

Finance and Support Group

Performance Report for the year ended 30 June 2014



1	Risk and Assurance Committee	1
1.1	Executive Summary	1
1.2	Group financial summary	2
1.3	Group consolidated financial statements	3
1.4	Department overviews	4

1 RISK AND ASSURANCE COMMITTEE

1.1 Executive Summary

Group Overview

The year has seen a number of significant challenges especially with the string of earthquakes resulting in both an initial and then final move out of the RCC. Whilst this was extremely disruptive, the ICT infrastructure remained operational and core services remained in place.

Risk Management is now regularly discussed and considered an essential component of reviewing work programmes and activities. The council have positively commented on and approved the last iteration of the risk register and framework. Work continues on enhancing our process to meet best practice.

Despite the interruptions major and on-going ICT projects have continued, including the High Availability Wide Area Network (HAWAN) and the data manipulation to complete the region wide Light Detection and Ranging (LiDAR) GIS refresh. The final removal of servers to the Trentham data centre occurred and the communication networks transferred out of RCC to Shed 39. The rail fibre project continues to make good progress.

The role out of GPS units to all vehicles progressed with software rollout occurring in the first quarter of the next financial year. The pooling of Shed 39 pool vehicles has been agreed to enable better utilisation of the fleet.

The Support team manage the Warm Greater Wellington programme which is progressing at a slower pace since the EECA grants were removed, but it still enables many to get insulation in a cost effective manner. Since Greater Wellington's programme started 9,404 applications have been approved at a total cost of \$18.8 million (including GST), with 8,616 of these completed at \$17.1 million (including GST) of funds paid to local suppliers.

For the year ended 30 June, we have completed 1,396 installations at a cost of \$2.8 million.



Looking ahead

- ▶ Progressing all of council asset management strategy and plans.
- ▶ Progressing of off-line mobile devices for field teams to improve speed and accuracy of key maintenance and information needs.
- ▶ Progressing regional ICT shared services strategy
- ▶ Completing the 2015-25 long term plan
- ▶ Review shed 39 pool vehicles to optimised fleet
- ▶ Reviewing processes to enable electronic review and approval of phone and vehicle fleet card statements.

1.2 Group financial summary

Financial summary

Total direct expenditure of \$11.2 million is \$121k more than budget. Personnel costs are under budget and will remain so until the department is fully staffed. Progress is being made in filling roles. The early and hurried shift to Harbour Quays due to the earthquakes have resulted in an additional \$204k of property related expenditure including travel, storage, equipment hire and property services costs.

Rent costs were also ahead of budget as rent is being incurred on both RCC and more recently Shed 39. The rent has been reviewed for RCC and the Pringle House Board have agreed to a rent that covers on-going costs to hold the building at council request.

External revenue is largely in line with expectations.

Capital expenditure is below budget by year end. The hummingbird document management system replacement or upgrade is underway, but shared service delays have meant that the majority of the project to be delivered in 2015. Further details are provided in the ICT departmental review.

1.3 Group consolidated financial statements

Finance and Support group Income Statement For the year ended 30 June 2014	30 June 2014			30 June 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
Rates & Levies	1,153	-	1,153	559
External Revenue	885	968	(83)	1,163
Investment Revenue	144	156	(12)	244
Internal Revenue	4,745	4,661	84	5,026
TOTAL INCOME	6,927	5,785	1,142	6,992
less:				
Personnel Costs	3,253	3,585	332	3,021
Materials, Supplies & Services	3,569	3,286	(283)	3,805
Travel & Transport Costs	12	30	18	24
Contractor & Consultants	3,465	3,305	(160)	3,214
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	937	909	(28)	564
Total Direct Expenditure	11,236	11,115	(121)	10,628
Financial Costs	120	218	98	58
Bad Debts	363	-	(363)	-
Corporate & Department Overheads	(4,863)	(4,863)	-	(4,467)
Depreciation	1,090	1,045	(45)	1,191
Loss / (Gain) on Sale of Assets / Investments	2	-	(2)	-
TOTAL EXPENDITURE	7,948	7,515	(433)	7,410
OPERATING SURPLUS / (DEFICIT)	(1,021)	(1,730)	709	(418)
Add Back Depreciation	1,090	1,045	45	1,191
Other Non Cash	2	-	2	-
Net Asset Acquisitions	(2,420)	(3,180)	760	(2,010)
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(2,349)	(3,865)	1,516	(1,237)
Debt Additions / (decrease)	2,134	3,180	(1,046)	1,047
Debt Repaid	(549)	(779)	230	(18)
Net Reserves (Increase) / decrease	1,476	1,464	12	674
NET FUNDING SURPLUS (DEFICIT)	712	-	712	466

