

Finance and Support Group

Performance Report ended 31 December 2014



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1 EXECUTIVE SUMMARY FOR RISK AND ASSURANCE COMMITTEE

1.1 Group overview

The key performance indicators for the last quarter were:



Finance, Treasury and Support

- ▶ Finalise the Annual Report and tax returns
- ▶ Update Essbase financial model to enable the 2015-25 LTP and 2015-45 Infrastructure Strategy to be compiled
- ▶ Manage and lead the financial budgeting process through to December draft council approval
- ▶ Manage the Asset Management development group, including the update of the Asset Management plans to ensure they are all up to a consistent standard to support the LTP
- ▶ Manage the WRCH Group , and Treasury portfolios, including dealing with PHL options
- ▶ Managed the Warm Wellington programme including the initiative to bring Clean Heat back to Masterton
- ▶ Manage the Wellington Water customer relationship and bulk water budget integration with the 4 metropolitan councils
- ▶ *Working with the new CEO to understand GWRC's financial processes and position whilst preparing for his first LTP with council*

ICT

- ▶ Redundant network connection – following a network outage at Shed 39, it was discovered that the proposed redundant network connection through WCC was not configured. This has now been configured correctly and been ‘tested’ on several occasions since the outage.
- ▶ VDI project – the remote desktop project is ready for widespread use and the first group of users will be those from WREMO. The VDI platform will allow the existing Citrix platform to be decommissioned and retired. It has been agreed that the VDI will predominantly be used for remote access and for business continuity needs.
- ▶ VC Bridge – two virtual meeting rooms (VMR) have been configured and are accessible from the new audio/visual equipment in each meeting room. The VMR's allow multiple (3 or more) meeting rooms to be connected together plus external parties using either a web client or a Skype client to participate in a meeting.
- ▶ Office 365 – the project to migrate email to the ‘cloud’ began late in 2014 and the initial pilot programme of 10 mailboxes plus two resource mailboxes (such as a meeting room

or vehicle) is complete. Although the project has uncovered some issues which need fixing before it proceeds, the next step is to move the WREMO group across as one team. This is scheduled for February 2015.

The key performance indicators for the next quarter are:

Finance, Treasury and Support

- ▶ Complete the draft LTP and financial budgeting processes
- ▶ Improving relationship and trust through the Wellington Water customer group
- ▶ Review and update purchasing card proposal for ELT consideration
- ▶ Roll out on-line travel booking
- ▶ Develop and implement the Masterton clean heat add-on
- ▶ Start development of Insurance Strategy

ICT

- ▶ Shared ICT Infrastructure programme - A revised timeline has been issued by the SIIP project team indicating that the next milestone for the project is the Chief Executives' meeting in late February 2015. If the Chief Executives decide to proceed with the project, the project moves into a due diligence phase where the competing vendors – Datacom and Dimension Data – will hold sessions with the ICT units of each council. This is scheduled to take most of March 2015 and into April.
- ▶ In parallel to this, contract negotiations will commence and run through to mid May 2015.
- ▶ A further milestone is set for mid-May 2015 when the final service delivery model needs to be approved by the CE's.
- ▶ The latest proposal for transitioning to the shared services model shows a two year time period.

1.2 Group financial summary

Financial summary

Total direct expenditure of \$5.7 million is \$65k more than budget. Rent costs were also ahead of budget as rent is being incurred on both Regional Council Centre (RCC) and more recently Shed 39. This makes up the majority of the Materials, Supplies and Services unfavourable variance.

External revenue is largely in line with expectations.

Capital expenditure is below budget by \$531k. All projects are in their starting phase and we expect them to be completed by June 30. The majority of capital expenditure is in the ICT department and further explanation follows in that section.

The Financial forecast has been updated to reflect RCC costs; funds transferred to People and Capability for health and safety initiatives and capex to include enhancing reporting tools and the start of the upgrade to digital radios has been brought forward to coincide with the NZ Police digital radio upgrade programme.

