

KEY PERFORMANCE
INDICATORS – TRAFFIC
LIGHT STATUS REPORT

HEALTH & SAFETY
SUMMARY

KEY PRIORITIES UPDATE

FINANCIAL
MANAGEMENT REPORT

MONTHLY HIGHLIGHT REPORT

February 2018

Monthly Highlight Report – February 2018

CORE INFRASTRUCTURE & SERVICES

Key Performance Indicators

WATER SUPPLY

WATER CONSUMPTION

Amount consumed per person per day

| TARGET | RESULT |
|--------|-------------|
| <590L | 699L |

WATER SUPPLY FAULTS

Median response time to attend site

| TARGET | RESULT |
|----------|----------------|
| <60 mins | 60 mins |

WATER SUPPLY FAULTS

Median response time to resolve problem

| TARGET | RESULT |
|-----------|-----------------|
| <240 mins | 960 mins |

WATER SUPPLY COMPLAINTS

No. of complaints per 1000 connections

| TARGET | RESULT |
|--------------|--------|
| <5 per annum | |

| | |
|-------|--------------|
| Month | 1.75 |
| YTD | 11.72 |

WASTEWATER

WASTEWATER OVERFLOWS

Median response time to attend site

| TARGET | RESULT |
|----------|----------------|
| <60 mins | 21 mins |

WASTEWATER OVERFLOWS

Median response time to resolve problem

| TARGET | RESULT |
|-----------|----------------|
| <240 mins | 81 mins |

WASTEWATER SUPPLY COMPLAINTS

No. of complaints per 1000 connections

| TARGET | RESULT |
|--------------|--------|
| <5 per annum | |

| | |
|-------|----------|
| Month | 0 |
| YTD | 0 |

STORMWATER

STORMWATER FLOODING

No. of floods per 1000 properties per month

| TARGET | RESULT |
|--------|----------|
| <2 | 0 |

STORMWATER FLOODING

Median response time to attend site

| TARGET | RESULT |
|-----------|----------|
| <180 mins | 0 |

ROADING

SEALED ROAD CLOSURES

No. of planned closures per month

| TARGET | RESULT |
|--------|----------|
| ≤1 | 0 |

| | |
|----------|----------|
| YTD avg* | 0 |
|----------|----------|

SEALED ROAD CLOSURES

No. of unplanned closures per month

| TARGET | RESULT |
|--------|----------|
| ≤1 | 1 |

| | |
|----------|------------|
| YTD avg* | 0.5 |
|----------|------------|

SERVICE & \$\$\$

REQUESTS FOR SERVICE (RFS)

% customer RFS resolved on time

| TARGET | RESULT |
|-------------|------------|
| >95% | |
| 3 Waters | 82% |
| Solid Waste | 86% |
| Roading | 75% |

CAPEX VARIANCE

% variance from capital budget

| TARGET | RESULT |
|-----------|--------------|
| 0 to -10% | 20.3% |

OPEX VARIANCE

% variance from operational budget

| TARGET | RESULT |
|----------|--------------|
| 0 to -5% | -2.7% |

Results in **RED**
Target missed by >5%

Results in **AMBER**
Target missed by <5%

Results in **GREEN**
Target achieved

* average per month year to date

● DIA measures

EXCEPTIONS

The following KPIs were not achieved and are shown to the left in red.

Water Consumption - Water consumption demand is returning to normal following the dry, peak summer season. It is anticipated that the lower demand winter period will enable the annual target to be met.

Water Supply Faults - The DIA target refers to emergency leaks (property at risk) only, however the RFS system currently reports on both urgent and non-urgent RFS. Therefore this can alter the result as it has done for this month. Resolution times are within the contract specification which is greater than this DIA measure. This target is being reviewed as part of the Ten Year Plan 2018 KPI process and will be rectified from 1 July 2018 onwards.

Water Supply Complaints - The increased number of complaints year to date coincides with the continued disinfection of water schemes over the summer period. However, the number of complaints has decreased significantly this month as disinfection controls are normalised through the system.

Requests For Service (RFS) - 3 Waters - Target has not been met this month. This is being monitored under the KPI Framework and by the Contract Governance Group. It should be noted that total RFS volumes are currently very high. A small number of internal RFS were also resolved a day late.

Requests For Service (RFS) - Solid Waste - RFS performance by solid waste contractors has been steadily improving and is approaching the KPI target after a prolonged period of focus in this area.

Requests For Service (RFS) - Roothing - A large backlog of roading RFS still remain resulting in low internal compliance with this measure. A consultant has been engaged and is assisting with the backlog and this measure should see an improvement next month.

Capex Variance - Road rehabilitation and renewals projects remain behind schedule compared to anticipated expenditure. A re-forecast will be going to the Council meeting 23 March. This will account for changes in the delivery programme and efficiencies on certain projects.

