



caring about you & your environment

Report No. 00.740

10 October 2000

File: O/2/1/10

gk:Reports\US00-740

Report to the Utility Services Committee
from David Benham, Divisional Manager, Utility Services

Divisional Report

1. Purpose

- To comment on the Utility Services Division's financial performance for the two months ended 31 August 2000.
- To outline various other relevant areas of interest or activity.
- To receive the attached activity reports to 31 August 2000 (Attachment 1).

2. Divisional Performance for 2 Months Ended 31 August 2000

While it is very early in the year, Water Supply expenditure after 2 months is tracking under budget with the overall surplus being better than budget by \$221,000.

Plantation Forestry surplus is \$155,000 under budget due to reduced revenue associated with lower harvest volumes. We expect the quarter result to also be under budget but hope to catch up in the second quarter with increased volumes.

August last year figures are unavailable because they were not produced due to the introduction of the new financial system. We will have comparatives available though for the quarter ended September and thereafter.

	Year to Date Actual \$000s	Year to Date Budget \$000s	Year End Forecast \$000s	Year End Budget \$000s
Water Supply				
Income	5,093	5,024	30,339	30,339
Expenditure	4,592	4,744	28,588	28,588
Operating Surplus	501	280	1,751	1,751
Operations Wholesale	69	-	-	-
Operations Network	19	6	38	38
Strategy and Asset	96	-	-	-
Support Services	278	270	1,674	1,674
Engineering Consultancy	26	5	36	36
Laboratory Services	13	(1)	3	3
Operating Surplus/(Deficit)	501	280	1,751	1,751
Plantation Forestry				
Income	344	924	5,547	5,547
Expenditure	455	880	5,272	5,272
Operating Surplus/(Deficit)	(111)	44	275	275

3. **Water Services Agreement With Wellington City Council**

During August a very successful partnering workshop was held with Wellington City staff and our own staff who are involved in the contract. This initiative culminated in the signing of a Partnering Charter on 11 September. It is very pleasing to report that with the new contract in place, and the agreed charter operating, the relationship between the two organisations is extremely positive and working very well.

4. **Recommendation**

That the report be received and the information noted.

DAVID BENHAM
Divisional Manager, Utility Services

Attachment 1: Utility Services Division's Activity Reports to 31 August 2000