1.3 Group consolidated financial statements

Finance and Support group Income Statement For the 6 months ended 31 December 2014	Year to Date			Full Year			31 Dec 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	
Rates & Levies	-	-	-	-	-	-	1,150
External Revenue	467	458	9	916	916	-	887
Investment Revenue	53	59	(6)	117	117	-	144
Internal Revenue	2,684	2,597	87	5,194	5,194	-	4,745
TOTAL INCOME	3,204	3,114	90	6,227	6,227	-	6,926
less:							
Personnel Costs	1,744	1,894	150	3,742	3,794	52	3,253
Materials, Supplies & Services	1,878	1,658	(220)	3,436	3,316	(120)	3,569
Travel & Transport Costs	11	12	1	24	24	-	12
Contractor & Consultants	1,559	1,555	(4)	3,490	3,470	(20)	3,465
Grants and Subsidies Expenditure	-	-	-	-	-	-	-
Internal Charges	471	479	8	946	946	-	937
Total Direct Expenditure	5,663	5,598	(65)	11,638	11,550	(88)	11,236
Financial Costs	84	119	35	237	237	-	120
Bad Debts	-	-	-	-	-	-	363
Corporate & Department Overheads	(2,637)	(2,637)	-	(5,274)	(5,274)	-	(4,863)
Depreciation	486	595	109	1,189	1,189	-	1,090
Loss / (Gain) on Sale of Assets / Investments	-	(2)	(2)	(2)	(2)	-	2
TOTAL EXPENDITURE	3,596	3,673	77	7,788	7,700	(88)	7,948
OPERATING SURPLUS / (DEFICIT)	(392)	(559)	167	(1,561)	(1,473)	(88)	(1,022)
Add Back Depreciation	486	595	(109)	1,189	1,189	-	1,090
Other Non Cash	-	(2)	2	(2)	(2)	-	2
Net Asset Acquisitions	(198)	(729)	531	(1,908)	(1,504)	(404)	(2,420)
Net External Investment Movements	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENT	(104)	(695)	591	(2,282)	(1,790)	(492)	(2,350)
Debt Additions / (decrease)	167	700	(533)	1,879	1,475	404	2,134
Debt Repaid	(257)	(389)	132	(808)	(778)	(30)	(549)
Net Reserves (Increase) / decrease	551	546	5	1,062	1,092	(30)	1,143
NET FUNDING SURPLUS (DEFICIT)	357	162	195	(149)	(1)	(148)	378

Finance and Support group Capital Expenditure Statement For the 6 months ended 31 December 2014	Year to Date			Full Year			31 Dec 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	
Total Asset Acquisitions	37	39	2	39	39	-	1,573
Total Capex (AUC movement)	167	700	533	1,879	1,475	(404)	-
Asset Disposal Cash Proceeds	(7)	(10)	(3)	(10)	(10)	-	(19)
Net Capital Expenditure	197	729	532	1,908	1,504	(404)	1,554
Investments Additions	-	-	-	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	197	729	532	1,908	1,504	(404)	1,554

1.4 Department overviews

1.41 ICT Summary



The ICT Department has been focusing on a number of projects in addition to their business as usual activities. The Manager, ICT has been fully involved in the ICT Shared Services project with Wellington City Council, Porirua City Council, Upper Hutt City Council and Wellington Water. In August we employed Tim John as the Manager, ICT Operations on a fixed term employment agreement to cover the management of the Department and to backfill for the Manager, ICT. A subsequent realignment of reporting was set up with Tim managing the Network Services Team, the Application Support Team and the Information Services Team. Fran Hyland has continued to manage the Business Analyst's Team.

The Manager, ICT Operations has been working with the Network Services Team to improve BAU practices and complete projects. He has also taken a lead role in several new projects including Office 365 (email migration) and Project: SPIEDO, the introduction of SharePoint and replacement of the eDocs/Hummingbird system.

The Manager, ICT continues to plan future projects including Business Information or BI, a biosecurity management software solution and the land mobile radio project which incorporates using the existing Police radio spectrum.

The new and long awaited update to Gwennie was launched over the holiday period. A far more functional and user friendly interface will hopefully see more people interacting with the Intranet – [Http://gwennie](http://gwennie).

