

**Audit, Finance & Risk Committee**

6 July 2023

**Report for Agenda Item | Rīpoata moto e Rāraki take [2]**

**Department: Assurance, Finance & Risk**

**Title | Taitara: April YTD 2023 Financial Overview including the following reports**

- 2022:23 April YTD Actual to April YTD Budget Financial Overview;
- 2022:23 April Capital Expenditure Reporting Overview;
- 2022:23 April Debtors Analysis;
- 2022:23 April Statement of Financial Position

**Purpose of the Report | Te Take mō te Pūroko**

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The purpose of this report is to present the 2022:23 April Year to Date (YTD) Actual to Budget financial results, Capital Expenditure financial results and April 2023 Debtors Analysis and Statement of Financial Position and to report on any significant transactions and/or variances to budget.

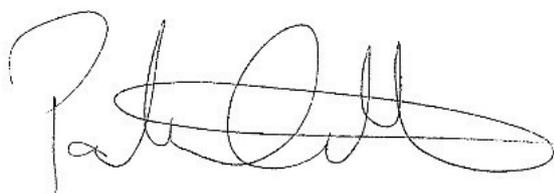
**Recommendation | Kā Tūtohuka**

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That Audit, Finance & Risk Committee:

1. **Note** the contents of this report.

**Prepared by:**



**Name:** Paddy Cribb  
**Title:** Finance Manager  
29 May 2023

**Reviewed and Authorised by:**



**Name:** Stewart Burns  
**Title:** GM Finance, Assurance & Risk  
29 May 2023

Context | Horopaki

1. The main objective of this report is to give the Committee an overview of how the Council is performing from a financial perspective. The approach taken is one of management by exception, whereby officers are required to provide explanations when actual expenditure or revenue does not match the budget.

Analysis and Advice | Tatāritaka me kā Tohutohu

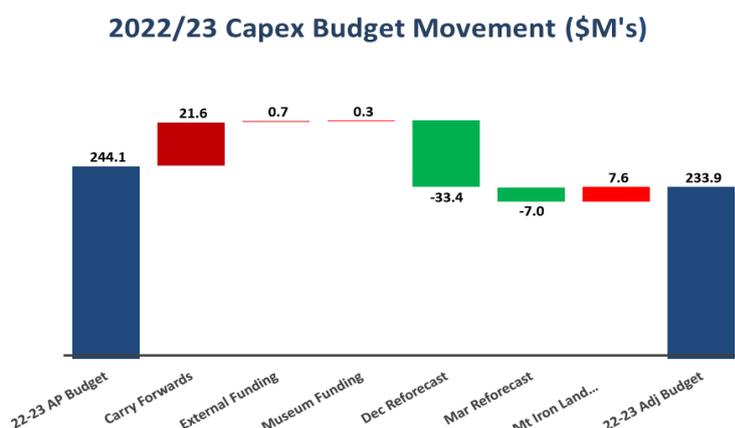
**2022:23 April YTD Actuals to April YTD Budget Overview:**

2. The 2022:23 April YTD net operating deficit (\$31.2M) shows as \$0.8m unfavourable variance to the budget operating deficit of (\$30.5M).
3. The April YTD revenue is \$0.3M favourable to budget. Operational income is \$1.9m favourable though this includes \$2.8M forestry proceeds which is not budgeted and offset with expenditure. There is also \$1.1M favourable external cost recoveries, and grants and subsidies. This is offset with less Regulatory income (\$1.6M), and (\$1.4M) unfavourable within Cost Recoveries.
4. Expenditure variance is (\$1.0M) unfavourable to budget. Interest expenditure is (\$4.8M) unfavourable as a result of interest rates trending higher than the budget assumptions and the additional interest incurred on the latest Weather Tightness claims. Infrastructure Maintenance has a (\$2.6M) favourable variance in Property & Infrastructure which was as result of a \$3.4m favourable adjustment processed in April for waste management relating to a reduction in the Emissions Factor used for calculating the Environmental Trading Scheme credits.
5. Further in-depth commentary is provided within Attachment A.