Finance and Support group Capital Expenditure Statement For the year ended 30 June 2014	30 June 2014			30 June 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
Total Asset Acquisitions	1,574	-	(1,574)	948
Total Capex (AUC movement)	864	3,180	2,316	-
Asset Disposal Cash Proceeds	(19)	-	19	-
Net Capital Expenditure	2,419	3,180	761	948
Investments Additions	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	2,419	3,180	761	948

1.4 Department overviews



1.41 ICT Summary

It has continued to be a challenging year for the department. The helpdesk stats are stabilising at the new highs which are expected to become the new norm. Project activity is also high and we have engaged the services of contractors to assist in their delivery. Overall, the projects are within their current defined timelines and budgets

The project to upgrade the business desktops to later versions of OS and MS Office has been largely completed, except for several outstanding legacy business applications' requiring older versions of software and databases (including Access 95). Once these have been upgraded or retired, then it will free up issues and resources to start planning for a MS Office 2013 upgrade.

The relocation of our communications equipment/systems was successfully relocated from RCC to shed 39 and the outsourced Revera Data centre in Trentham, Upper Hutt.

The High Availability Wide Area Network (HAWAN) project is progressing within the revised schedule and budget is scheduled for completion and integration in the first quarter of 2014/15.

The project for supply and configuration of the data fibre running along the rail corridor plus associated spurs (Rail Fibre Network Project) is well under way and within budget with completion scheduled for the first quarter of 2014/15.

The Business Continuity Plan (which includes the HAWAN & Rail Fibre projects) is currently being reviewed by the BCP committee. This review/plan will include such things as:-

- ▶ The new Datacentres (at Upper Hutt & Masterton) and their synchronisation
- ▶ Meshing of our four data networks
- ▶ Metlink call centre redundancy
- ▶ Ability to deploy up to 400 virtual desktops (i.e. can operate from any PC, anywhere)
- ▶ Standby office accommodation
- ▶ Expanding the regions councils network interconnectivity

The region wide Light Detection and Ranging (LiDAR) and orthographic upgrade project in conjunction with all the regions TLAs and some central government departments to refresh the GIS maps and provide the depth detail was completed. 3D rendering in collaboration with Landcare is on going .

Looking ahead

WiFi has been rolled out to Shed 39 with other GW sites being scheduled. Selected railway stations are being scoped for the free Welly WiFi service which has been rolled out at other public sites, such as libraries, the Zoo, plazas, etc.

Once the configuration of the fibre running along the rail corridor plus associated spurs (Rail Fibre Network Project) is completed. This will then allow for the connection of the CCTV cameras, connection of WiFi at the railway stations, synchronisation of the datacentres, etc. As well as allowing for new initiatives such as integrated ticketing, RTI, etc.

New Video Conferencing/Audio Visual (VC/AV) solution has progressed in Shed 39, and is scheduled for the larger offices across the region. Allowing for:-

- ▶ Reduced travel costs
- ▶ Effective Communication
- ▶ Increased productivity across dispersed workforces and teams
- ▶ Support for environmental initiatives

The ICT Shared services initiatives currently being undertaken by the regions councils will hopefully build on the existing and extensive work and charter that has been undertaken over the last few years including:

- ▶ A Regional ICT strategy
- ▶ merging to common platforms over time
- ▶ A new EDRMS system
- ▶ Expanding the regions councils network interconnectivity

The GW workload from participating in the shared Services Initiative is expected to be extremely heavy and will need to be managed carefully to ensure it does not impact on GW ICT BAU services.

The recent release of the new improved hardware specifications from the windows tablet manufacturers will allow us to complete a proof of concept (PoC) and evaluate them. If proven we will be looking to offer them to selected business users as a replacement for the standard windows desktop PC. Whilst the current spec of tablets is less than the spec of the current 5+ year laptops on most people's desktops, they are expected to improve over time.

The windows tablet will also be utilised to provide offline access and updating capability of key work for field based staff.

A project in partnership with the BOP Regional Council (EBOP) is underway for a new Biodiversity management system. A business requirements document has been produced jointly with EBOP. The next steps are to get indicative pricing in preparation for the final Business case.

Upgrade of the current (Hummingbird) Electronic Documents & Records Management System (EDRMS) will be progressed.

