealand

Waipukurau

Date of Formation

2 October 2002

Approval of Financial Report

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

The Board are pleased to present the approved financial report including the historical financial statements of Central Hawke's Bay Promotions Inc. for year ended 30 June 2018.

APPROVED

For and on behalf of the Board.

_____

Chairperson

Date .....

_____

Board Member

Date .....

Statement of Profit or Loss

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

	NOTES	2018	2017
Trading Income			
Accommodation and Tour Bookings		3,472	1,532
Funding - CHB District Council Contract		123,700	123,700
Membership Fees		6,100	7,680
Previous Years' Membership Fees Uncollectable		-	(730)
Rent Received		28,665	23,217
Sales - DOC		998	998
Shop Sales		4,947	5,598
Travel Sales		24,855	26,447
Dividend Received - CHB Consumers Power Trust		905	-
Total Trading Income		**193,643**	**188,442**
Cost of Sales			
Opening Stock		4,606	3,209
Direct Costs			
Cost of Sales - Accommodation & Tour Bookings		3,177	700
Cost of Sales - DOC		878	904
Cost of Sales - Travel		22,826	24,167
Shop Purchases		1,926	4,495
Total Direct Costs		**28,808**	**30,266**
Closing Stock		(4,653)	(4,606)
Total Cost of Sales		**28,762**	**28,869**
Gross Profit		**164,881**	**159,573**
Other Income			
Interest Received		41	206
Insurance Oncharged to Sub-Tenants		110	988
Light, Power & Heating Oncharged to Sub-Tenants		1,836	3,448
Other Revenue		-	4
Rates Oncharged to Sub-Tenants		859	906
Total Other Income		**2,846**	**5,552**
Expenses			
Accident Compensation Levy		61	85
Accounting		2,500	3,900
Advertising		3,650	4,254
Annual General Meeting Costs		48	572
Assets Under $500		-	1,306
Bank Fees		64	77
Book-keeping & Admin Fees		3,600	2,350
Card Merchant Fees		345	285
Christmas Parade Costs		10,673	11,937

Statement of Profit or Loss

	NOTES	2018	2017
Cleaning & Waste Disposal		133	196
Computer Expenses		77	611
Depreciation		3,720	3,805
Depreciation - Loss on Sale		-	76
Donations		500	-
General Expenses		223	232
Hawke's Bay Tourism Contract		70,000	-
Health & Safety Expenses		65	374
Insurance		1,098	2,087
iPayroll Fees		549	564
IRD Penalties		-	(308)
Lawn & Garden Maintenance		285	140
Lease - EFTPOS NZ Ltd		684	732
Lease - Konica Minolta Printer		1,339	2,095
Legal expenses		-	300
Light, Power, Heating		2,834	3,553
Little Easy Costs		-	2,908
Office Expenses		364	753
Printing, Stationery & Postage		538	485
Promotional Costs - Brochures, Maps, Signage		13	400
Rates		1,771	861
Rent - KiwiRail		5,000	5,000
Repairs & Maintenance - Building		1,574	1,291
Repairs and Maintenance		2,102	723
Salaries & Wages		32,656	70,298
Security		614	295
Signage		-	76
Sponsorship of Advertising & Promotions		-	232
Spring Fling Costs		-	27,521
Staff Expenses		560	463
Staff Leave Liability Introduced		-	2,962
Staff Leave Liability Movement for Month		(2,067)	200
Subscriptions - HNZ & Xero		1,384	1,522
Telephone & Internet		1,210	2,035
Travel - National		-	4,800
Total Expenses		**148,168**	**162,049**
Net Profit (Loss)		**19,559**	**3,076**
Net Profit (Loss) for the Year		**19,559**	**3,076**

Statement of Changes in Equity

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

	2018	2017
Equity		
Opening Balance	64,837	61,761
Increases		
Profit for the Period	19,559	3,076
Total Increases	19,559	3,076
Total Equity	84,396	64,837