**2022:23 April YTD Capital Expenditure Reporting Overview:**

6. At the end of April 23, Council had 367 capital projects with an approved 22/23 adjusted budget of \$233.9M. This is a \$10.2M decrease from the 2022:23 Annual Plan budget of \$244.1M.

Figure 1: Movement of 22/23 Approved Capital Budget:



7. The \$10.2M decrease is made up of:
- \$21.6M of projects carried forward from 2021:22 (current projects)
  - \$0.7M increase for third party funded projects
  - \$0.3M increase for Lakes District Museum Council Funding for Seismic Strengthening
  - (\$33.4M) net reduction within the December Reforecast council paper
  - (\$7.0M) net reduction within the March Reforecast council paper
  - \$7.6M increase for the Mt Iron Land Purchase
8. Overall year to date spend is \$149.9M (64%) against adjusted full year budget of \$233.9M. Forecast spend is \$193.6M (83%). Capital Expenditure remains higher than in previous years and is projected to reach close to \$200M. The improvements remain positive year on year, both in terms of spend and percentage of budget achieved. The bulk of the capital is expended through the high-profile projects and PMO. There are a large number of inflight PMO projects which have been delayed throughout the year, but are either on track to be completed in this financial year, or within the first six months of the next financial year. Consenting and ability to award contracts have been the largest contributors to the delay. Performance in the Other Capital Projects across the organisation is more mixed and improving turnout of these remains a priority through our Capital Assurance work programme, along with managing and delivering on the bulk of the capital programme.
9. Please note the Capital Expenditure reporting with projects is grouped by:
- High Profile Projects which are the key strategic/high profile/relationship projects Council has e.g., Shovel Ready/Crown Infrastructure Partners (CIP) projects and Central Government part funding, Manawa and Ngāi Tahu, Lakeview subdivision works and the Developer Agreement with Ninety Four Ltd and 3 Waters Reform monies.
  - Project Management Office (PMO) and The Renewals programmes have their own respective groupings.
  - Other projects which are the new capital projects not included in the above categories.
10. The intention of this grouping is to provide more disclosure on the PMO and the Renewals programmes which are in the delivery stages, to identify the key commitments Council has due to either external funding from Central Government or key relationships with Iwi (Manawa) and developers (Lakeview subdivision) and to note the balance as Council business as usual projects.

11. Commentaries for the groupings are as follows:

**High Profile Projects - CIP Crown Infrastructure Fund / Queenstown Town Centre Street Upgrades**

12. The Queenstown Town Centre Street Upgrades project includes upgrades of the existing road reserve of Brecon Street, Rees Street, Beach Street and Park Street. The upgrades include new 3 Waters services renewals, paving, street furniture, planting and lighting.
13. These streets were identified as high priority active travel routes within the town centre and are part of a larger transport programme for the Wakatipu.

14. The funding agreement with Crown Infrastructure Partners (CIP) provides part funding (\$35M of the current budget of \$69.2M (from 20/21-24/25 inflated to 22/23 \$'s). It requires monthly reporting and progress payment requests aligning to delivery milestone dates included within the funding agreement and subsequent amendments to the agreement.
15. The Programme Alliance Agreement was signed on 17 September 2021. An amendment to the original budget and delivery milestones within the CIP funding agreement, based on the approved Target Out-turn Cost, was approved on 24 November 2020. This amendment included an increase in Co-Funding by QLDC of \$2.8M bringing the total budget to \$63.4M (21/22 \$'s).
16. On 22 November 2022 QLDC submitted a second amendment request to CIP to update the Project Milestones. The original milestones were based on a single package of works and a corresponding single practical completion date. To provide for the staged handover of the completed streets back to QLDC, the Kā Huanui a Tāhuna Programme Alliance Board approved three separable portions as follows:
  - Separable Portion 1: Historic Core Streets (Beach, Lower Brecon and Rees)
  - Separable Portion 2: Brecon Street
  - Separable Portion 3: Park Street
17. Within the amendment request QLDC advised CIP that the project had incurred delays and additional costs associated with the impacts of COVID-19 (absenteeism and delays), the skilled labour shortage and necessity to source and accommodate labour from outside the region, high levels of escalation and lower productivity than expected.
18. The additional cost estimate of \$2.7m was included in the amendment request. This cost was included within the December 2022 re-forecast and additional budget of \$5.4M (total cost offset with the \$2.7M funding expected from the Alliance) was approved bringing the total TYP project budget to \$69.2M (Inflated to 22/23 \$'s).
19. In February 2023 there were discussions with CIP around the reported increase in forecasted costs and the timing of approval of additional budget.
20. On 28 February 2023, QLDC submitted an updated amendment request at CIP's request for cumulative cashflow amounts to be added against each Project Milestone.

