

KEY PERFORMANCE
INDICATORS – TRAFFIC
LIGHT STATUS REPORT

KEY PRIORITIES UPDATE

FINANCIAL
MANAGEMENT REPORT

HEALTH & SAFETY
SUMMARY

MONTHLY HIGHLIGHT REPORT

FEBRUARY 2017

Monthly Highlight Report – February 2017

CORE INFRASTRUCTURE & SERVICES

Key Performance Indicators

WATER SUPPLY

WATER CONSUMPTION

Amount consumed per person per day

TARGET	RESULT
<590L	653.48L

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	110 mins

WATER SUPPLY COMPLAINTS

No. of complaints per 1000 connections

TARGET	RESULT
<5 per annum	1.71
YTD result	10.2

WASTEWATER

WASTEWATER OVERFLOWS

Median response time to attend site

TARGET	RESULT
<60 mins	26 mins

WASTEWATER OVERFLOWS

Median response time to resolve problem

TARGET	RESULT
<240 mins	183 mins

WASTEWATER SUPPLY COMPLAINTS

No. of complaints per 1000 connections

TARGET	RESULT
<3 per annum	0.52
YTD result	5.2

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
<1.1*	0
YTD result	0

SEALED ROAD CLOSURES

No. of unplanned closures per month

TARGET	RESULT
<1.1*	0
YTD result	0

SERVICE & \$\$\$

REQUESTS FOR SERVICE (RFS)

% customer RFS resolved on time

TARGET	RESULT
>95%	99%
	3 Waters 99%
	Solid Waste 82%
	Roading 66%

CAPEX VARIANCE

% variance from capital budget

TARGET	RESULT
0 to -10%	46%

OPEX VARIANCE

% variance from operational budget


TARGET	RESULT
0 to -5%	0%

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

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

Results in **GREEN**
Target achieved

* average per month

 New mandatory DIA measures

EXCEPTIONS

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

Water Consumption - The target was not met as February is consistently a high water consumption month due to the warmer weather. Despite the seasonal fluctuations, the yearly average is still within the target set.

Water Supply Complaints - The year to date result of 10.2 shows that the per annum target of <5 has been exceeded. This is due to the current measure capturing faults, not complaints. The methodology and target will be reviewed for the next LTP.

Wastewater Supply Complaints - The year to date result of 5.2 shows that the per annum target of <3 has been exceeded. This is due to the current measure capturing faults, not complaints. The methodology and target will be reviewed for the next LTP.

Requests For Service - Solid Waste - The contractor was unable to complete various RFS for overflowing bins in the required response time of one hour. This is due to higher levels of usage than previously experienced.

Requests For Service - Roothing - Target was not met due to changes in process for RFS allocation.

Capex Variance - The Capital Expenditure Cumulative Actual was \$3.01M this month. Capital expenditure is behind schedule for two main reasons. Firstly, the EAR (Hawthorne Drive) spend only started increasing in the January period. Secondly, Project Shotover's 60 day trial operational period is now in progress and is due to be concluded by 15th April 2017. At this point, operational costs will be effected with the two month backdated operation costs to be paid.

Edgewater Sewermain construction, BP Roundabout (Frankton Rd watermain) and Anderson Road Water Supply are currently under construction. The EAR (Hawthorne Drive) project cash flow is tracking ahead of forecast this month and the actual expenditure will increase to align with forecast expenditure before the end of the calendar year.

The Renewals program continues to be on target at mid year.

POOL USERS QT

% Wakatipu residents using the pool per month

TARGET	RESULT
>15%	16.72%

POOL USERS WANAKA

% Wanaka residents using the pool per month

TARGET	RESULT
>8%	13.18%

GYM MEMBERS QT

% Wakatipu residents who are gym members

TARGET	RESULT
>12.5%	13.32%

LIBRARY USERS

% residents borrowing at least once per month

TARGET	RESULT
>20%	17.92%

TRAIL USAGE

Average number of daily trail users

TARGET	RESULT
No target	2514

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%	61%

ANIMAL CONTROL

% urgent requests responded within 2 hrs

TARGET	RESULT
100%	92.86%

WATER SAFETY

% urgent requests responded within 2 hrs

TARGET	RESULT
100%	100%

RESOURCE CONSENTS

% made by the owner as applicant

TARGET	RESULT
>40%	15.22%

RESOURCE CONSENT \$\$\$

Median charge per notified consent

TARGET	RESULT
<\$15,000	\$26,805.92

RESOURCE CONSENT \$\$\$

Median charge per non-notified consent

TARGET	RESULT
<\$1,875	\$1,674.03

RESOURCE CONSENT TIME

% processed within the statutory timeframe

TARGET	RESULT
100%	89%

REQUESTS FOR SERVICE (RFS)