Balance Sheet

Central Hawke's Bay Promotions Inc.
As at 30 June 2018

	NOTES	30 JUN 2018	30 JUN 2017
Assets			
Current Assets			
GST Receivable		700	1,164
Accounts Receivable		16,556	2,386
BNZ Business Account		6,066	6,915
BNZ Call Account		15,858	14,837
BNZ Reserves Account		12,527	12,514
Cash Bankings		32	81
Stock on Hand		4,653	4,606
Till Float		200	200
Total Current Assets		**56,592**	**42,704**
Non-Current Assets			
Property, Plant and Equipment		51,027	54,747
Total Non-Current Assets		**51,027**	**54,747**
Total Assets		**107,619**	**97,451**
Liabilities			
Current Liabilities			
Provisions		12,500	12,500
Employee Entitlements		1,096	3,162
Accounts Payable		3,527	16,951
Prepayments		6,100	-
Total Current Liabilities		**23,223**	**32,613**
Total Liabilities		**23,223**	**32,613**
Net Assets		**84,396**	**64,837**
Equity			
Retained Earnings		84,396	64,837
Total Equity		**84,396**	**64,837**

Depreciation Schedule

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

NAME	COST	OPENING VALUE	PURCHASES	SALE PRICE	RATE	METHOD	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE	PRIVATE USE AMOUNT
Leasehold Improvements										
Building Interior Alterations - Bayleys Extension	4,220	4,220	-	-	0.00%	DV	-	-	4,220	-
Carparking Development	33,050	32,169	-	-	4.00%	DV	1,287	2,168	30,882	-
Front Lawn Development	1,796	1,796	-	-		None	-	-	1,796	-
Total Leasehold Improvements	**39,066**	**38,185**	-	-			**1,287**	**2,168**	**36,898**	-
Office Equipment										
5 Shelf Metal Display Rack	235	21	-	-	18.00%	DV	4	218	17	-
Alarm Panic Button	295	3	-	-	26.40%	DV	1	293	2	-
AMD XP 2800 Computer & Flat Screen	1,836	1	-	-	48.00%	DV	-	1,836	-	-
Banner Brackets	677	128	-	-	11.40%	DV	15	564	113	-
Corner Desk	516	39	-	-	14.40%	DV	6	483	33	-
Fridge	356	1	-	-	26.40%	DV	-	355	1	-
Heat Pump	3,111	277	-	-	24.00%	DV	67	2,900	211	-
Inspiron 9400 Notebook & Case	2,211	3	-	-	48.00%	DV	2	2,209	2	-
Office Carpet	466	-	-	-	39.60%	DV	-	466	-	-
Samsung Microwave	204	-	-	-	31.20%	DV	-	204	-	-
Shelving	397	45	-	-	11.40%	DV	5	357	40	-
Slatwall Display Units	7,244	4,098	-	-	20.00%	DV	820	3,966	3,278	-
Storage Shelves	622	154	-	-	11.40%	DV	18	485	137	-
Wooden Bookcase & Drawers	140	11	-	-	18.00%	DV	2	131	9	-
Total Office Equipment	**18,310**	**4,780**	-	-			**938**	**14,467**	**3,843**	-

Depreciation Schedule

NAME	COST	OPENING VALUE	PURCHASES	SALE PRICE	RATE	METHOD	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE	PRIVATE USE AMOUNT
Plant & Equipment										
Air Conditioner - VIC Room	2,106	1,376	-	-	20.00%	DV	275	1,005	1,101	-
Black Bike Frames x 2	1,580	1,399	-	-	10.00%	DV	140	321	1,259	-
Display Screens	1,573	408	-	-	11.40%	DV	47	1,211	362	-
Fujitsu Heat Pump	2,091	438	-	-	20.00%	DV	88	1,740	351	-
Grey Water Pump (Cafe)	1,830	392	-	-	20.00%	DV	78	1,516	314	-
Hot Water Cylinder (Cafe)	2,079	794	-	-	13.00%	DV	103	1,388	691	-
Lighting Sculpture	475	74	-	-	12.50%	DV	9	411	64	-
Outside Light	635	38	-	-	21.60%	DV	8	605	30	-
Security & Smoke Alarm - VIC Room	699	404	-	-	25.00%	DV	101	396	303	-
Signs x 13	7,550	6,458	-	-	10.00%	DV	646	1,738	5,812	-
Total Plant & Equipment	**20,618**	**11,781**	-	-			**1,495**	**10,332**	**10,286**	-
Total	**77,994**	**54,747**	-	-			**3,720**	**26,967**	**51,027**	-