On 31 March 2023 CIP's General Manager & Chief Executive toured the site and met with QLDC's Chief Executive and Commercial and Procurement Manager. There was a subsequent exchange of letters setting out expectations and a series of key actions, which have been actioned. **High Profile Projects - CIP Crown Infrastructure Fund / Queenstown Town Centre Arterial (Stage 1)**

21. The Queenstown Town Centre Arterial (Stage 1) project includes the development of a roading link to connect Henry and Melbourne Streets from Gorge Road through to State Highway 6. The upgrade includes 3 Waters Renewals, signalised intersections, cul-de-sac turning heads, a pedestrian overpass, paving, traffic signals, line markings, street furniture, planting and lighting.

22. The project is the first of three stages and provides an alternative route around the periphery of the town centre to remove general traffic from Stanley Street, enabling the creation of a new Public Transport Hub and the ability for the town centre to grow. It is also part of a larger transport programme for the Wakatipu.
23. The funding agreement with Crown Infrastructure Partners (CIP) provides part funding \$50.0M of the current budget of \$112.6M (from 20/21-24/25 inflated to 22/23 \$'s), with the same reporting provisions identified above.
24. The Programme Alliance Agreement was signed on 17 September 2021. An amendment to the original budget and delivery milestones within the CIP funding agreement, based on the approved Target Out-turn Cost, was approved on 24 November 2020. This amendment included an increase in Co-Funding by QLDC of \$20.6M, bringing the total budget to \$90.4M (21/22 \$'s).
25. In February 2023 discussions with CIP around the reported increase in forecasted costs and the timing of approval of additional budget.

On 31 March 2023 CIP's General Manager & Chief Executive toured the site and met with QLDC's Chief Executive and Commercial and Procurement Manager. There was a subsequent exchange of letters setting out expectations and a series of key actions, which have been actioned.

On 27 April 2023 Council approved additional budget of \$20.6M to cover the forecasted cost over-run enabling QLDC to meet its CIP obligations. **High Profile Projects - Lakeview Development**

26. In 2017 the Council settled on several objectives for the land, which revolve around maximising financial return and minimising risk to ratepayers and developing a well-designed residential focused mixed-use precinct quickly and efficiently. In 2019, the Council executed a Development Agreement (DA) with a developer for development of serviced subdivision lots within the precinct.
27. The project scope includes the required site clearance and demolition works of the existing structures on site, followed by the construction of the required roading and services infrastructure necessary to deliver the subdivision. During the design process opportunities were identified to include additional scope adjacent to the site which could be delivered concurrently with Lakeview to enable financial efficiencies and to minimise disruption to the area and residents.
28. The Wakatipu Transport Programme Alliance current programme has the infrastructure works completion in September 2023, and is running to budget.

**High Profile Projects: Manawa (Project Connect and Civic Heart):**

29. In June 19, Council executed a partnering agreement (PA) with Ngāi Tahu Property Limited (NTP) for development of the Stanley Street site (the Site). Ahead of any development proceeding, the following foundation documents need to be agreed:

- A programme which meets the needs of both Council and NTP;
- A site development plan which provides sufficient detail to articulate the approach to each development on the site and the project as a whole; and
- A feasibility model which develops sufficient detail to understand the costs, expenses and returns to each party in undertaking the development of all or part of the Site.

30. These foundation documents will provide the basis for the next phase of community consultation and negotiation between the two parties: Councillors will be asked to endorse these documents and consider a land strategy for community consultation before the end of 2023.