POOL USERS QT

% Wakatipu residents using the pool per month

| TARGET | RESULT |
|--------|--------------|
| >15% | 18.2% |

POOL USERS WANAKA

% Wanaka residents using the pool per month

| TARGET | RESULT |
|--------|--------------|
| >8% | 24.4% |

GYM MEMBERS QT

% Wakatipu residents who are gym members

| TARGET | RESULT |
|--------|--------------|
| >12.5% | 14.6% |

LIBRARY USERS

% residents borrowing at least once per month

| TARGET | RESULT |
|--------|--------------|
| >20% | 17.8% |

TRAIL USAGE

Average number of daily trail users

| TARGET | RESULT |
|-----------|-------------|
| No target | 2355 |

CAPEX VARIANCE*

% variance from capital Budgets for property

| TARGET | RESULT |
|-----------|---|
| 0 to -10% | Commercial TBC Community TBC |

OPEX VARIANCE*

% variance from capital Budgets for property

| TARGET | RESULT |
|----------|---|
| 0 to -5% | Commercial TBC Community TBC |


REGULATORY FUNCTIONS & SERVICES
BUILDING CONSENT TIMES

% processed within the statutory timeframe

| TARGET | RESULT |
|--------|--------------|
| 100% | 93.8% |

ANIMAL CONTROL

% urgent requests responded within 2 hrs

| TARGET | RESULT |
|--------|-------------|
| 100% | 100% |

WATER SAFETY

% urgent requests responded within 2 hrs

| TARGET | RESULT |
|--------|-------------|
| 100% | 100% |

RESOURCE CONSENTS

% made by the owner as applicant

| TARGET | RESULT |
|--------|--------------|
| >50% | 18.1% |

RESOURCE CONSENT \$\$\$

Median charge per notified consent**

| TARGET | RESULT |
|-----------|-----------------|
| <\$15,000 | \$37,431 |

RESOURCE CONSENT \$\$\$

Median charge per non-notified consent**

| TARGET | RESULT |
|----------|----------------|
| <\$2,100 | \$1,745 |

RESOURCE CONSENT TIME

% processed within the statutory timeframe

| TARGET | RESULT |
|--------|--------------|
| 100% | 87.9% |

REQUESTS FOR SERVICE (RFS)

% pollution RFS resolved on time

| TARGET | RESULT |
|--------|-------------|
| 100% | 100% |

CUSTOMER CALLS

% answered within 20 seconds

| TARGET | RESULT |
|--------|--------------|
| >80% | 64.8% |

LGOIMA REQUESTS

% responded to within 20 days

| TARGET | RESULT |
|--------|--------------|
| 100% | 97.4% |

COUNCILLOR ENQUIRIES

% responded to within 5 days

| TARGET | RESULT |
|--------|--------------|
| >95% | 72.7% |

INTEREST RATES

Weighted average interest rate per month

| TARGET | RESULT |
|--------|--------------|
| <6.5% | 4.43% |

*Capex & Opex Variance - These reports are being re-developed to align with activities from the TYP/Annual Plan, ie. Economy.

** Resource Consent \$\$\$ - A one month delay is necessary to capture final invoiced costs.

The following KPIs were not achieved and are shown to the left in red.

Library Users - 17.8% of residents borrowed at least once this month. New pre-school story sessions have been introduced at Arrowtown library, and the 'hike like a woman' event was well received in both Wanaka and Queenstown.

Building Consents - February 2018 saw a reduction to 93.8% of consents processed within the 20 day timeframe. This is a decline on the previous six month average of 96%. This is due to receiving a large number of commercial consents, combined with a temporary reduction in commercial consent capacity in the building unit. It is likely March will have a similar result before an improvement in April.

Resource Consents - 18% of resource consents were made by the owner as applicant in February. Results are lower than the previous month of January where 22% of applications were made by the owner.

RMA reform in 2015 increased the level of detail required in a resource consent application to be lawfully 'complete'. This additional level of detail has discouraged many owners from applying themselves and are instead using professionals to prepare their applications.

**Resource Consent \$\$\$ - The target has been exceeded this month. This is because the notified applications issued during January were more complex than the target anticipates.

Resource Consent Time - 87.9% of resource consents were processed within the statutory timeframe during February. This did not achieve the target set. This figure represents a 7% decrease on the previous month of January which achieved 95%.

178 applications received this month was a record for QLDC (excluding March 2016 when 130 applications were received for Bridesdale SHA alone). Apart from 12 visitor accommodation certificates of compliance, they are all stand-alone applications.

Customer Calls - 64.8% of customer calls were answered within 20 seconds this month. This did not achieve the target set.

There has been a 14% increase in customer enquires this month compared to the previous month. Current resourcing is down two staff and this has prevented the service level agreement from being maintained.