Renewal of the Mobile Telephone contract, which is anticipated, will lead to reduced pricing, more data for less (data usage continues to trend up), without the associated bill shock.

ICT financial reports

ICT Department Financial Performance Statement Year ended 30 June 2014	30 June 2014			30 June 13 YTD Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
External Revenue	-	198	(198)	244
Investment Revenue	144	156	(12)	244
Internal Revenue	2,211	2,100	111	2,578
TOTAL INCOME	2,355	2,454	(99)	3,066
less:				
Personnel Costs	1,625	1,970	345	1,390
Materials,Supplies & Services	1,639	1,567	(72)	1,609
Travel & Transport Costs	6	8	2	6
Contractor & Consultants	423	428	5	191
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	225	202	(23)	265
Total Direct Expenditure	3,918	4,175	257	3,461
Financial Costs	118	218	100	58
Bad Debts	-	-	-	-
Corporate & Department Overheads	(1,252)	(1,252)	-	(957)
Depreciation	916	983	67	1,115
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
TOTAL EXPENDITURE	3,700	4,124	424	3,677
OPERATING SURPLUS / (DEFICIT)	(1,345)	(1,670)	325	(611)
Add Back Depreciation	916	983	(67)	1,115
Other Non Cash	-	-	-	-
Net Asset Acquisitions	(2,300)	(3,180)	880	(2,010)
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(2,729)	(3,867)	1,138	(1,506)
Debt Additions / (decrease)	2,134	3,180	(1,046)	1,047
Debt Repaid	(549)	(779)	230	(18)
Net Reserves (Increase) / decrease	1,476	1,464	12	474
NET FUNDING SURPLUS (DEFICIT)	332	(2)	334	(3)

ICT Department Capital Expenditure Statement Year ended 30 June 2014	30 June 2014			30 June 13 YTD Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
Total Asset Acquisitions	1,549	-	(1,549)	949
Capital Project Expenditure	751	3,180	2,429	1,975
Asset Disposal Cash Proceeds	-	-	-	-
Net Capital Expenditure	2,300	3,180	880	2,924
Investments Additions	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	2,300	3,180	880	2,924

ICT financial summary and variance analysis

Total Direct Expenditure for the ICT department is \$3.9million, which is slightly below budget. Records management and Network Support both show savings in personnel costs due to staff vacancies throughout the year.

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 refresh of the GIS and LiDAR Aerial Photography and imaging was completed
- ▶ HAWAN project was mostly completed with final integration to occur
- ▶ The Portal upgrade project is postponed until further decisions about future delivery of services are made.
- ▶ EDRMS (document management) is delayed due to the WCC ICT review and will mostly occur in 2014/15 (800k) and is the major component of the Capital expenditure variance.

ICT risk analysis

We have reviewed the risks relating to the ICT and after the final move of servers, file walls and internet connectivity to Rivera in Trentham, the risk of continuity of service will be lessened but remains a low residual risk in the register.

1.42 Finance and Support

Finance and Support summary

Refreshing the Warm Wellington programme, finalising the annual report, Go Smart vehicle Policy, GPS units for vehicles and dealing with the continuing interruptions from the moves have been the key issues during the year, the current attention and effort is on finalising the 2013/14 annual report and progressing the 2015-25 LTP.

The Go Smart Vehicle purchasing policy was reviewed and updated with ELT agreeing to a simplified fuel use target, an increase in petrol efficiency (less average litres of fuel per 100km of travel)

The review of GPS systems was undertaken and Eroad was chosen and has been installed in the majority of the vehicles. The software allows us to get a good view of our vehicles and when they are utilised. The GPS software will also allow us to immediately locate all vehicles when in coverage and provide for an enhanced lone-worker buddy system. The roll out of the software to the groups is scheduled for the first quarter of 2014/15.

The suite of vehicle policies have been updated and are waiting for the Health and Safety review to be completed before finalising them.

The Finance team manages the Warm Greater Wellington programme with all costs recovered from it. For the full report please see the see the full Warm Greater Wellington Report in the Policy and Strategy Committee paper

Looking ahead

- ▶ Completing the 2014/15 Annual Report and progressing the 2015/25 LTP
- ▶ Assisting the Water integration and Grow Wellington proposals
- ▶ Finalising the roll out of the ERoad GPS units and fleet administration software.
- ▶ Reviewing pool vehicles based at Shed 39
- ▶ Reviewing options to get the electronic approval processes for telephone and fleet card data and other manual approval processes.