**High Profile Projects: 3 Waters Reform Stimulus Delivery Plan:**

31. The 3 Waters Reforms Stimulus grant funding agreement required all expenditure to be completed by 30 June 2022. The work programme was deliberately overcommitted to ensure the full value of the \$9.5M fund could be utilised within the time horizons set by DIA. \$0.7M has been reallocated from Wastewater renewals in the December 2022 Reforecast to cover the works to complete the projects under construction in the 22/23 year.

**High Profile Projects: Luggate Hall Replacement & 516 Ladies Mile Community Centre:**

32. Luggate Hall Replacement reached practical completion in November 22 and was officially opened in December 2022.

33. The 516 Ladies Mile Community Centre project is currently being revised following due diligence on the condition of the existing house and its ability to be easily converted to an interim community centre. The budget remains in place pending a Council decision on how to proceed.

**Project Management Office (PMO) Commentary:**

34. There are currently 23 projects with 22/23 budgets being delivered within the PMO delivery team. 5 projects have recently been completed or within the post construction lifecycle stage, 7 projects are in construction and 11 are in detailed design. Year to date spend is \$30.1M or 61% of the 22/23 Full Year Budget of \$49.5M.

35. PMO projects that have recently been completed or in post construction include:

- Ballantyne Road Reseal - Actuals of \$0.4M vs Full Year Budget \$0.4M. Practical completion was November 2021.
- Cardrona new Wastewater Pipeline - Actuals of \$2k vs Full Year Budget \$80k. The commissioning of the new wastewater pipelines, pump station and wastewater treatment plant was completed 21/22. The balance of budget is for fibre install between the wastewater treatment plant and the pump station to be delivered by the June 2023 year end.
- Shotover Country WS new WTP - Actuals of \$2.8M vs Full Year Budget \$3.8M. Physical works are complete and awaiting final sign off for practical completion. Final commissioning underway.
- Shotover Country Rising Main (bridge) - Actuals of \$0.6M vs Full Year Budget \$0.8M. Construction completed August 2022.

- Western Wanaka Level of Service (WS) - Actuals of \$3.8M vs Full Year Budget \$3.9M. Construction completed December 22 for the main HEB contract.

36. PMO Projects within the construction phase include:

- Project Pure Upgrade - YTD Budget \$13.5M with Actuals of \$11.9M (Full Year Budget \$15.7M). Construction commenced April 22 and is scheduled for completion Sept 23.
- North Wanaka new WW conveyance scheme - Actuals of \$2.2M vs Full Year Budget \$2.3M. The project is being delivered in two stages; (1) Aubrey Road conveyance, and (2) Beacon Point Rd Pump Station. Stage 1 is on track for completion by June 2023. Consenting for Stage 2 is in process of notice of requirement to designate the pump station site.
- Albert Town Retic Improvement (WS) - Actuals of \$1.7M vs Full Year Budget \$1.9M. Construction is on track for completion by June 2023.
- Glenorchy Reservoir upgrade - YTD Budget \$1.9M with Actuals of \$0.9M (Full Year Budget \$3.7M). An underspend at year end is anticipated due to delayed start to construction, a carry forward will be sought via the year-end process. The project is on track for completion in FY24.
- Beacon Point new Reservoir - YTD Budget \$1.6M with Actuals of \$1.5M (Full Year Budget \$4.2M). Construction work commenced in December 2022 and is forecast to be completed by October 2023.
- Mitre 10 Youth & Community Centre - YTD Budget \$2.8M with Actuals of \$0.3M (Full Year Budget \$4.1M). Construction commenced April 2023 and is scheduled for completion August 2023.
- Project Shotover WWTP upgrade - YTD Budget \$0.3M with Actuals of \$0.4M (Full Year Budget \$0.7M). Construction contract awarded with physical works expected to commence by June 2023.