Councillor Enquiries - There were 22 Councillor requests due for resolution in February. Of these, two were for Planning, two for Regulatory, four for Community Services and fourteen for Property and Infrastructure.

Of these 22 requests due for resolution, 72.7% were resolved within completion times. This did not achieve the target set. Although the number of requests doubled this month, the result is an improvement from the previous month.



PREVENTION

Submissions per month

| TYPE | RESULT |
|-----------------------------------|------------|
| Risk Assessment | 158 |
| Near Miss | 17 |
| Hazard | 18 |
| Average % of lead indicators >15% | 44% |
| Target achieved | Yes |

BEHAVIOUR SELF ASSESSMENT

Dept. Self Safety Scores

| TYPE | RESULT |
|-----------------|------------|
| A | 4 |
| B | 6 |
| C | 2 |
| Overall score | C |
| Target achieved | Yes |

UNSAFE EVENTS

Incidents/Accidents Across All Groups

| TYPE | RESULT |
|-------------|-----------|
| Employees | 2 |
| Contractors | 13 |
| Volunteers | 0 |
| Public | 23 |

UNSAFE EVENTS

Frequency Rates

| TYPE | TARGET | RESULT |
|---------|---------------|--------------|
| TRIFR* | <12 | 14.49 |
| LTIFR** | <5 | 3.22 |

*Total Recordable Injury Frequency Rate
**Lost Time Injury Frequency Rate

NOTIFICATIONS

Contact with Worksafe

| EVENT TYPE | RESULT | DESCRIPTION |
|------------|----------|---|
| Death | 1 | Customer fatally injured by golf ball at Frankton Golf Centre |
| Injury | 0 | |
| Illness | 0 | |
| Incident | 0 | |

WELLBEING ENGAGEMENT

February Wellbeing Initiative

Aotearoa Bike Challenge

The Aotearoa Bike Challenge is a fun, free competition that's all about seeing which workplaces can get the most people to ride a bike for just 10 minutes or more.

13% of the organisation participated in the challenge, pedalling 5,081kms in total.

MONTHLY COMMENTARY

Accidents - Lost Time Injury (LTI), Medical Treatment Injury (MTI), Restricted Work Injury (RWI):

There were no recordable employee injuries this month. However, two employees experienced sore backs after undertaking repetitive tasks. Improvements have been identified to the way work tasks are scheduled.

Total Recordable Injury Frequency Rate (TRIFR):

There have been no recordable employee injuries during February. This has resulted in a decrease to the Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR). QLDC has agreed on new health and safety targets to be implemented 2018/19 reporting year. A focus will be on promoting continuous improvement.

Unsafe Events:

QLDC is conducting an investigation and WorkSafe have been notified.

Incident Causation Analysis Method (ICAM):

QLDC initiated an incident investigation in response to the fatal incident at Frankton Golf Centre.

Preventative Measures:

'Lead Indicators' such as hazard identification reporting, risk assessments, audits/inspections, training and developing safe work plans are used to measure the steps QLDC employees have taken to prevent harm, and drive a pro-active health, safety & wellbeing culture. The submission target was achieved in February.

Health & Safety Training:

- Online emergency warden training
- Stage One Health & Safety representative training
- QLDC Health & Safety representative workshop (internal)
- Contractor management training
- Health & Safety 'Champions' training
- Breathing and stress reduction workshop
- First Aid training
- Skin cancer checks

HEALTH & SAFETY COMMITTEE CHAIR

There were no recordable employee injuries in February and we are moving towards the targeted Total Recordable Injury Frequency Rate (TRIFR) and the Lost Time Injury Frequency Rate (LTIFR) after a poor January performance.

It is noted that there was a notifiable event resulting in the tragic death of a customer at the Frankton Golf Course. QLDC has notified WorkSafe and an investigation is now in the process of being finalised. At the time QLDC expressed sympathies to the family and partner. 4

QLDC Health and Safety Objectives Review

2017

| | |
|------------------------------|--|
| COMPLIANCE: | AS/NZS 4801 |
| UNSAFE EVENTS: | TRIFR 12 - LTIFR 5 |
| PREVENTION: | Lead indicators per capita per dept. 15% |
| IMPROVEMENT/SCALE: | 100% of HSC planned projects |
| BEHAVIOUR: | 2 x A vs C per month |
| WELLBEING ENGAGEMENT: | 1 x Wellbeing initiative per month |