ICT financial reports

ICT Department Financial Performance Statement 6 Months ended 31 December 2014	Year to date			Full Year			31 Dec 13 YTD Actual \$000
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	
External Revenue	-	39	(39)	79	79	-	-
Investment Revenue	53	59	(6)	117	117	-	72
Internal Revenue	1,412	1,292	120	2,583	2,583	-	1,097
TOTAL INCOME	1,465	1,390	75	2,779	2,779	-	1,169
less:							
Personnel Costs	1,008	1,063	55	2,126	2,126	-	691
Materials,Supplies & Services	830	820	(10)	1,640	1,640	-	1,143
Travel & Transport Costs	3	4	1	8	8	-	3
Contractor & Consultants	210	217	7	433	433	-	135
Grants and Subsidies Expenditure	-	-	-	-	-	-	-
Internal Charges	94	103	9	204	204	-	116
Total Direct Expenditure	2,145	2,207	62	4,411	4,411	-	2,088
Financial Costs	83	119	36	237	237	-	46
Bad Debts	-	-	-	-	-	-	-
Corporate & Department Overheads	(792)	(792)	-	(1,585)	(1,585)	-	(626)
Depreciation	477	572	95	1,144	1,144	-	331
Loss / (Gain) on Sale of Assets / Investments	-	(2)	(2)	(2)	(2)	-	-
TOTAL EXPENDITURE	1,913	2,104	191	4,205	4,205	-	1,839
OPERATING SURPLUS / (DEFICIT)	(448)	(714)	266	(1,426)	(1,426)	-	(670)
Add Back Depreciation	477	572	(95)	1,144	1,144	-	331
Other Non Cash	-	(2)	2	(2)	(2)	-	-
Net Asset Acquisitions	(196)	(729)	533	(1,908)	(1,504)	(404)	(717)
Net External Investment Movements	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(167)	(873)	706	(2,192)	(1,788)	(404)	(1,056)
Debt Additions / (decrease)	-	700	(700)	1,879	1,475	404	735
Debt Repaid	(257)	(389)	132	(808)	(778)	(30)	(131)
Net Reserves (Increase) / decrease	551	546	5	1,062	1,092	(30)	738
NET FUNDING SURPLUS (DEFICIT)	127	(16)	143	(59)	1	(60)	286

ICT Department Capital Expenditure Statement 6 Months ended 31 December 2014	Year to date			Full Year			31 Dec 13 YTD Actual \$000
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	
Total Asset Acquisitions	37	39	2	39	39	-	-
Capital Project Expenditure	166	700	534	1,879	1,475	(404)	735
Asset Disposal Cash Proceeds	(7)	(10)	(3)	(10)	(10)	-	-
Net Capital Expenditure	196	729	533	1,908	1,504	(404)	735
Investments Additions	-	-	-	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	196	729	533	1,908	1,504	(404)	735

ICT financial summary and variance analysis

Total Direct Expenditure for the ICT department is \$2.1million, which is slightly below budget.

External revenue has been budgeted in place of internal revenue where desktop recharges are traditionally more than the business budgets for. The result is that the variance in external revenue offsets the positive variance in internal revenue.

Capital projects include:

- ▶ The Portal upgrade project is postponed until further decisions about future delivery of services are made.
- ▶ The SAP mobile plant maintenance project has been delayed pending further analysis of the market solution.
- ▶ Reporting tools upgrade with Office 2013 and Office 365
- ▶ Digital Radios progressing with NZ Police.

ICT risk analysis

We are consistently reviewing the risks associated with the loss of the provision of continuity of IT services as part of our business continuity planning. The implementation of the virtual desktop (VDI) project means that we can facilitate 400 users accessing the network from remote locations. The new Office365 email project will provide full email redundancy by storing and delivering email directly from a cloud-based service.

1.42 Finance and Support

Finance and Support summary

The second quarter of the year has primarily been taken up with managing the budget process, LTP development and integration of the new Wellington Water Limited for GWRC's bulk water staff.

A number of new requirements have been introduced with this year's LTP including greater emphasis on Assets through updated asset management plans and the new infrastructure strategy. Mike Timmer led the Asset Management group and has worked with SCEG to finalise the infrastructure strategy. The Essbase modelling system was successfully developed to cater to the new 30 year requirements by Kevin Joe. Chris Gray and Mike Timmer also reviewed and updated the Financial Strategy and managed the financial implications of the current plan with councillors.

The Audit Management letters were received with no substantive comment for council or the WRCH Group. With the LTP audits this year auditors will be on a tighter timeframe and we will be working closely with them to ensure a smooth process is achieved.