37. PMO Projects within the detailed design phase include:

- Stone St Upgrades (SW) - Actuals of \$0.2M vs Full Year Budget \$0.2M. Detailed design has been completed.
- Marine Parade WWPS upgrades (WW) - YTD Budget \$0.6M with Actuals of \$0.5M (Full Year Budget \$0.6M). A designation is required to consent the pump station in the new location, and is expected to be publicly notified. Detailed design completed May 2023.
- Glenorchy Water Treatment Plant - YTD Budget \$0.1M with Actuals of \$0.1M (Full Year Budget \$0.2M). Detailed design updates due to be finalised July 2023 and a consent application lodged. Construction has been deferred to 25/26 due to funding constraints.
- Quail Rise new Reservoir - YTD Budget \$0.9M with Actuals of \$0.3M (Full Year Budget \$0.7M). No construction planned by QLDC before 3W Reforms handover.
- Cardrona Water Supply Scheme Pipeline WS - YTD Budget \$0.3M with Actuals of \$0.1M (Full Year Budget \$0.4M).

- Luggate Water Supply Scheme (WS) - YTD Budget \$0.4M with Actuals of \$0.2M (Full Year Budget \$0.5M). Detailed design completed March 2023. Delivery timing will be confirmed through 2024-34 TYP development.
- Aubrey Rd Rec Reserve SW detention pond - YTD Budget \$1.1M with Actuals of \$0.6M (Full Year Budget \$1.3M). Detailed design completed February 2023. Delivery timing will be confirmed through 2024-34 TYP development.
- Kingston HIF New Scheme (WS) - YTD Budget \$0.9M with Actuals of \$0.9M (Full Year Budget \$1.2M). Detailed design of the scheme is complete, with Stage 1 ready for construction procurement (Stage 1 includes construction of a new water treatment plant, reservoir, and rising and falling water supply main). Consultation with the Three Waters National Transition Unit and funding determinations are pending.
- Kingston HIF Stormwater new scheme - YTD Budget \$0.8M with Actuals of \$0.1M (Full Year Budget \$1.5M). Design and procurement of the stormwater scheme is being managed by the developer. Detailed design is complete and the earthworks consent has been granted. Consultation with the Three Waters National Transition Unit and funding determinations are pending.
- Kingston HIF Wastewater new scheme - YTD Budget \$0.7M with Actuals of \$0.3M (Full Year Budget \$1.0M). Consultation with the Three Waters National Transition Unit and funding determinations are pending.

#### **Renewals Commentary:**

38. Total Year to Date Actual Spend is \$15.7M or 64% of the Full Year Budget of \$24.8M.

39. Community Services Renewals:

- Year to date spend \$2.1M or 56% of the 22/23 Full Year Budget of \$3.7M.
- Significant projects include \$0.8M for QEC Sports Field Improvements (completed April within budget), \$0.4M for QEC Alpine Aqualand plant and equipment renewals (of which the majority of works are scheduled to take place during the May pool shutdown). There is \$507k budget for Tracks & Trails Renewals with \$233k spent in Wanaka to complete the Gladstone Trail Hawea upgrade completed in March (including \$65k contribution from Upper Clutha Trails Trust), meanwhile the Wakatipu planned works to upgrade the Gibbston trail remains on hold due to Waka Kotahi consultation required on the road corridor. Procurement has been delayed to 23/24 until land issues resolved.

40. Infrastructure Renewals:

- Year to date spend \$13.4M or 64% of the 22/23 Full Year Budget of \$20.8M.
- Building & Library renewals has actual spend of \$0.4M vs full year budget \$1.7M - Significant projects include Pontoon Jetty Renewals and Wanaka Jetty 147 Replacement combined \$0.6M 22/23 budget (further condition assessments across waterways structures being completed) and Healthy Homes Upgrades \$0.5M 22/23 budget (Phase 1: Lakeview cabins was completed October 2022. Phase 2: Arrowtown/Wanaka is underway. Physical works to run February-June 2023).

- 3 Waters renewals actuals are \$5.6M or 87% of the full year budget of \$6.5M. Works are programmed to spend full 22/23 budget of \$6.5M with a minor overspend anticipated.
- Transport renewal actuals are \$6.2M or 60% of the full year budget of \$10.5M. Contracts with Downer are in place to spend the majority of 2022/23 budget of \$10.1M. There is \$0.6M unsubsidised budget unspent for Butlers Green Retaining Wall; options are being reassessed following feedback from the Infrastructure Committee, and a carry forward for this budget will be sought through the year end process.