KEY CAPITAL PROJECT UPDATES

| ITEM | COMMENTARY | NEXT KEY MILESTONES | RAG STATUS |
|---|---|--|--------------|
| Hawthorne Drive Construction | <ul style="list-style-type: none"> - The Hawthorne Drive construction project was fully completed on 9 February 2018. The final piece of works undertaken was the formation of the intersection between Glenda Drive and Hawthorne Drive. This was formed between 9 January and 9 February. | <ul style="list-style-type: none"> - Project has now been completed. The project was completed on time and within budget. | Green |
| Wanaka Aquatic Centre Construction | <ul style="list-style-type: none"> - The steel works have been completed and the Glulam remedial work and finishing coats have been done. - Installation of the Asona ceiling panels is underway and the pool hall glazing is nearly complete. - The installation of the pool hall wall and ceiling linings will begin once removal of the temporary pool deck is undertaken. - Natara are back on site to start service commissioning and to finish the works on the stainless steel pools. - The Wanaka Operational Team has initiated procurement of the long lead items for the operational fitout, i.e. lane ropes/start blocks. - The Wanaka pool staffing structure has been developed for operational staffing of the facility. - Budget pressures remain due to variations across the programme. - Project delivery date remains behind schedule (original completion date - March 2018). Final programme confirmation has yet to be received. | <ul style="list-style-type: none"> - Pools to be filled – 2 April 2018 - An indicative opening date to be advised once final programme confirmation has been received. | Amber |
| QLDC Queenstown Office Accommodation (Project Connect) | <ul style="list-style-type: none"> - The Workplace Strategy is in the final stage, having undertaken a series of workshops with the Executive Leadership Team, a space utilisation study, a full staff survey and a number of thematic focus groups with staff. This will determine how QLDC will work in the future in terms of people, technology and physical environment, to best meet the needs of the community. It will help inform design elements of the new building. | <ul style="list-style-type: none"> - Final Strategy Workshop - 5 March - Project completion - mid March - Public consultation on funding included in Ten Year Plan - March/April 2018 | Green |

KEY COMMUNITY ISSUES

| ITEM | COMMENTARY | NEXT KEY MILESTONES | RAG STATUS |
|---|--|--|---------------------|
| <p>Housing/Accommodation</p> <ul style="list-style-type: none"> - Housing Affordability Taskforce (HAT) | <p>Progress was made on the Housing Affordability Taskforce (HAT) implementation plan in the following ways:</p> <ul style="list-style-type: none"> - A monthly meeting was held with the Mayoral Top HAT and Queenstown Lakes Community Housing Trust (QLCHT). - A Shared Home Equity Model was considered and supported by Council (8 February 2018 Council meeting) - A means for greater enforcement of existing Stakeholder Deeds was established. - A Stakeholder Deeds process for existing and future Special Housing Areas was established. - A meeting was held with an external solicitor to review and update the Memorandum of Understanding (MOU) and the Trust Deed with QLCHT. - Planning has commenced for a collaborative affordable housing strategy. | <ul style="list-style-type: none"> - Implementation plan - updated 7 March 2018 - Report to Council on taskforce progress – 23 March 2018 - Affordable Housing Strategy brainstorming workshop with HAT and QLCHT members - 13 April 2018 | <p>Green</p> |
| <ul style="list-style-type: none"> - Special Housing Areas (SHAs) | <p>Year three of the Queenstown Lakes District Housing Accord</p> <ul style="list-style-type: none"> - Council has approved Expressions of Interests to be accepted and processed for all Category one and two sites. - Council agreed in principle to the establishment of the proposed Bullendale SHA, but have sought further investigation of the infrastructure and transport effects, and the negotiation of the draft Deed, which includes the affordable housing contribution. This will be reported back to the May 2018 Council meeting. - Pre-application discussions have been held with a number of landowners regarding the establishment of SHAs in both Wanaka and Queenstown. | <ul style="list-style-type: none"> - Council will consider the Bright Sky SHA proposal at the next Council meeting - 23 March. This is the first SHA proposal for Wanaka. - The Monitoring Report pursuant to the Queenstown Lakes District Housing Accord is due to be released at the end of March. This will monitor new sections and dwellings approved throughout the Queenstown Lakes District from the 1 January to 31 December 2017. It will also report on the progress of the development within SHAs. - Bullendale SHA report to the Council - May 2018. | <p>Green</p> |
| <ul style="list-style-type: none"> - Visitor Accommodation | <ul style="list-style-type: none"> - Submission summary and further submissions are on schedule. - Submissions closed on 23 February 2018. | <ul style="list-style-type: none"> - Submission summary and call for further submissions – 4 April 2018 - Evidence to be filed – July 2018 - Hearing to be held – August 2018 - Recommendations from the Commissions due – November 2018 - Council Decisions due – December 2018 | <p>Green</p> |