% pollution RFS resolved on time

TARGET	RESULT
100%	83.33%

CUSTOMER CALLS

% answered within 20 seconds

TARGET	RESULT
>80%	77.83%

LGOIMA REQUESTS

% responded to within 20 days

TARGET	RESULT
100%	96%

COUNCILLOR ENQUIRIES

% responded to within 5 days

TARGET	RESULT
>95%	100%

INTEREST RATES

Weighted average interest rate per month

TARGET	RESULT
<6.5%	4.54%

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

EXCEPTIONS

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

Building Consent Times - Please refer to commentary in key initiatives on page 9.

Animal Control - The target was not achieved this month for two reasons. Firstly, one RFS was not actioned within the required time by the after hours contractor. Secondly, an urgent RFS was emailed through to services during out of office hours. This inbox is not monitored by the afterhours contractor (as advised in the automated response given) and was therefore unable to be actioned until the next day.

Resource Consents - The 40% target was not met this month. The reason for this is that 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 \$\$\$ (notified) - The target was not met this month due to a higher than usual number of rural subdivisions requiring more labour hours. Of the four consents issued, the highest charge was \$29,530, two at almost \$27,000 and the other at just under \$20,000.

Resource Consent Time - The lower statistics in recent months are due to workload pressures associated with the significantly higher volume of applications received this year. However, the use of contractors has been beneficial in coping with this increased workload. In addition, expert reporters are at full capacity. This is due to sustained heavy consent volumes and workload impacting timeliness. This is recognised as a special circumstance and in March we will utilise RMA provisions to extend timeframes if this issue alone causes the processing to exceed 20 working days.

Requests For Service - Pollution - The target was not met due to a contractor's delayed response to a cooking oil spill in Arrowtown.



PREVENTION

Submissions per month

TYPE	RESULT
Risk Assessment	282
Near Miss	17
Hazard	53
Average % of lead indicators >15%	94%
Target achieved	Yes

BEHAVIOUR SELF ASSESSMENT

Dept. Self Safety Scores

TYPE	RESULT
A	10
B	3
C	0
Overall score	A
Target achieved	Yes

UNSAFE EVENTS

Incidents/Accidents Across All Groups

TYPE	RESULT
Employees	2
Contractors	13
Volunteers	0
Public	11

UNSAFE EVENTS

Frequency Rates

TYPE	TARGET	RESULT
TRIFR*	<12	17.97
LTIFR**	<5	7.19

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

NOTIFICATIONS

Contact with Worksafe

EVENT TYPE	RESULT	DESCRIPTION
Death	0	N/A
Injury	0	N/A
Illness	0	N/A
Incident	0	N/A

WELLBEING ENGAGEMENT

February Wellbeing Initiative

Aotearoa Bike Challenge - of the 131 organisations that took part, QLDC placed 15th with 17% staff uptake.

MONTHLY COMMENTARY

Accidents - Lost Time Injury (LTI), Medical Treatment Injury (MTI), Restricted Work Injury (RWI): No accidents reported in February.

Total Recordable Injury Frequency Rate (TRIFR): As there were no recordable accidents in February the TRIFR has stabilised.

Incident: Ambulance called for a member of the public who had a stroke whilst attending an event at the Queenstown Events Centre (non-work related incident). Contractor vehicle incident - a waste collection vehicle became stuck in a precarious position at the side of a residential road.

Incident Causation Analysis Method (ICAM): ICAM investigation requested by QLDC to establish what caused a waste collection vehicle to become stuck in a precarious position at the side of a residential road.

Preventative Measures: Pleasing to see an increase in risk assessments in February. This can be attributed to an increase in the reporting of vehicle pre-start checks.

H&S Training: 25 staff members attended H&S training in February. Training included first aid training, emergency hoist training and health & safety representative training (stage 1).