#### **Other Capital Projects Commentary:**

##### Community Services Other Projects:

41. Year to date spend \$14.2M or 70% of the 22/23 full year budget of \$20.3M.
42. Parks & Reserves actuals are \$13.9M or 75% of the full year budget of \$18.4M. This now includes \$7.6M budget and actuals for the purchase of Mount Iron Reserve Land in April 2023. Other key projects include the Wanaka Lakefront Development Plan of which \$2.3M has been spent against the full year budget of \$2.8M (Stage 5 is undergoing stakeholder and community consultation). Marine Parade Parks Upgrade with budget and actuals of \$2.9M was completed February 23, including new 4 bay toilets, paths, signage, turf and storm water drainage. Water Sports Facility & Parking (\$0.8M 22/23 budget) and Glenorchy Carpark and Marina Improvements (\$0.8M 22/23 budget) will both have construction deferred to 23/24 due to stakeholder engagement and revisiting concept designs).
43. Wanaka Show Grounds (\$0.9M 22/23 budget) is to be carried forward to 24/25 to offset with the brought forward budget for Wanaka Lakefront Development Plan per Annual Plan 23/24 Internal Submissions due to funding constraints. Re-prioritisation works are underway as there is greater need for new sports fields at Wanaka Recreation Centre.

##### Corporate Other Projects:

44. Year to date spend \$0.8M or 45% of the 21/22 full year budget of \$1.8M.
45. Information Management actuals are \$0.8M or 51% of the full year budget of \$1.6M. Enterprise System \$0.6M 22/23 budget has work scheduled to be delivered by year end for TechOne Ci to CiA Financials migration and Enterprise Cash Receipting implementation.
46. Libraries includes a \$0.2M budget for Library Systems within minimal spend. A budget transfer of \$100k is included in the June Reforecast to Enterprise System.

##### Property & Infrastructure Other Projects:

47. Year to date spend \$13.8M or 35% of the 22/23 full year budget of \$39.2M. Buildings actuals are \$0.9M or 26% of the full year budget of \$3.5M. This includes the Performing Arts Centre which had \$0.8M budget brought forward in the December Reforecast to progress Manawa site clearance in conjunction with temp parking works. Ballantyne Road Recreation Centre

Wastewater Site Prep has incurred spend of \$0.1M against the \$1.3m 22/23 budget. Jack Tewa Park Prefab Relocation (budget of \$0.3M) remains on hold pending the council decision on Ladies Mile and potential alternative location.

48. Waste Management actuals are \$0.4M or 12% of the full year budget of \$3.2M. The key contributors to the YTD underspend are (a) the New Wakatipu Waste Facilities Resource Recovery Centre (22/23 budget \$1.5m) where project progress has slowed due to a need to reconsider site selection; the total project budget will be adjusted through LTP24 to reflect the revised programme, and (b) the Wanaka Waste Facilities project (22/23 budget of \$0.8M) which was delayed as a result of being bundled with the Wakatipu Waste Facilities project; these initiatives have now been decoupled and design for the Wanaka site will commence early FY24.
49. Storm Water actuals are \$0.2M or 16% of the full year budget of \$1.5M. Projects include Catchment Management Plans (\$0.5M 22/23 budget) which is currently on hold at the procurement stage as this is a highly specialist requirement with no supplier capacity at present. Storm Water Investigations (\$0.4M 22/23 budget) commenced March 23, with a two-year work programme now contracted. A contract for SW level monitoring districtwide for \$160k commenced in May to run through 23/24.
50. Wastewater actuals are \$2.6M or 36% of the full year budget of \$7.2M. Projects include the Upper Clutha Conveyance Scheme (\$0.9M actuals vs budget of \$1.0M) where detailed design is due to be completed by June. The CBD to Frankton Conveyance sewer rehabilitation contract has been let and is underway; the timeframe to complete this work has now extended into FY24 with a resulting underspend to current FY budget however is on track to be fully spent next year.
51. Water Supply actuals are \$2.4M or 37% of the full year budget of \$6.4M. Projects include the Cardrona New Water Supply Scheme (22/23 budget of \$1.1M) which is a developer led design & build contract scheduled for completion 23/24 upon when the QLDC contribution will be made. Wanaka Water Treatment (\$1.3M 22/23 budget) concept design services to be tendered this financial year following the treatment technology which has now been selected in conjunction with Two Mile Water Treatment Plant. Work to understand and secure necessary planning permissions remains ongoing.
52. Transport actuals are \$6.6M or 43% of the full year budget of \$15.4M. A number of significant contracts have been awarded across the Districtwide LCLR (Low-Cost Low Risk) Minor Improvements Programmes. These include the Hawthorne Rd intersection upgrade/lights (circa \$1.2m) which commenced in March and is due to be completed by October 23 along with the Glenorchy Corridor (\$2.8M), Ballantyne, Golf, Riverbank roads and Capell Ave (\$5.0M) and Wanaka Corridor Safety Upgrade Package (\$2.2M) which are all due to be delivered across years 2 and 3 in line with the 3-year Waka Kotahi funding parameters. The construction contract for Wakatipu Public Transport LCLR (bus stop improvements programme) is nearing completion and an additional \$0.4M will be brought forward in the next June Reforecast to complete planned works above the \$1.4m 22/23 budget.