| ITEM | COMMENTARY | NEXT KEY MILESTONES | RAG STATUS |
|--|--|--|---------------------|
| <p>Growth - Housing Infrastructure Fund</p> | <ul style="list-style-type: none"> - Commencement of three detailed business cases for the projects: Kingston Village, Quail Rise east and Ladies Mile. These are due with MBIE at the end of March 2018. - Quail Rise east: The detailed business case has been received for review. - Kingston: The preparation of development agreement is underway and is to be finalised within the first quarter of 2018. The draft detailed business case has been reviewed by all stakeholders. - Ladies Mile: An option workshop was held and work is being undertaken to find an access to site solution. This is due to be finalised in the next two - four weeks. Work on the financial and commercial cases are underway. | <ul style="list-style-type: none"> - Preparation of detailed business cases are underway and will be submitted to MBIE - first quarter 2018. - Agenda item for Council meeting - 23 March 2018. Approval to be prepared for all HIF projects. | <p>Green</p> |
| <p>Water - Lagarosiphon</p> | <ul style="list-style-type: none"> - The Kawarau River operation to remove the old willow has been delayed as the material is negatively buoyant, and the barge required further certification. - The Lake Wakatipu Aquatic Weed Management Group has established a new plan which will reduce costs and improve efficiencies. A digger is to break off the willow branches and leave them lying flat on the bed of the river, allowing hessian to be lain over top. - The 15th International Symposium of Aquatic Plants was held in Queenstown on the 19-23 February. This attracted speakers from all over the world and included interesting papers on the importance of fresh water body ecosystems and new control methods employed to target aggressive aquatic weeds. Parks Officers attended parts of the symposium. | <p>Lagarosiphon in the Wakatipu:</p> <ul style="list-style-type: none"> - A date for the Kawarau River willow operation is still to be confirmed. <p>Lagarosiphon in the Upper Clutha:</p> <ul style="list-style-type: none"> - Lake Wanaka Lagarosiphon Management Committee meeting scheduled - 16 March . | <p>Amber</p> |
| <p>Public Transport</p> | <ul style="list-style-type: none"> - Final parking restrictions are being designed and costed for implementation. - Shelters and footpaths are being designed and costed for their finalised locations. | <ul style="list-style-type: none"> - Final parking restrictions to be completed by 31 March – with preceding communications. - Ancillary works to be completed - before winter. | <p>Green</p> |

KEY PROCESSES

| ITEM | COMMENTARY | NEXT KEY MILESTONES | RAG STATUS |
|---|--|--|---|
| <p>Proposed District Plan (PDP)</p> <ul style="list-style-type: none"> - Stage One hearing progress - Stage Two-Four development | <ul style="list-style-type: none"> - Hearings on the first 31 chapters completed – awaiting recommendations and decisions. - A new recruit is needed for Stage One appeals. There is currently one vacancy in the team and recruitment remains ongoing. - Hearings for Stage Two – to be held in June and August 2018. - A new recruit is needed to implement Stages Two - Four PDP programme. There is currently one vacancy in the team and recruitment remains ongoing. | <ul style="list-style-type: none"> - Recommendations from the hearings panel on Stage One – first quarter 2018 – (previous target was January/February 2018) - Decisions are to be released 3 May 2018. Previous target was first quarter 2018, however there is no Council meeting in April. - Appeals on Stage One – commencing third quarter 2018 – (previously working to second quarter) - Publish summary of submissions – April 2018 - File Wakatipu Basin and Open Space Zone evidence – May 2018 - File District Wide topic evidence – July 2018 - Zoning hearing – June 2018 - District wide hearing – August 2018 | <p>Amber</p> <p>Green</p> |
| <p>Ten Year Plan 2018-28 (TYP)</p> | <ul style="list-style-type: none"> - Completion of all financial data for Volumes One and Two - Preparation of the main document and consultation document continues, subject to review by the auditors. - Audit of TYP continues (five weeks). | <ul style="list-style-type: none"> - TYP audit to be finalised - March 2018 - Council to adopt draft Consultation Document and supporting documents at Council meeting - 9 March 2018. - TYP consultation period for submissions commences (12 March - 13 April 2018) | <p>Amber</p> |

| ITEM | COMMENTARY | NEXT KEY MILESTONES | RAG STATUS |
|--|---|---|--------------|
| Town Centre Master Plan | <ul style="list-style-type: none"> - Spatial Framework and Design Guidelines documents are currently under review. | <ul style="list-style-type: none"> - Council approval of Town Centre Spatial Framework and Design Guidelines documents - 3 May 2018 | Green |
| Building Consents Performance Improvement | <ul style="list-style-type: none"> - February 2018 operational results have decreased with 94% of consents processed within the 20 day statutory timeframe. - 103 building consents were received this month compared to 123 in February 2017, with an average processing time of 12 days. - Recruitment is ongoing. The newly created Checking Officer's role started this month. The Swimming Pool/ Building Inspector role has now been filled and the successful applicant will start early March. A further Building Control Officer role is currently going through the recruitment process. - Building consent applications dropped in February 2018 compared to February 2017. January was also down slightly on the previous year. | <ul style="list-style-type: none"> - Weekly Management reviews of operational performance - Monitoring of consent timeframes and average consent days is ongoing - Focus on achieving the target range of 95% – 100% of consents processed within the 20 days and stay within 10 to 15 days average processing times. - Staff retention remains a priority. The aim is to continue the year-long trend of low staff turnover. - Continue to fill the remaining vacancies in the Building Unit. | Green |
| - Operational Performance | | | |
| - Recruitment | | | |
| - Workload | | | |

