

# YEAR-END PROCEDURES FOR 2020/21

## NLTP Management Helpfile

TREASURY AND CASHFLOW TEAM

25 MAY 2021

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## PURPOSE

To provide all organisations with information on the end of the 2020-21 financial year processes and the deadlines for final claims for the 2018-21 National Land Transport Programme (NLTP).

It also provides instructions for specific policies where they impact on the final claim amount and how Approved Organisations (AOs) can request additional funds if they are consistent with funding policy.

## KEY DATES FOR YEAR END CLAIMS

Waka Kotahi financial systems will close for two weeks between Wednesday 14 July and Wednesday 28 July to process claims and carry over unspent allocations into the next financial year.

To achieve this, all final claims need to be submitted in TIO by 5pm, Tuesday 13 July 2021 and authorised by Investment Advisors by 10am, Wednesday 14 July 2021.

However, to give us time to process, adjust Funding Assistance Rates (FARs) and authorise your claims, please:

- Create your draft final claims in TIO by **Wednesday 7 July** and, if possible, submit them as soon as you can.
- Submit any final claims for activities where adjustments need to be made to take account of FAR policy (e.g. Emergency Works or TEFAR for Low Cost Low Risk) by Wednesday 7 July.
- Submit any supplementary review requests by **Wednesday 7 July**.
- Submit Emergency Works Claims by **Thursday 8 July**.
- Submit your Annual Achievement Returns by **Friday 16 July**. These will be available in TIO from 17 June.

Please refer to the timeline at the end of this document for more detail.

# CLAIMS AND FAR ADJUSTMENTS

## Claims

Please ensure that you submit your final claims by 5pm, Tuesday 13 July 2021. If you miss the final date you will have to wait until TIO rolls over to the 2021/22 financial year before making your claim.

To give us time to process claims, adjust Funding Assistance Rates and authorise your claims, we ask that you please create your final claim and submit any supplementary requests for the 2021/21 financial year by Wednesday 7 July 2021. Please submit your claim as soon as possible after this date.

If supplementary requests for small (less than \$50,000 Total Cost for Approval) increases are not required, then the claim should be submitted by Friday 9 July 2021.

Request for supplementary funds or return of previously surplused funds should be submitted by Wednesday 7 July 2021. Once the supplementary funds have been approved, the final claim will only require a quick update before it is submitted.

From Thursday 8 July to Monday 12 July, any supplementary requests will be reviewed by the Investment Advisor and the Regional Office Recommendation fields completed. If the advisor is recommending approval, the decision status will be set to "Pending decision by Chief Financial Officer".

Each morning during this period, a report with the recommendations for approval will be signed off by the Chief Financial Officer and actioned in TIO.

Note that ticking the "Claiming complete" button on a phase will automatically create a review item to surplus remaining approved funds. This facility is available for all phases within non-programme activities. If there is a submitted claim which has not been approved, the review item will not be created when the "Claiming complete" button is selected, but after the claim is approved and an overnight script is run.

## Excessive year end claims

AOs must not make substantially higher, 'catch-up' claims at the end of the financial year. We reserve the right to defer payment of end of year claims (i.e. made after 5 June until financial close on the 10th working day of July) where these exceed 15% of the AO's total claim for the year.

Details of this policy can be found at [NLTP investment claims and obligations policy](#).

## Emergency Works

The following policy issues complicate the end of year claims process, hence Waka Kotahi require all Emergency Claims to be submitted by Thursday, 8 July 2021.

1. The [Emergency Works policy](#) sets the lower limit of Emergency Works activities to \$100,000 (noting that there should be one activity per event). If any AO declares a surplus on an Emergency Works activity, the new total activity cost must be \$100,000 or greater. If it is less, then the AO will have to surplus all of the funds (after removing the claim) and move the claim to Minor Events (WC140) in their maintenance programmes.
2. Where an AO has not claimed all of the Emergency Works funds but has claimed Emergency Works funds at the Higher FAR, the NLTF share at the Normal FAR may be less than the [Emergency Works policy threshold](#). Investment Advisors can download the "Emergency Works Projects" report in TIO which highlights affected Approved Organisations (see column AC). These organisations may require funds to be moved from a Higher FAR phase to a Normal FAR phase. The Treasury & Cashflow team will work with the Investment Advisors to correct ineligible claims using the TIO utilities.