Notes to the Financial Statements

Central Hawke's Bay Promotions Inc.
For the year ended 30 June 2018

1. Reporting Entity

Central Hawke's Bay Promotions Inc. is an incorporated society established by a Constitution on the 2nd of October 2002.

Central Hawke's Bay Promotions Inc. is exempt from the Income Tax Act 2007 and the Financial Reporting Act 2013.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Profit or Loss and Balance sheet on a tax value basis are followed by the entity, unless stated in the Specific Accounting Policies. These financial statements are therefore deemed as special purpose.

2. Statement of Accounting Policies

Historical Cost

These financial statements have been prepared on a historical cost basis, except for certain assets which have been revalued as identified in specific accounting policies below. The financial statements are presented in New Zealand dollars (NZ$) and all values are rounded to the nearest NZ$, except when otherwise indicated.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Profit or Loss and Balance Sheet have been applied.

Inventories

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value.

The cost of work in progress and finished goods includes the cost of direct materials, direct labour and a proportion of the manufacturing overhead, based on the normal capacity of the facilities, expended in putting the inventories in their present location and condition.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

Income Tax

Central Hawke's Bay Promotions Inc. is exempt from the Income Tax Act 2007.

Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

3. Commitments

Central Hawke's Bay Promotions Inc. has a contract with the Central Hawke's Bay District Council for 1 year ending 30 June 2019, to provide services to support the Council in the delivery of economic and social development opportunities for a fee of $40,000. This includes the operation of the information centre and the delivery of local events.

Central Hawke's Bay Promotions Inc. has a contract for services with Cloud Admin Limited terminable on one months' notice for the provision of bookkeeping and accounting services.

Leases

Central Hawke's Bay Promotions Inc. lease the whole premises from Kiwirail for $5,000 per annum plus GST. The current lease runs from 1 May 2015 to 30 April 2030 if all rights of renewal are exercised.

Central Hawke's Bay Promotions Inc. sub leases the premises to the following:

Eastern Realty Limited trading as Bayleys Real Estate. The current lease is for $18,000 per annum plus GST and runs from 1 April 2017 to 30 April 2023 if all rights of renewal are exercised.

Espresso Loco for which the current lease is $7,297.20 per annum plus GST and runs from 1 August 2017 to 31 July 2023 if all rights of renewal are exercised.

Erin Squires has entered a Memorandum of Understanding to lease a room on a month by month basis for $300 per month plus GST.

CENTRAL HAWKE'S BAY PROMOTIONS INC.

REVIEW FOR THE YEAR ENDED

30TH JUNE 2018

REPORT TO MEMBERS

We report that we have reviewed the financial reports of Central Hawke's Bay Promotions Inc. for the year ended 30th June 2018 in accordance with the Statement of Review Engagement Standard issued by The New Zealand Institute of Chartered Accountants.

A review is limited primarily to enquiries of personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express and audit opinion.

Based on our review, nothing has come to our attention which would cause us to believe that the assertions contained in the financial information do not present a true and fair view in accordance with the disclosed basis of accounting, other than the limited control over the recording of cash income prior to it being banked. There are no practical methods available to retrospectively determine the extent of any misstatement.

BM Accounting Ltd

BM ACCOUNTING LIMITED
Chartered Accountants

Dated: 16 November 2018

BE MORE SUCCESSFUL

BM ACCOUNTING LIMITED
HAVELOCK NORTH
Level 1 Village Exchange, 5 Havelock Road / PO Box 8151, Havelock North 4157 / (06) 876 7159
WAIPAWA
52 High Street / PO Box 132, Waipawa 4240 / (06) 857 8901
bm.co.nz

PROMOTIONS INC

Chairman's report:

Thank you everybody for attending tonight's Annual General Meeting.