HEALTH & SAFETY COMMITTEE CHAIR

The organisation's culture score for the month was the highest recorded (since the measure was first established). This month we also saw an improvement in the distribution of preventative measures across the organisation.

The TRIFR however has been climbing now for the last 4 months and has only just levelled out. As with any systems the first stage is understanding the challenge and this can only occur with knowledge. Knowledge or data/information is about getting reporting up which is the phase we have been working through and most likely the reason for the increase in the TRIFR. We will monitor this closely over the next quarter.

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 MILESTONE	RAG STATUS
Hawthorne Drive Construction	<ul style="list-style-type: none"> - Good progress over the last month with pavement stabilisation now underway on the Southern side of the Runway End Safety Area (RESA). The project remains 2-3 weeks behind programme creating some risk to achieving a pre-winter opening. - A communications plan is being developed to inform Glenda Dr businesses about temporary changes to the road layout, specifically its impact on street parking. 	<ul style="list-style-type: none"> - Open link between Glenda Dr and Hawthorne Dr by winter 2017. - Project team will meet on 1 April to agree any variations necessary to achieve this opening date. 	Amber
Shotover Wastewater Plant Construction and Commissioning	<ul style="list-style-type: none"> - Construction now complete. Commissioning and trial operation periods are now into month two (of three months). 	<ul style="list-style-type: none"> - Complete commissioning and trial operations period. 	Green
Wanaka Aquatic Centre Construction	<ul style="list-style-type: none"> - Cook Brothers Construction are on site and have completed the pool water in ground pipework, block walls to the sand filters and have successfully poured the floor slabs for the pools. - Natare (Stainless Steel pool manufacturer) is on site to begin the construction of the pool walls. - Holmes Consulting contracted to re-examine the current Wanaka pool (regarding strengthening works) to ensure that the pool can be kept open until March 2018. Early indications are that this is highly achievable. - Fundraising for the new Wanaka pool has reached \$1,960,000. - QLDC Wanaka Operations Team beginning planning for operations of the new pool, i.e. ICT, Pool Allocation etc. - Risk Workshop to be undertaken in March. 	<ul style="list-style-type: none"> - Construction of stainless steel pool walls – May 2017. 	Green
QLDC Accommodation (Project Connect)	<ul style="list-style-type: none"> - Opportunity and objectives including previous decisions of the Council reviewed. An integrated delivery approach established with the Queenstown Town Centre masterplan programme. 	<ul style="list-style-type: none"> - Develop long-list of options (30 April 2017). 	Green

KEY COMMUNITY ISSUES

ITEM	COMMENTARY	NEXT KEY MILESTONE	RAG STATUS
Public Transport	<ul style="list-style-type: none"> - Otago Regional Council has completed modelling to confirm budgets for the implementation of a fare subsidy in the third quarter of 2017. - QLDC has been prevented access to modelling information by ORC on the basis that it is commercially sensitive. - This has increased the risk around our forecasting for infrastructure changes necessary to cope with increased demand. 	<ul style="list-style-type: none"> - Meet with ORC representatives to view (only) modelling information 4 April 2017. - Meeting with ORC representatives 27 March to identify minor infrastructure requirements (bus stops). 	Amber
Housing/Accommodation			
- Taskforce	- Scoping and Engagement	<ul style="list-style-type: none"> - Approach potential members and partners - completed. - Recruit/contract policy and administrative resource – completed. - Housing Taskforce Scheduled for 10 April – booking of venue and taskforce participants – completed - Develop clear and focused scope for taskforce - started. - Thinkpiece for workshop to circulate - 3 April 	Green
- Visitor Accommodation	- Resourcing and Research	<ul style="list-style-type: none"> - Recruit/contract planner resource – 27 March 2017. - Commence research- 3 April 2017 	Amber
- Special Housing Areas (SHAs)	- Year 2 Housing Accord completed - 23 October 2016	<ul style="list-style-type: none"> - Queenstown Country Club Ladies Mile – interim decision grants consent for 332 unit retirement village, club house, medical centre, 16 unit housing development and 21 vacant lot residential subdivision. - Shotover Country hearing report completed – 30/31 March hearing. Only submitters are the Otago Regional Council and Transpower. - Updates to Councillors on Category 2 lead policy greenfield SHA areas and Development Capacity Model – April 2017. - Discussions with Minister on potential new Housing Accord for whole of QLDC - ongoing. - Pre-application discussions have commenced with two developers regarding two potential new Special Housing Areas and a proposed new qualifying development within the Business Mixed Use (Gorge Road) SHA 	Green