The Finance Manager has been co-opted as the shareholders representative for Wellington Water's Chief Executive's customer forum alongside the four city council representatives and is working closely with them to ensure GWRC's bulk water requirements are met. The main emphasis in this quarter was to manage the bulk water budget process with the four cities especially in the more challenging time of capital investment and therefore an increasing levy requirement.

We will be working with the four cities over next 12 months to see what processes and practices can be simplified and streamlined both within Wellington Water and between the five councils.

Our new Financial Accountant will be reigniting the purchasing card project and rolling out the new electronic travel booking programme.

In December council approved the introduction of heating appliances into the Masterton Air Shed zone. This product and process needs designing and rolling out before the end of March. We will be working with some suppliers to get some discounts in place and ideally Masterton District Council can offer discounted or free consents as part of a launch initiative.

For the full report please see the see the full Warm Greater Wellington Report.

Finance and Support financial reports

Finance Income Statement For the 6 months ended 31 December 2014	Year to Date			Forecast \$000	Full Year		31 Dec 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000		Budget \$000	Variance \$000	
External Revenue	50	50	-	100	100	-	110
Investment Revenue	-	-	-	-	-	-	-
Internal Revenue	85	115	(30)	230	230	-	163
TOTAL INCOME	135	165	(30)	330	330	-	273
less:							
Personnel Costs	519	506	(13)	1,012	1,012	-	1,011
Materials,Supplies & Services	75	51	(24)	102	102	-	131
Travel & Transport Costs	-	2	2	4	4	-	1
Contractor & Consultants	7	55	48	470	470	-	297
Grants and Subsidies Expenditure	-	-	-	-	-	-	-
Internal Charges	87	85	(2)	168	168	-	171
Total Direct Expenditure	688	699	11	1,756	1,756	-	1,611
Financial Costs	-	-	-	-	-	-	2
Bad Debts	-	-	-	-	-	-	-
Corporate & Department Overheads	(713)	(713)	-	(1,426)	(1,426)	-	(1,202)
Depreciation	3	3	-	6	6	-	21
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-	-	-	-
TOTAL EXPENDITURE	(22)	(11)	11	336	336	-	432
OPERATING SURPLUS / (DEFICIT)	157	176	(19)	(6)	(6)	-	(159)
Add Back Depreciation	3	3	-	6	6	-	21
Other Non Cash	-	-	-	-	-	-	-
Net Asset Acquisitions	-	-	-	-	-	-	-
Net External Investment Movements	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	160	179	(19)	-	-	-	(138)
Debt Additions / (decrease)	-	-	-	-	-	-	-
Debt Repaid	-	-	-	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	160	179	(19)	-	-	-	(138)

Finance and Support financial summary

Total Direct Expenditure of \$688k compares favourably with a budget of \$699k.

Finance and Support risk analysis

As part of our regular reviews of our processes and systems we highlighted the on-going need to ensure all staff remain up-to-date and appropriately trained in all aspects of our business. With Staff turnover it is essential that key systems knowledge can be captured and transferred. A review of our processes around asset and insurance valuations is underway.

As part of the council wide review of the risk register it was agreed that the only underlying risk on the high level council register would be for financial fraud, as despite many mitigating actions the outcome of any actual fraud is highly damaging to the organisation.

1.43 Treasury

Treasury Summary

This department includes the staff and administration costs of running the Investment Management department. The full report on the Investment Management business area is reported separately.

The Treasurer is presently Acting as CFO and attending to those responsibilities.