| ITEM | COMMENTARY | NEXT KEY MILESTONES | RAG STATUS |
|---|---|---|---------------------|
| <p>Resource Consents Performance Improvement</p> | <ul style="list-style-type: none"> - 178 applications were formally received in February. This is an all time record. - 112 non-notified and three notified consents were issued. - One Special Housing Area consent was issued. - The percentage of resource consents issued within 20 working days has decreased by 7% from 95% in January to 88% in February. - Average processing days per non-notified resource consent issued has been increased to 20 working days in February. - A large volume of time continues to be spent training seven new employees. | <ul style="list-style-type: none"> - Continue to achieve average processing days below 20. - Improve the percentage of decisions issued within statutory timeframe - ongoing. | <p>Amber</p> |
| <p>Request For Service (RFS) Performance Improvement</p> | <ul style="list-style-type: none"> - A review of the RFS allocation process is underway. This process will look to better capture complex RFS and include them in the Annual Plan submission process. This will allow them to be more correctly allocated due to the nature and level of investment required to address them. | <ul style="list-style-type: none"> - Project scoping underway with the Continuous Improvement Group. | <p>Green</p> |

| Description | February 2018 Actual | February 2018 Adjusted Budget | Variance to Budget | % Of Year Completed | | | | |
|--|----------------------|-------------------------------|--------------------|---------------------|------------------------------|-----------------------|---------------------------|---------------------------------|
| | | | | Year to date Actual | Year to date Adjusted Budget | Year to date Variance | Full Year Adjusted Budget | YTD Actuals to Full Year Budget |
| REVENUE | | | | | | | | |
| Operating Revenue | | | | | | | | |
| Income - Rates | 5,586,680 | 5,589,227 | (2,547) | 44,749,695 | 44,713,819 | 35,875 | 67,070,729 | 67% |
| Income - Grants & Subsidies | 427,228 | 353,800 | 73,428 | 4,001,930 | 3,347,527 | 654,404 | 5,884,347 | 68% *1 |
| Income - NZTA External Cost Recoveries | 158,922 | 164,708 | (5,787) | 1,171,180 | 1,317,664 | (146,484) | 1,976,496 | 59% |
| Income - Consents | 730,852 | 708,978 | 21,874 | 5,855,905 | 6,097,234 | (241,328) | 9,188,400 | 64% |
| Income - External Cost Recovery | 256,733 | 56,400 | 200,334 | 1,777,456 | 492,103 | 1,285,352 | 738,155 | 241% *2 |
| Income - Regulatory | 659,471 | 354,188 | 305,284 | 3,781,255 | 2,502,500 | 1,278,756 | 3,868,855 | 98% *3 |
| Income - Operational | 2,579,744 | 2,552,620 | 27,125 | 22,064,584 | 17,731,960 | 4,332,624 | 27,608,944 | 80% *4 |
| TOTAL OPERATING REVENUE | 10,399,631 | 9,779,921 | 619,710 | 83,402,005 | 76,202,806 | 7,199,199 | 116,335,926 | 72% |
| EXPENDITURE | | | | | | | | |
| Personnel Expenditure | | | | | | | | |
| Expenditure - Salaries and Wages | 1,901,175 | 1,889,536 | (11,640) | 15,530,031 | 15,963,504 | 433,473 | 24,380,971 | 64% *5 |
| Expenditure - Salaries and Wages Contract | 192,790 | 32,866 | (159,924) | 2,082,671 | 269,565 | (1,813,106) | 406,720 | 512% *5 |
| Expenditure - Health Insurance | 11,949 | 15,400 | 3,451 | 134,916 | 123,200 | (11,716) | 184,800 | 73% |
| TOTAL PERSONNEL EXPENDITURE | 2,105,915 | 1,937,802 | (168,113) | 17,747,617 | 16,356,269 | (1,391,348) | 24,972,491 | 71% |
| Operating Expenditure | | | | | | | | |
| Expenditure - Professional Services | 480,891 | 310,458 | (170,433) | 3,123,877 | 2,629,199 | (494,678) | 3,937,417 | 79% *6 |
| Expenditure - Legal | 136,544 | 153,712 | 17,168 | 1,396,206 | 1,164,695 | (231,511) | 1,796,542 | 78% *7 |
| Expenditure - Stationery | 14,198 | 32,768 | 18,569 | 210,302 | 262,141 | 51,838 | 393,211 | 53% |
| Expenditure - IT & Phones | 55,829 | 58,835 | 3,006 | 422,619 | 470,682 | 48,063 | 706,024 | 60% |
| Expenditure - Commercial Rent | 149,704 | 180,824 | 31,121 | 1,290,082 | 1,446,594 | 156,512 | 2,169,891 | 59% |
| Expenditure - Vehicle | 40,759 | 47,335 | 6,575 | 313,603 | 378,676 | 65,073 | 568,014 | 55% |
| Expenditure - Power | 368,817 | 258,741 | (110,076) | 2,056,227 | 1,938,006 | (118,221) | 3,024,716 | 68% |
| Expenditure - Insurance | 71,662 | 58,458 | (13,203) | 555,463 | 467,666 | (87,797) | 701,498 | 79% |
| Expenditure - Infrastructure Maintenance | 2,181,355 | 1,734,920 | (446,435) | 16,044,929 | 14,614,359 | (1,430,570) | 21,929,039 | 73% *8 |
| Expenditure - Parks & Reserves Maintenance | 376,520 | 473,017 | 96,496 | 3,364,449 | 3,641,838 | 277,389 | 8,751,723 | 38% *9 |
| Expense - External Cost On Chargeable | 260,185 | 54,072 | (206,113) | 1,834,977 | 472,420 | (1,362,557) | 708,630 | 259% |
| Expenditure - Grants | 438,423 | 432,132 | (6,292) | 3,871,538 | 3,758,685 | (112,854) | 6,134,995 | 63% |
| Expenditure - Other | 890,428 | 938,234 | 47,806 | 7,762,910 | 7,508,413 | (254,497) | 11,735,515 | 66% *10 |
| TOTAL OPERATING EXPENDITURE | 5,465,317 | 4,733,506 | (731,811) | 42,247,182 | 38,753,374 | (3,493,808) | 62,557,214 | 68% |
| Interest and Depreciation | | | | | | | | |
| Expenditure - Interest | 399,613 | 717,765 | 318,152 | 3,437,564 | 5,742,119 | 2,304,556 | 8,613,179 | 40% *11 |
| Expenditure - Depreciation | 2,010,054 | 2,010,054 | 0 | 16,342,832 | 16,342,832 | 0 | 24,369,187 | 67% |
| TOTAL INTEREST AND DEPRECIATION | 2,409,667 | 2,727,819 | 318,152 | 19,780,395 | 22,084,951 | 2,304,556 | 32,982,367 | 60% |
| TOTAL EXPENDITURE | 9,980,899 | 9,399,127 | (581,772) | 79,775,195 | 77,194,594 | (2,580,601) | 120,512,072 | 66% |
| NET OPERATING SURPLUS/(DEFICIT) | 418,732 | 380,794 | 37,938 | 3,626,811 | (991,787) | 4,618,598 | (4,176,146) | |