Finance and Support financial reports

Finance Income Statement For the year ended 30 June 2014	30 June 2014			30 June 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
External Revenue	110	120	(10)	121
Investment Revenue	-	-	-	-
Internal Revenue	163	190	(27)	79
TOTAL INCOME	273	310	(37)	200
less:				
Personnel Costs	1,011	976	(35)	965
Materials, Supplies & Services	131	128	(3)	96
Travel & Transport Costs	1	6	5	2
Contractor & Consultants	297	240	(57)	259
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	171	162	(9)	207
Total Direct Expenditure	1,611	1,512	(99)	1,529
Financial Costs	2	-	(2)	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	(1,202)	(1,202)	-	(1,331)
Depreciation	21	14	(7)	28
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
TOTAL EXPENDITURE	432	324	(108)	226
OPERATING SURPLUS / (DEFICIT)	(159)	(14)	(145)	(26)
Add Back Depreciation	21	14	7	28
Other Non Cash	-	-	-	-
Net Asset Acquisitions	-	-	-	-
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(138)	-	(138)	2
Debt Additions / (decrease)	-	-	-	-
Debt Repaid	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	(138)	-	(138)	2

Finance and Support financial summary and variance analysis

Total Direct Expenditure of \$1.6m compares unfavourably with a budget of \$1.5 million. The rollout of GPS units to vehicles, some assistance with new reporting software and a review of how we account for some taxable activities resulted in this over run.

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 will be undertaken in the second quarter of 2014/15.

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.

Treasury financial reports

Treasury & Investments. Income Statement For the year ended 30 June 2014	30 June 2014			30 June 13
	Actual \$000	Budget \$000	Variance \$000	FY Actual \$000
External Revenue	69	75	(6)	75
Investment Revenue	-	-	-	-
Internal Revenue	257	257	-	253
TOTAL INCOME	326	332	(6)	328
less:				
Personnel Costs	286	299	13	293
Materials,Supplies & Services	4	3	(1)	3
Travel & Transport Costs	4	7	3	5
Contractor & Consultants	-	-	-	-
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	24	24	-	24
Total Direct Expenditure	318	333	15	325
Financial Costs	-	-	-	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	-	-	-	-
Depreciation	7	7	-	7
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
TOTAL EXPENDITURE	325	340	15	332
OPERATING SURPLUS / (DEFICIT)	1	(8)	9	(4)
Add Back Depreciation	7	7	-	7
Other Non Cash	-	-	-	-
Net Asset Acquisitions	-	-	-	-
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	8	(1)	9	3
Debt Additions / (decrease)	-	-	-	-
Debt Repaid	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	8	(1)	9	3

Treasury financial summary and variance analysis

The Treasury department has \$318k of total direct expenditure, which is in line with budget.

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 year ended 30 June 2014	30 June 2014			30 June 13
	Actual \$000	Budget \$000	Variance \$000	FY Actual \$000
Rates & Levies	1,153	-	1,153	559
External Revenue	623	500	123	550
Investment Revenue	-	-	-	-
Internal Revenue	54	54	-	54
TOTAL INCOME	1,830	554	1,276	1,163
less:				
Personnel Costs	-	-	-	-
Materials, Supplies & Services	7	-	(7)	2
Travel & Transport Costs	-	-	-	-
Contractor & Consultants	2,381	2,290	(91)	2,289
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	80	80	-	-
Total Direct Expenditure	2,468	2,370	(98)	2,291
Financial Costs	-	-	-	-
Bad Debts	363	-	(363)	-
Corporate & Department Overheads	(1,816)	(1,816)	-	(1,850)
Depreciation	-	-	-	-
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
TOTAL EXPENDITURE	1,015	554	(461)	441
OPERATING SURPLUS / (DEFICIT)	815	-	815	722
Add Back Depreciation	-	-	-	-
Other Non Cash	-	-	-	-
Net Asset Acquisitions	-	-	-	-
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	815	-	815	722
Debt Additions / (decrease)	-	-	-	-
Debt Repaid	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	815	-	815	722

Rates department financial summary and variance analysis

Total Income of \$1.8m is \$1.3k 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 \$91,000 more than budgeted, which related to some late invoicing from the previous year.

The provision for doubtful debts moves in line with the TAs collection. It represents rates that are 1 year old and in most circumstances this will be collected in the coming year.

Rates department risk analysis

Risks have been reviewed, and with nationwide attention on rates resolutions we engaged a consultant to review our rates resolutions, funding impact statements and revenue and financing policy. The feedback is that we could tidy a few areas up, but low risk of an issue.