I would like to thank my fellow board members – Kate Norman, Shelly Birdsall, Lisa Musson & Malcolm Sibley for their efforts this year.

To our staff – Angela Doody and Debbie Mannell – we appreciate your work, and the ideas you have put forward to help promote CHB.

The four Business After 5 events that have run over the past year have been very successful, and we have more to come.

We have also formed a Christmas Committee to run the upcoming Christmas Parade on the 8th of December.

Hawke's Bay Tourism :

The agreement between the two organisations terminated on the 30th of June this year, and was not renewed.

This coincided with a change in the funding received from the Central Hawke's Bay District Council.

The CHB Tourism Co-ordinator is now based from the CHB District Council offices in Waipawa, with Council taking direct responsibility for the oversight of this person plus the payment to HB Tourism.

Information Centre :

Our ladies at the Information Centre once again continue to provide a valuable service.

We have seen a more than 100% increase in travel and accommodation bookings come through the Centre, which proves we still provide a much needed service for locals.

In line with a request from CHBDC we have adjusted the opening hours of the Information Centre, with increased hours on most days, including Saturdays and most statutory holidays. The centre is closed on Wednesday's which has seen some complaints from the public, which the staff have dealt with professionally.

Council Funding :

Our 3-year contract expired on the 30th of June 2018.

There has been much discussion with Council management over the contract, and despite our best efforts, we have only been able to manage to secure funding over $40,000 per annum (excl GST).

We had hoped funding would remain as it was at $53,700 (once the HB Tourism portion of $70,000 was taken out).

The contract does allow for an extra $5,000 to be applied for to be used to *support events, business promotion and other incentives*.

The contract also has a 12-month term, rather than the previous three-year term; and is also more detailed in its expectations on the organisation.

I will acknowledge the work put in by Kate Norman in negotiating a final contract.

Financial Reports :

BM Accounting have completed their review of the accounts for the year ended 30th June 2018.

I am pleased to report that we have ended the year with a gross profit of $19,559 – compared to the $3076 profit in the previous year.

As mentioned earlier, our accommodation and tour booking sales were up, as was the rent we received from our sub-tenants.

We made savings in our accounting fees, advertising costs and on our shop purchases.

You will also note that there is a $70,000 line in regards the Hawke's Bay Tourism contract. This change was made last year by the Board to simplify payments of accounts and to ensure that we were only paying the agreed amount.

My thanks to Kate and Claire at BM Accounting for their work in preparing our end of year accounts, and to Tessa Barrett, who we contract to undertake our accounts work for us, as it makes the process a whole lot easier.

Conclusion :

I would like to end by thanking the Board, our staff, members and customers for their work and support over the year.

I would also once again like to the thank the Hawke's Bay Tourism team for their support of Central Hawke's Bay.

Thanks also to Doug Tate and Monique Davidson at the Central Hawke's Bay District Council for working with the Board on a new contract, and your vision for the district moving forward.

Donald Parkinson

Chair, CHB Promotions

6.7 HAWKE'S BAY TOURISM ANNUAL REPORT - 2017/18

File Number: **COU1-1410**

Author: **Doug Tate, Group Manager Customer and Community Partnerships**

Authoriser: **Monique Davidson, Chief Executive**

Attachments: **1. Hawke's Bay Tourism Annual Report**

PURPOSE

The purpose of this report is to present the Annual Report of Hawke's Bay Tourism for the 207/18 year.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

This report presents the 2017/18 Annual Report for Hawke's Bay Tourism.

During the reporting period, Hawke's Bay Tourism did not Contract directly to Central Hawke's Bay District Council, instead subcontracting to Council and being accountable for delivery through Central Hawke's Bay Promotions. There is now a new contract directly between Hawke's Bay Tourism and Council for a three year period from 1 July 2018 to 30 June 2021.