KEY COMMUNITY ISSUES CONTINUED

ITEM	COMMENTARY	NEXT KEY MILESTONE	RAG STATUS
<p>Growth</p> <ul style="list-style-type: none"> - Housing Infrastructure Fund (HIF) 	<p>The final proposal for the HIF has been prepared and will be presented to Full Council on 24 March 2017. Four proposals are included:</p> <ul style="list-style-type: none"> - Ladies Mile infrastructure - Kingston Village - Quail Rise link road - Queenstown intensification (inner links) 	<ul style="list-style-type: none"> - Lodge HIF proposal online by 31 March 2017. 	<p>Green</p>
<p>Water</p> <ul style="list-style-type: none"> - Lagarosiphon 	<ul style="list-style-type: none"> - Lake Wanaka - very successful programme with good result – especially the trial with bottom lining with hessian in Paddock Bay. Some shoreline areas now effectively free from the weed. - Albert Town Ponds - In early February, lagarosiphon was identified in the storm water settling ponds at the Riverside Wetlands in Albert Town. At present all three ponds are affected, with cover ranging from 20-40%. - Kawarau River/Lake Wakatipu – Lagarosiphon currently infests approximately 14ha of the Kawarau River, and it has been found and removed from several locations around Lake Wakatipu in 2016. LINZ, ORC, NIWA, QLDC and DOC are currently drafting a management plan for the lake and the river, and this should be finalised by September 2017. Control works in the river are taking place this year and LINZ has budget to cover this work (no eradication method currently available). Most of the control works are trials because of the river current. 	<ul style="list-style-type: none"> - More control scheduled for April. - A meeting is being organised with ORC to look at control of the Lagarosiphon. - Arranging a meeting with River users on 5 April to discuss and educate them on the infestation in the river and the threat to the Lake. The group is going to carry out more communications around lagarosiphon and if possible cordon off sections of the river with surface reaching weed. 	<p>Amber</p>

KEY PROCESSES

ITEM	COMMENTARY	NEXT KEY MILESTONE	RAG STATUS
<p>Proposed District Plan (PDP)</p> <ul style="list-style-type: none"> - Stage one hearing progress - Stage two progress 	<p>Hearings</p> <ul style="list-style-type: none"> - Resort Zone Hearings completed -17 February 2017 - Natural Hazards, Definitions and Whole plan evidence completed – 17 February 2017 <p>Programming and Development</p> <ul style="list-style-type: none"> - Two new employees needed to implement Stage 2 PDP programme. There are currently two vacancies in the team, others are fully engaged with Stage 1 mapping and another will be on sick leave for six weeks. 	<ul style="list-style-type: none"> - Ski Area Sub-Zones evidence – 14 March 2017. - Upper Clutha mapping evidence – 21 March 2017. - Queenstown mapping evidence – 11 May 2017. - Recommendations from hearings panel –November 2017. - Decisions on Stage 1 – December 2017. - Programme for Stage 2 to be confirmed – 24 March 2017. - Confirm council directions for priority Stage 2 topics – 24 March 2017. - Notification – from June-July 2017 onwards. 	<p>Green</p> <p>Amber</p>
<p>Town Centre Masterplan</p>	<ul style="list-style-type: none"> - Procurement of Design Services is now complete with the successful consultant being led by Beca. - Advisory Board selection process now complete. Contact with selected representatives in progress. 	<ul style="list-style-type: none"> - Visioning workshop with Councillors and Executive Leadership Team scheduled for 27 March 2017. - Attendees information packs distributed. 	<p>Green</p>
<p>Annual Plan</p>	<ul style="list-style-type: none"> - Financial data has been considered in detail by the Council and is being prepared for inclusion in the Draft Annual Plan Document. This, along with the consultation document will be adopted on the 24 March. - Submissions will open on the 27 March and remain open until the 28 April. Hearings will be held on the 31 May and the 1 June, with deliberations occurring on the 6 June. The final Annual Plan will be adopted on the 30 June 2017. 	<ul style="list-style-type: none"> - Draft Annual Plan Adoption – 24 March. - Submissions Open – 27 March to 28 April. - Final Annual Plan Adoption – 30 June. 	<p>Green</p>
<p>Long Term Plan</p>	<ul style="list-style-type: none"> - Activity has been initiated across a range of disciplines and the project schedule has been developed. This affects all aspects of QLDC's operations and will form a significant piece of work through to June 2018. 	<ul style="list-style-type: none"> - Project Plan Finalisation – March 2017 - complete. - Assumptions development - April 2017. - Steering committee launch - April 2017. 	<p>Green</p>