- *1 Income - Grants & Subsidies - The NZTA opex subsidy income is \$557k favourable year to date due to increased environmental maintenance work (which offsets in Infrastructure maintenance costs). There is also a \$80k favourable variance due to funds received from a developer on 30 September for an affordable housing contribution which was passed on to the Queenstown Lakes Community Housing Trust in November.
- *2 Income - External Cost Recovery - This is the income received from on-charging external consultant costs in relation to resource consents. The expense matching this income is below in the expense line - external cost on chargeable. The difference between income and expense is due to timing of raising the invoice for on-charging.
- *3 Income - Regulatory - Growth and increased enforcement from additional FTE's compared to the previous year has driven the increases above budget for regulatory. The favourable variances come from higher traffic, parking and campervan infringements issued, totalling \$686k and \$493k for higher parking fees collected due to increased occupancy from public car parks. Environmental Health also has a \$60k timing variance due to receiving annual fees earlier than budgeted.
- *4 Income - Operational - The Queenstown Airport dividend has been received for \$4.6m which is \$0.8m above Full Year budget (\$1.6m YTD). Turnover rents totalling \$537k and Lakeview cabin income \$286k has also created a favourable timing variance. \$133k was invoiced to QAC for additional park and ride facility costs and \$250k to DOC for their contribution of Roys Peak car park. Rates penalties are up \$239k on budget as is net interest received of \$998k.
- *5 Expenditure - Salaries and Wages and Contract Staff - The favourable year to date variance of \$433k for salaries and wages is due to carrying vacancies through the year in Planning and Development of \$347k and Infrastructure \$115k. To note since December FTE's actuals are aligned with the budgeted FTE's with additional spend also partially due to some approved unbudgeted positions having commenced. We still expect to be within the annual budget. Contract staff are being used to cover vacant positions particularly within the building services team for addressing volume increases. The year to date spend on building services contract staff of \$1,737k is partially offset by additional revenue from building services invoicing. Infrastructure has unbudgeted contract staff costs of \$190k for corridor access management, 3 Waters Better Business Case support services to guide the TYP capital planning, developer engineer secondment and contract administration.
- *6 Expenditure - Professional Services - The variance to budget is due to an additional \$425k for consultancy work on the central government business case and HIF related professional service costs.
- *7 Expenditure - Legal - \$139k of additional legal expenses is required within Planning & Development to support the District Plan and Resource Consent teams' workloads. This is offset by (\$88k) underspend for weather tightness legal costs and \$176k is for on-going legal advice for Development Contributions, Wanaka Airport restructure advice and legal assistance with the ORC prosecution.
- *8 Expenditure - Infrastructure Maintenance - There is \$897k additional spend for roading direct costs which includes emergency re-instatement \$140k and minor events \$55k which were not budgeted along with the timing of environmental maintenance work (Offset in income - grants and subsidies see note. 1). Refuse is \$278k unfavourable due to an increase in landfill volumes \$148K, Refuse/Recycling escalation and additional collection costs \$192k plus an increase in disposal costs for glass and an increase in ETS carbon credit price increase \$64K which is partially offset with additional additional income of (\$49k) from landfill levy and transfer station recoveries & collection income (\$110k). 3 Waters is \$103k unfavourable YTD due to a back dated Veolia subcontractor/variable cost charge along with escalation costs for the Fulton Hogan Lake Hayes scheme and stormwater mud tank cleaning.
- *9 Expenditure - Parks and Reserves Maintenance - The Parks and Reserves maintenance contracts is \$265k favourable year to date due to timing of the budget phasing which is expected to be caught up over the remainder of the year with the new contracts and levels of service taking effect. Property maintenance is \$95k favourable variance which includes a \$74k overspend in council offices maintenance due to additional office space which is offset with savings across buildings, halls and camp grounds. This is offset with a (\$112k) unfavourable variance for maintenance work at the Queenstown Events Centre.
- *10 Expenditure - Other - There are additional \$202k commissioner costs required within Planning & Development ,predominately due to the District Plan process.
- *11 Expenditure - Interest - Interest costs are favourable due to lower than expected interest rates and timing of capex spend.