The highlights from Hawke's Bay Tourism's Annual Report includes:

- Since 2016 an $11.2 million increase in visitor spend in Central Hawke's Bay
- In the last two years, a year on year increase in visitor spend of over 13%
- The successful delivery of the Little Easy and Planning for the delivery of the Spring Fling

Annie Dundas – General Manager of Hawke's Bay Tourism will attend the meeting to present on their annual report.

FINANCIAL AND RESOURCING IMPLICATIONS

There are no financial and resourcing implications for this decision.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;

- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

HAWKE'S BAY TOURISM REPORT TO CENTRAL HAWKES BAY DISTRICT COUNCIL

29 NOVEMBER 2018

Background

Hawke's Bay Tourism (HBT) and Central Hawke's Bay District Council have had a strong partnership since July 2014 with the establishment of the CHB Tourism Coordinator position. This position is primarily responsible for promoting the interests of Central Hawke's Bay from a tourism perspective. The role is now firmly established as part of the Hawke's Bay Tourism team.

Results

For year ended September 2018 visitor spend in the CHB district has increased over 42% since 2014.

2014	26.2m	
2015	27.6m	5.4% YOY growth
2016	28.9m	4.7%
2017	32.9m	13.8%
2018	37.4m	13.7%

Central Hawke's Bay now has a new web portal which is directly linked to the region's website allowing the region to be far more visible for those seeking information online. www.centralhawkesbaynz.co.nz. The updating of this site is handled by the CHB Tourism Coordinator who also manages all of the district's social media platforms.

Events

Spring Fling

Anna Baldwin joined us in late September on contract as the CHB Tourism Co-ordinator. Anna picked up the Spring Fling management, getting straight in to the social media and marketing, as well as working with the Event Managers to ensure they were well supported and the events

well attended. We hosted more than thirty events over nine weeks, with a mixture of art, adventure, historic homesteads, food and wine.

We are pleased with the final results of the Spring Fling, events sold well and were largely very well attended. We have had great feedback and a really pleasing number of out of town visitors at the events.

Anna is in the process of collecting data from event managers and Spring Fling attendees and compiling a report for a debrief meeting we hope to hold before the end of November. After this debrief meeting a full report will be put together and used for future planning of the Spring Fling.

CHB Tourism Co-ordinator Role
Anna is contracted until the end of November. The role has been advertised and we hope to fill it shortly, therefore making an announcement before the Christmas break.

CHB Tourism Activities
Alongside the Spring Fling, Anna has been out meeting and visiting our member operators and venues. Coming into the busy Summer season it's great to get out and about and hear what bookings and events they have coming up and find out what assistance we can provide them.

We have a great number of out of town weddings this season so that is something Anna is keen to work alongside operators and local retailers and accommodation providers to ensure CHB is benefiting as much as possible from these regular visitors and work on ideas for future promotion of CHB as a wedding destination.

Kerryn Ralston has recently started with Hawke's Bay Tourism managing the travel trade and conference sector relationships. We are looking to set up a workshop in CHB with Kerryn in the near future so she can meet our operators and venues and share her knowledge. All in the aim of boosting visitor numbers in CHB.

Anna is working hard to promote Central Hawke's Bay and our Members as much as possible through the various media opportunities. We are working on some Summer content updates for our CHB page on the Hawke's Bay Tourism website, as well as new imagery for CHB and a CHB 'Summer Road trip' video campaign.

Anna has been looking at updating the CHB Tourism strategy alongside the wider regional tourism strategy and this will be a project for the CHB Tourism Co-ordinator to update so that we are working on a current strategy with clear goals and projects.

Little Easy 2019
We have already started working on the Little Easy planning for 2019, Anna has been looking into ways to give this event a boost to improve what is already a very well attended visitor event. The Little Easy is a cycle event on the river trails on Good Friday, held before the Big Easy Hawke's Bay event.

7 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Key Project Status Report - Big Water Story	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

8 DATE OF NEXT MEETING

RECOMMENDATION

THAT the next meeting of the Central Hawke's Bay District Council Finance and Planning Committee be held on 14 February 2019.

9 TIME OF CLOSURE