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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 six months ended 31 December 2000.
- To outline various other relevant areas of interest or activity.
- To receive the attached activity reports to 31 December 2000 (Attachment 1).

2. Divisional Performance for 6 Months Ended 31 December 2000

Water Supply

While the detailed information has been provided in the six monthly review presented to the Policy and Finance Committee on Thursday, 15 February, a brief summary of the results is provided here. Overall though a very satisfactory result.

Plantation Forestry

A very difficult six months. Volumes are only 60 percent of last year's corresponding period and revenues consequently reflect this – and that has gone straight to the bottom line in terms of deficit. We finally have two crews working and we are hopeful that a small operating surplus will be achieved by year-end. I think this is realistic, as the bottom line has not moved significantly since 30 September 2000. Also the additional roading costs in the Incline area will have to be covered.

Last Year to Date		Year to Date Actual \$000s	Year to Date Budget \$000s	Year End Forecast \$000s	Year End Budget \$000s
Water Supply					
15,848	Income	15,493	15,167	31,007	30,339
14,006	Expenditure	14,031	14,280	28,323	28,588
1,842	Operating Surplus	1,462	887	2,684	1,751
470	Operations Wholesale	238	-	220	-
(49)	Operations Network	138	21	297	38
115	Strategy and Asset	143	-	319	-
1,164	Support Services	852	850	1,689	1,674
97	Engineering Consultancy	54	16	103	36
45	Laboratory Services	37	-	56	3
1,842	Operating Surplus/(Deficit)	1,462	887	2,684	1,751
Plantation Forestry					
2,185	Income	1,196	2,773	4,450	5,546
2,043	Expenditure	1,427	2,631	4,448	5,271
142	Operating Surplus/(Deficit)	(231)	142	2	275

3. **Network Move to Mabey Road**

Our current Tory Street premises lease with MONZ expires on 30th June 2001. MONZ though asked if we would be prepared to vacate Tory Street early to which we subsequently agreed.

The move took place over the weekend of 3rd/4th February and we are now operating from Mabey Road. Maseina and her team are to be congratulated on a very smooth transfer.

4. **Recommendation**

That the report is received and the information noted.

DAVID BENHAM
Divisional Manager, Utility Services