## TEFAR

Targeted Enhanced Funding Assistance Rates (TEFAR) will only be applied to activities in the Safe Network Programme that have a high or very high results alignment. TEFAR applies to these safety activities, whether they are over \$1 million or are included in a low cost, low risk programme for delivery in 2018–21. All activities must be substantially (80%) completed by June 2021, but if this [requirement](#) is not met, the normal FAR will be applied retrospectively. Once all claims have been submitted, the Investment Advisors will confirm that all TEFAR activities have met the delivery requirements.

## TEFAR for Low Cost Low Risk

If a project within the LCLR programme is eligible for TEFAR and the total budget is not claimed, then the 2020/21 FAR can be recalculated to take account of TEFAR spend. To get the FAR adjusted, the LCLR programme spreadsheet needs to be updated and sent to the Investment Advisor with a request for the eligible spend to be paid at TEFAR. This must be done by Wednesday, 7 July 2021 to allow time to calculate the weighted FAR and update TIO before a final claim is made.

## TIO RECONCILIATION PROCESS

While end of year reconciliation takes place, activities cannot be under review. Please ensure all reviews are either actioned or un-submitted by Monday 19 July 2021.

The Reviews module will not be locked down until then, so please ensure that review items are not created after 7 July 2021 until TIO reopens for the 2021/22 year.

During end of year reconciliation, we will make the following changes:

- Unclaimed 20/21 funding will be cash flowed into 2021/22.
- As this is the end of an NLTP, unclaimed Maintenance, PT Programme, LCLR Programme and RSP Programme funds will be surplused.
- Also, unclaimed RLTP Management funding for the 2018-21 NLTP will be surplused. Any regional council requiring RLTP Management funding for the 2021-24 NLTP will need to include in their Transport Programmes a new activity using the “Regional Land Transport Planning Management 2021-24” template.

Note that where AOs have transitioning FARs, these cashflow adjustments will produce a cost-scope adjustment.

## TIO 2021/22 FINANCIAL YEAR

On Thursday 29 July 2021 TIO will re-open for the 2021/22 year. Claims and requests to update existing funding can take place from this time.

Activities and phases that were not submitted for inclusion in the 2021/24 NLTP can be archived or deleted.

## ENQUIRIES

Please contact us on [nltip@nzta.govt.nz](mailto:nltip@nzta.govt.nz) if you have any questions about the end of year claims process.

## TIMELINE FOR 2020/21 YEAR-END PROCEDURES

Date - 2021	Activity
June	Approved Organisations should submit carry-over requests into TIO for NZTA staff to action.
Wednesday 7 July	Approved Organisations need to create their final claim in TIO by Wednesday 7 July.
Wednesday 7 July	Approved Organisations need to submit requests for supplementary funding or return of previously surplused funds.
Thursday 8 July	<p>Final claims for the following:</p> <ul style="list-style-type: none"> <li>Emergency works where the Approved Organisation has EW activities at the Higher FAR and has not claimed all funds at Normal FAR</li> <li>LC/LR programmes which have activities that are eligible for TEFAR. If requesting FAR adjustment please update LC/LR programme and contact Investment Advisor</li> </ul> <p><b>Note: once the FARs have been adjusted further claims should not be made until TIO reopens for 2021/22</b></p>
Thursday 8 to Monday 12 July	Investment Advisors will evaluate and make recommendations for supplementary review requests
July	Supplementary review requests which are recommended for approval will be actioned in TIO within 24 hours of the recommendation
By 9am Tuesday 13 July	All supplementary review requests will be approved in TIO
By 5pm Tuesday 13 July	All final claim for the 2020/21 financial year submitted in TIO
By 10am Wednesday 14 July	All claims authorised in TIO
Friday 16 July	Approved Organisations annual achievement returns due
Tuesday 27 July	Automated reconciliation completed
Wednesday 28 July	TIO rollover from 2020/21 to 2021/22
Thursday 29 July	TIO reopens for 2021/22
August	Waka Kotahi follow-up on reconciliation issues