As part of shared services no doubt rates collection may be looked at again, in the meantime our rates collection agreements have been reviewed.

1.45 Chief Financial Officer (CFO)

CFO financial reports

CFO Support Income Statement For the year ended 30 June 2014	30 June 2014			30 June 13
	Actual \$000	Budget \$000	Variance \$000	FY Actual \$000
External Revenue	83	75	8	173
Investment Revenue	-	-	-	-
Internal Revenue	45	45	-	45
TOTAL INCOME	128	120	8	218
less:				
Personnel Costs	331	341	10	373
Materials,Supplies & Services	28	24	(4)	174
Travel & Transport Costs	1	10	9	11
Contractor & Consultants	320	310	(10)	291
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	24	28	4	48
Total Direct Expenditure	704	713	9	897
Financial Costs	-	-	-	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	(592)	(592)	-	(330)
Depreciation	4	10	6	11
Loss / (Gain) on Sale of Assets / Investments	2	-	(2)	-
TOTAL EXPENDITURE	118	131	13	578
OPERATING SURPLUS / (DEFICIT)	10	(11)	21	(360)
Add Back Depreciation	4	10	(6)	11
Other Non Cash	2	-	2	-
Net Asset Acquisitions	19	-	19	-
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENT	35	(1)	36	(349)
Debt Additions / (decrease)	-	-	-	-
Debt Repaid	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	200
NET FUNDING SURPLUS (DEFICIT)	35	(1)	36	(149)

CFO Support Capital Expenditure Statement For the year ended 30 June 2014	30 June 2014			30 June 13
	Actual \$000	Budget \$000	Variance \$000	FY Actual \$000
Total Asset Acquisitions	-	-	-	-
Capital Project Expenditure	-	-	-	-
Asset Disposal Cash Proceeds	(19)	-	19	-
Net Capital Expenditure	(19)	-	19	-
Investments Additions	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	(19)	-	19	-

CFO financial summary and variance analysis

The CFO department total direct expenditure of \$704k is in-line with budget.

The previous CFO vehicle was sold and in-line with policy not replaced.

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 year ended 30 June 2014	30 June 2014			30 June 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
External Revenue	-	-	-	-
Investment Revenue	-	-	-	-
Internal Revenue	2,015	2,015	-	2,017
TOTAL INCOME	2,015	2,015	-	2,017
less:				
Personnel Costs	-	-	-	-
Materials,Supplies & Services	1,760	1,564	(196)	1,921
Travel & Transport Costs	-	-	-	-
Contractor & Consultants	45	37	(8)	184
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	414	414	-	20
Total Direct Expenditure	2,219	2,015	(204)	2,125
Financial Costs	1	-	(1)	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	-	-	-	-
Depreciation	141	31	(110)	31
Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
Total Indirect Expenditure	142	31	(111)	31
TOTAL EXPENDITURE	2,361	2,046	(315)	2,156
OPERATING SURPLUS / (DEFICIT)	(346)	(31)	(315)	(139)
Add Back Depreciation	141	31	110	31
Other Non Cash	-	-	-	-
Net Asset Acquisitions	(139)	-	(139)	-
Net External Investment Movements	-	-	-	-
NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(344)	-	(344)	(108)
Debt Additions / (decrease)	-	-	-	-
Debt Repaid	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-
NET FUNDING SURPLUS (DEFICIT)	(344)	-	(344)	(108)

Property Services Capital Expenditure Statement For the year ended 30 June 2014	30 June 2014			30 June 13 FY Actual \$000
	Actual \$000	Budget \$000	Variance \$000	
Total Asset Acquisitions	25	-	(25)	-
Capital Project Expenditure	114	-	(114)	-
Asset Disposal Cash Proceeds	-	-	-	-
Net Capital Expenditure	139	-	(139)	-
Investments Additions	-	-	-	-
NET CAPITAL AND INVESTMENT EXPENDITURE	139	-	(139)	-

Property Services financial summary and variance analysis

Direct Expenditure of \$2.2m is \$204k more than budgeted. \$196k relates to payment of rent for both the Regional Council Centre (RCC) and Shed 39. PHL resolved to reduce the rent from 1 December 2013 to \$20k per month to cover PHL holding costs at the request of council. The RCC is now empty.

The department incurred an additional \$110k of depreciation due to the write off of leasehold improvements in the RCC building. This has no funding impact.

The shift to Shed 39 also resulted in \$139k of chattels and fixtures.

Property Services risk analysis

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



greater WELLINGTON

REGIONAL COUNCIL

Te Pane Matua Taiao