Treasury financial reports

Treasury & Investments. Income Statement For the 6 months ended 31 December 2014	Actual \$000	Year to Date Budget \$000	Variance \$000	Forecast \$000	Full Year Budget \$000	Variance \$000	31 Dec 13 FY Actual \$000
External Revenue	38	38	-	75	75	-	69
Investment Revenue	-	-	-	-	-	-	-
Internal Revenue	134	134	-	267	267	-	257
TOTAL INCOME	172	172	-	342	342	-	326
less:							
Personnel Costs	177	151	(26)	319	308	(11)	286
Materials, Supplies & Services	2	2	-	3	3	-	4
Travel & Transport Costs	2	3	1	7	7	-	4
Contractor & Consultants	-	-	-	-	-	-	-
Grants and Subsidies Expenditure	-	-	-	-	-	-	-
Internal Charges	14	12	(2)	24	24	-	24
Total Direct Expenditure	195	168	(27)	353	342	(11)	318
Financial Costs	-	-	-	-	-	-	-
Bad Debts	-	-	-	-	-	-	-
Corporate & Department Overheads	-	-	-	1	1	-	-
Depreciation	3	3	-	7	7	-	7
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-	-	-	-
TOTAL EXPENDITURE	198	171	(27)	361	350	(11)	325
OPERATING SURPLUS / (DEFICIT)	(26)	1	(27)	(19)	(8)	(11)	1
Add Back Depreciation	3	3	-	7	7	-	7
Other Non Cash	-	-	-	-	-	-	-
Net Asset Acquisitions	-	-	-	-	-	-	-
Net External Investment Movements	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(23)	4	(27)	(12)	(1)	(11)	8
Debt Additions / (decrease)	-	-	-	-	-	-	-
Debt Repaid	-	-	-	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	(23)	4	(27)	(12)	(1)	(11)	8

Treasury financial summary and variance analysis

The Treasury department has \$195k of total direct expenditure, which is in line with budget. Personnel costs are unfavourable by \$26k which is mainly due to an FBT adjustment from the previous financial year. The overall personnel expenditure will be in-line with budget by year end. The department is attracting additional costs due to the vacant CFO position.

Treasury risk analysis

The treasury risks are reviewed as part of the investment management report.

1.44 Rates

Rates department financial reports

Rates Dept Income Statement For the 6 months ended 31 December 2014	Year to Date			Full Year			31 Dec 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	
Rates & Levies	-	-	-	-	-	-	1,150
External Revenue	381	294	87	588	588	-	626
Investment Revenue	-	-	-	-	-	-	-
Internal Revenue	27	27	-	54	54	-	54
TOTAL INCOME	408	321	87	642	642	-	1,830
less:							
Personnel Costs	5	-	(5)	-	-	-	-
Materials, Supplies & Services	1	-	(1)	-	-	-	7
Travel & Transport Costs	-	-	-	-	-	-	-
Contractor & Consultants	1,176	1,155	(21)	2,310	2,310	-	2,381
Grants and Subsidies Expenditure	-	-	-	-	-	-	-
Internal Charges	50	50	-	100	100	-	80
Total Direct Expenditure	1,232	1,205	(27)	2,410	2,410	-	2,468
Financial Costs	-	-	-	-	-	-	-
Bad Debts	-	-	-	-	-	-	363
Corporate & Department Overheads	(884)	(884)	-	(1,768)	(1,768)	-	(1,816)
Depreciation	-	-	-	-	-	-	-
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-	-	-	-
TOTAL EXPENDITURE	348	321	(27)	642	642	-	1,015
OPERATING SURPLUS / (DEFICIT)	60	-	60	-	-	-	815
Add Back Depreciation	-	-	-	-	-	-	-
Other Non Cash	-	-	-	-	-	-	-
Net Asset Acquisitions	-	-	-	-	-	-	-
Net External Investment Movements	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	60	-	60	-	-	-	815
Debt Additions / (decrease)	-	-	-	-	-	-	-
Debt Repaid	-	-	-	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	60	-	60	-	-	-	815

Rates department financial summary

Total Income of \$408k is \$87k more than expected. This relates to penalties on rates and rates remissions. The timing of this revenue is variable year to year. While we expect to hit budget, the result is ultimately out of the Council's control.

Rates collection costs were \$21,000 more than budgeted with some additional valuation costs incurred this year.

Rates department risk analysis

Risks have been reviewed, and after a review of rates processes in 2013/14 the risk remain low in this area.