53. Wanaka Active Travel LCLR & Wanaka Pool to School Active Travel has a combined \$2.9M 22/23 budget. The School to Pool route is to be delivered in 5 separate portions (SP) and is currently working through design for SP2-5. SP1 is under contract with \$1.1M to be delivered by June. The Anderson Rd active travel interim solution tender has been awarded (circa \$1.3m across Y2/3) in line with the 3-year Waka Kotahi funding parameters. Queenstown Parking Improvements \$1.5M 22/23 budget includes the completion of the Lakeview temporary parking site in September 2022, development of the Manawa temporary parking site and initiation of a parking management strategy with a contract to be awarded by June.

54. Further in-depth commentary is provided within Attachment B.

**2022:23 April Debtors Analysis Overview:**

55. Total outstanding debtors (excluding rates) has increased by \$3.1M compared to April 22, with a \$0.8M decrease in debtors less than 60 days overdue, and an increase of \$1.9M 90 days plus. The increase in the aging 90 days plus is due to three large development contributions which are close to being settled.

56. Outstanding rates have increased by \$0.8M which is an increase in both unpaid current year (\$0.7M) and an increase in arrears rates from previous years (\$0.1M).

57. There are 449 rate arrears properties with a combined value of \$3.5M outstanding. Major groupings as follows – with the majority of the balance within Residential and Vacant Sections (\$1.8M/\$3.5M total, or 52%):

- Residential - 182 properties at \$1.1M
- Vacant sections - 98 properties at \$0.6M
- Country Dwelling - 30 properties at \$0.5M
- Accommodation - 54 properties at \$0.3M

58. Further in-depth commentary is provided within Attachment C.

**2022:23 Statement of Financial Position Overview.**

59. Total increase in net assets compared to April 22 is \$378M which is made of the following significant movements:

- \$488M increase in property, plant and equipment from the revaluation of 3W infrastructural assets, and asset additions in the FY23 year;
- Net increase in total borrowings of (\$211M) to fund the capital programme and a reduction (\$98M) in other current liabilities.

60. Further in-depth commentary is provided within Attachment D.

### Options:

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61. This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.
62. The report is for noting, therefore no options are discussed.

### Financial Implications | Kā Riteka ā-Pūtea

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63. As the review of the financial results is an administrative matter, there are no budget or cost implications arising from this report. No anomalies have been identified and it is not proposed to make any significant changes to any internal practices or procedures.

### Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kīaka

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64. The recommended option:
- Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. This report explains how QLDC are delivering financially against the expectations set out in the annual plan. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.
  - Is consistent with the Council's plans and policies.

### Attachments | Kā Tāpirihaka

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A	Finance Management Report – 2022:23 April YTD Actual to April YTD Budget Financial Overview.
B	Finance Management Report – 2022:23 April Capital Expenditure Reporting Overview
C	April 2023 Debtors Analysis
D	April 2023 Statement of Financial Position