| Description | February 2018 Actual | February 2018 Adjusted Budget | Variance to Budget | Year to date Actual | Year to date Adjusted Budget | Year to date Variance | Full Year Adjusted Budget | YTD Actuals to Full Year Budget | |
|-------------------------------------|----------------------|-------------------------------|--------------------|---------------------|------------------------------|-----------------------|---------------------------|---------------------------------|-----|
| CAPITAL REVENUE | | | | | | | | | |
| Income - Development Contributions | 3,195,651 | 551,324 | 2,644,327 | 9,800,986 | 4,410,591 | 5,390,395 | 6,615,887 | 148% | *12 |
| Income - Vested Assets | 0 | 0 | 0 | 0 | 0 | 0 | 10,748,642 | 22% | |
| Income - Grants & Subsidies Capex | 553,647 | 570,815 | (17,168) | 4,288,271 | 4,566,521 | (278,249) | 6,849,781 | 63% | * |
| TOTAL CAPITAL REVENUE | 3,749,298 | 1,122,139 | 2,627,159 | 14,089,258 | 8,977,112 | 5,112,146 | 24,214,310 | 58% | |
| CAPITAL EXPENDITURE | | | | | | | | | |
| Projects/Asset Purchases | 2,254,070 | 6,609,672 | 4,355,602 | 31,970,491 | 43,269,381 | 11,298,890 | 75,021,300 | 43% | *13 |
| Debt Repayment | 0 | 0 | 0 | 0 | 0 | 0 | 16,890,000 | | |
| TOTAL CAPITAL EXPENDITURE | 2,254,070 | 6,609,672 | 4,355,602 | 31,970,491 | 43,269,381 | 11,298,890 | 91,911,300 | | |
| NET CAPITAL FUNDING REQUIRED | (1,495,228) | 5,487,533 | 6,982,761 | 17,881,233 | 34,292,269 | 16,411,036 | 67,696,990 | | |
| External Borrowing | | | | | | | | | |
| Loans | 0 | | | | | | 0 | | |
| Bonds | 85,000,000 | | | | | | 187,082,000 | | |
| TOTAL BORROWING | 85,000,000 | | | | | | 187,082,000 | | |

 COMMENTARY

*12 Income - Development Contributions - 23 development contribution invoices were generated in February totalling \$3.2m. The majority of these development contributions related to a sub-division of 103 residential lots at Jacks Point, a sub-division of 71 residential lots at Northlake and a consent application for 55 unit apartments at Frankton.

*13 Project Expenditure - The largest spends in February were:

- Wakatipu sealed road resurfacing \$359k
- Marine Parade pump station \$273k
- Hawthorne Drive (Eastern Access Road) \$160k
- Drinking water chlorination refits \$151k