1.45 Chief Financial Officer (CFO)

CFO financial reports

CFO Support Income Statement For the 6 months ended 31 December 2014	Year to Date			Full Year			31 Dec 13	
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	YTD Actual \$000	FY Actual \$000
External Revenue	(1)	38	(39)	75	75	-	33	83
Investment Revenue	-	-	-	-	-	-	-	-
Internal Revenue	23	23	-	45	45	-	23	45
TOTAL INCOME	22	61	(39)	120	120	-	56	128
less:								
Personnel Costs	36	174	138	285	348	63	167	331
Materials,Supplies & Services	16	7	(9)	15	15	-	7	28
Travel & Transport Costs	(1)	3	4	5	5	-	1	1
Contractor & Consultants	110	110	-	220	220	-	52	320
Grants and Subsidies Expenditure	-	-	-	-	-	-	-	-
Internal Charges	12	14	2	28	28	-	12	24
Total Direct Expenditure	173	308	135	553	616	63	239	704
Financial Costs	-	-	-	-	-	-	-	-
Bad Debts	-	-	-	-	-	-	-	-
Corporate & Department Overheads	(248)	(248)	-	(496)	(496)	-	(296)	(592)
Depreciation	-	1	1	2	2	-	2	4
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-	-	-	2	2
TOTAL EXPENDITURE	(75)	61	136	59	122	63	(53)	118
OPERATING SURPLUS / (DEFICIT)	97	-	97	61	(2)	63	109	10
Add Back Depreciation	-	1	(1)	2	2	-	2	4
Other Non Cash	-	-	-	-	-	-	2	2
Net Asset Acquisitions	-	-	-	-	-	-	19	19
Net External Investment Movements	-	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENT	97	1	96	63	-	63	132	35
Debt Additions / (decrease)	-	-	-	-	-	-	-	-
Debt Repaid	-	-	-	-	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	97	1	96	63	-	63	132	35

CFO financial summary and variance analysis

The CFO department total direct expenditure of \$135k under budget due to the vacant CFO position. The department has allocated \$52k of this forecast savings to fund HSE work in the People and Capability department. P&C will show a corresponding adverse variance. The CFO is planning to fund some additional Asset Management resource which will be contained under the existing budget.

We expect the payroll savings to be reallocated as consultant expenditure for corporate projects, primarily the completion of the Asset Management plans and procedures.

1.46 Property services

Property Services Summary

The Property services department covers Shed 39 costs and reallocation to groups. The outsourced property team assists with building advice across the council.

Property Services financial reports

Property Services Income Statement For the 6 months ended 31 December 2014	Year to Date			Full Year			31 Dec 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000	
External Revenue	-	-	-	-	-	-	-
Investment Revenue	-	-	-	-	-	-	-
Internal Revenue	1,004	1,008	(4)	2,015	2,015	-	2,015
TOTAL INCOME	1,004	1,008	(4)	2,015	2,015	-	2,015
less:							
Personnel Costs	-	-	-	-	-	-	-
Materials, Supplies & Services	955	778	(177)	1,677	1,557	(120)	1,760
Travel & Transport Costs	7	-	(7)	-	-	-	-
Contractor & Consultants	56	19	(37)	57	37	(20)	45
Grants and Subsidies Expenditure	-	-	-	-	-	-	-
Internal Charges	214	214	-	421	421	-	414
Total Direct Expenditure	1,232	1,011	(221)	2,155	2,015	(140)	2,219
Financial Costs	-	-	-	-	-	-	1
Bad Debts	-	-	-	-	-	-	-
Corporate & Department Overheads	-	-	-	-	-	-	-
Depreciation	3	15	12	31	31	-	141
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-	-	-	-
Total Indirect Expenditure	3	15	12	31	31	-	142
TOTAL EXPENDITURE	1,235	1,026	(209)	2,186	2,046	(140)	2,361
OPERATING SURPLUS / (DEFICIT)	(231)	(18)	(213)	(171)	(31)	(140)	(346)
Add Back Depreciation	3	15	(12)	31	31	-	141
Other Non Cash	-	-	-	-	-	-	-
Net Asset Acquisitions	(1)	-	(1)	-	-	-	(139)
Net External Investment Movements	-	-	-	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(229)	(3)	(226)	(140)	-	(140)	(344)
Debt Additions / (decrease)	-	-	-	-	-	-	-
Debt Repaid	-	-	-	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	(229)	(3)	(226)	(140)	-	(140)	(344)

Property Services financial summary and variance analysis

Direct Expenditure of \$1.2m is \$221k more than budgeted. \$120k relates to payment of rent for both the Regional Council Centre (RCC) and Shed 39. Power costs of Shed 39 are \$20k more than budget.

We are reviewing this area's cost allocation and have updated the forecast outcome to cover the RCC.

Property Services risk analysis

Review and remedy of earthquake resilience of all buildings is continuing.



greater WELLINGTON

REGIONAL COUNCIL

Te Pane Matua Taiao

