

Subject	2012-15 NLTP – Year-end procedures for 2014/15
Circulation	Asset Managers (all Approved Organisations) NZ Transport Agency (State Highways) Local Government New Zealand Office of the Auditor General
Circulated by	Bob Alkema – National Manager Investment
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Purpose

To advise Approved Organisations of the year-end procedures and timeline that apply for June/July 2015 and the end of the 2012-15 NLTP.

Introduction

The focus of these procedures are to close off the 2012-15 NLTP programme activities and completed improvement activities, ready for the start of the 2015-18 NLTP.

The key points for the 2014/15 year-end procedures are as follows:-

- programme based activities (i.e. Maintenance, Renewals, Public Transport Services, Road Safety Promotion and Minor Improvements) will be completed this year and there will be no carryover into the next NLTP.
- all other approved activities will have their unclaimed expenditure carried over into 2015/16, HOWEVER if they are marked as "claiming complete" the funds will be surplused out.
- the due date for submission of supplementary requests is Monday 6 July 2015 and for final claims is noon on Tuesday 14th July. **Claims cannot be late.** If Approved Organisations miss the final date for claims they will have to wait till TIO rolls over to the 2015/16 financial year and their claim(s) will be against the 2015-18 NLTP allocation.
- the due date for completion of annual achievement returns is Thursday 16 July 2015.

A timeline for the year-end procedures is included as Attachment 1 to this circular.

Final claims and supplementary requests

Approved Organisations are requested to submit any supplementary requests by Monday 6 July and their final claims (for expenditure within approved allocations) by noon on Tuesday 14th July. Final claims are expected to be made on an accrual basis for works completed in 2014/15, as claims made next financial year will come from the 2015/16 allocation.

Supplementary review requests should only be for small amounts where final accrued expenditure has exceeded the approved project or programme allocation. Approved Organisations are requested to anticipate any potential requests for additional allocations and submit these requests to the June review. If in doubt, Approved Organisations should discuss these with NZ Transport Agency Regional Planning and Investment Managers. Processing those requests in the June review will take the pressure off the supplementary review process.

Where supplementary requests are to reinstate all or part of previously surplused funds, these will be approved by the Regional Manager.

As in previous years, the NZ Transport Agency will consider the supplementary requests during the period 7 to 9 July with the results being actioned in TIO no later than Friday 10 July. Approved Organisations will then have a one-and-a-half day window of Monday 13 – noon Tuesday 14 July to submit supplementary claims against the increased allocations, and will need to ensure that staff with knowledge of the TIO system are available at this time. This is the only opportunity Approved Organisations will have to submit their supplementary claims. Claims which are still outstanding at noon on Tuesday 14 July will not be considered. Any Approved Organisation that anticipates any difficulty in working to this timeframe should discuss its situation with the local NZ Transport Agency Planning and Investment Manager.

End of Year Reconciliation (carry-over of unexpended allocation – projects only)

Reconciliation is the final year-end tidy-up review to carry over unspent allocations to the next NLTP, and will take place during the period 20-23 July after supplementary claims are approved. This will enable the TIO roll over (from 2014/15 to 2015/16) to take place on Monday 27 July 2015.

The TIO system will automatically create requests to cash flow the unclaimed allocation against all approved projects from 2014/15 over into 2015/16, thus eliminating the need for Approved Organisations to input carryover requests post supplementary claims.

Note that any unapproved reviews in TIO will need to be unsubmitted to allow the end of year reconciliation processing to take place.

It is also important for Approved Organisations to check their projects to ensure there are no residual allocations assigned to activities which are now complete. These residual allocations need to be identified and declared surplus before year-end to ensure they are not needlessly carried over into the forward year. For projects which have been marked as claiming complete, the TIO system will automatically create requests to surplus out unclaimed expenditure.

It is not intended that the automated process will eliminate the need for normal cash flow requests in the final monthly review. Approved Organisations should still request cash flow adjustments in the June review which reflect the anticipated year-end expenditure. Reconciliation is intended to be the final tidy-up based on actual accrued spend. Approved Organisations should also check that the 2015/16 cashflow, after carry forward of unused 2014/15 allocation, is realistic.

Emergency Works

The process for emergency work activities will be that unclaimed allocations will be carried over into 2015/16. These emergency work activities will be assigned the Approved Organisation's NORMAL FAR for the 2015/16 year and the cost will be included in the total emergency works expenditure for 2015/16. Note that the total emergency works expenditure for 2015/16 will impact the FAR if it exceeds 10% of the Approved Organisation's Maintenance programme for 2015/16. See the P&I Knowledge Base (<https://www.pikb.co.nz/activity-classes-for-2015-18/local-road-and-state-highway-maintenance/work-category-141-emergency-works-2/>) for a detailed explanation of Emergency Works for the 2015-18 NLTP.

TIO rollover to 2015/16 year

TIO will be rolled over to the 2015/16 year on Monday 27 July after which time Approved Organisations will be able to submit claims and review requests for the new financial year.

Annual achievement return – non financial information

Approved Organisations are required to complete their Annual Achievement Returns by Thursday 16 July. The achievement return module can be accessed in TIO under the “more’ tab and will be available on Wednesday 10 June.

Internal circulation

Please ensure that this circular is also distributed to finance staff in your organisation who are involved in the NLTP claiming process.

Enquiries

All enquiries relating to this circular should be directed to your local NZ Transport Agency Planning and Investment Manager.

Attachment

Attachment 1: Timeline for year-end procedures



Bob Alkema

National Manager Investment

Timeline for 2014/15 year-end procedures

Date	Activity
Wednesday 10 June	Annual Achievement Returns available to enter into TIO
Friday 26 June	End of financial year – Approved Organisations need to submit their June claim and start preparing end of year claim These could be combined with the final claim
Monday 6 July	Approved Organisations supplementary review requests due and entered into TIO
07-08 July	NZ Transport Agency staff evaluate and make recommendations for supplementary review requests
Thursday 9 July	NZ Transport Agency consideration of supplementary review requests
Friday 10 July	NZ Transport Agency actions supplementary review requests in TIO
Monday 13 – noon Tuesday 14 July	Approved Organisations to electronically submit supplementary claims up to the level of the increased allocations by 12.00 noon 14 July
Wednesday 15 July	NZ Transport Agency Regional and National staff to approve supplementary claims by 12 noon 15 July (Note that the regular payment cycle will continue during July for lodged claims)
Thursday 16 July	Approved Organisations Annual Achievement Returns due
Thursday 23 July	Automated reconciliation completed
Monday 27 July	TIO rollover from 2014/15 to 2015/16
August	NZ Transport Agency follow-up on any reconciliation surprises