ITEM	COMMENTARY	NEXT KEY MILESTONE	RAG STATUS
<p>Building Consents Performance</p>	<p>61% of building consents were issued within the statutory timeframe of 20 working days for February. This significant performance decline was the result of a surge in Building Consents applications which were lodged over the Christmas/New Year period. This backlog passed through our system in January before reaching their 20 working day time limit in February.</p> <p>A response plan was launched in early February to gain control over the Building Consent backlog. A series of initiatives were implemented to increase our processing capacity and productivity, with the net result being that 148 consents were issued for the month. This result was our highest monthly issuing output since August 2016 and our best monthly gain since October 2016.</p> <p>The recovery of our performance levels is expected to return due to the employment of two additional FTE and external contractors. This resource boost will also be assisted through support from Clutha DC who are making three of their Building Inspectors available on a weekly roster. Further improvements to our framework for KPI performance trending, department task delegation, customer enquiries management, public information content and our consent processing procedures will help ensure we avoid this backlog in future.</p>	<ul style="list-style-type: none"> - Weekly reviews of recovery project deliverables with GM P&D. - Strategic Management Review of BCA performance prior to end of March-17. - Monitoring of performance recovery through Monthly Operational reviews. 	<p>Red</p>
<p>Resource Consents Performance</p>	<ul style="list-style-type: none"> - 101 applications received with 92 consents issued. Both figures represent an increase on the previous month. - Percentage of resource consents issued within 20 working days has declined slightly by 2% from 91% in January to 89% in February. - Average processing days per resource consent issued has risen from 16 in January to 17 in February. - The slight decrease is attributed to the fact that expert reporters are at full capacity. This is due to sustained heavy consent volumes and generally more workload and they have not been able to deliver in a timely fashion. This is recognised as a 'special circumstance' and as of March we will be utilising RMA provisions to extend timeframes if this issue alone caused the processing to go over 20 working days. 	<ul style="list-style-type: none"> - Continue to improve percentage of resource consents issued within 20 working days. - Maintain average processing days below 20. 	<p>Amber</p>



Description	Feb 2017 Actual	Feb 2017 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	
67%									
REVENUE									
Operating Revenue									
Income - Rates	5,192,017	5,210,364	(18,347)	41,698,832	41,682,911	15,922	62,524,366	67%	
Income - Grants & Subsidies	1,165,559	302,220	863,339	4,565,807	3,183,155	1,382,651	5,798,125	79%	*1
Income - NZTA External Cost Recoveries	116,710	133,213	(16,503)	1,052,379	1,065,701	(13,321)	1,598,551	66%	
Income - Consents	630,287	602,751	27,536	5,251,965	4,822,007	429,958	7,233,011	73%	
Income - External Cost Recovery	217,318	62,063	155,254	1,243,038	496,507	746,531	744,761	167%	*2
Income - Regulatory	345,559	256,633	88,927	2,796,094	2,053,060	743,033	3,079,591	91%	*3
Income - Operational	2,827,234	2,203,800	623,434	19,532,052	14,530,690	5,001,362	20,550,337	95%	*4
TOTAL OPERATING REVENUE	10,494,683	8,771,043	1,723,640	76,140,167	67,834,031	8,306,136	101,528,741	75%	
EXPENDITURE									
Personnel Expenditure									
Expenditure - Salaries and Wages	1,576,448	1,474,137	(102,311)	13,092,514	13,243,895	151,381	20,316,369	64%	*5
Expenditure - Salaries and Wages Contract	206,589	28,462	(178,128)	1,212,441	227,693	(984,747)	341,540	355%	*5
Expenditure - Health Insurance	8,595	14,583	5,988	117,263	116,667	(596)	175,000	67%	
TOTAL PERSONNEL EXPENDITURE	1,791,633	1,517,182	(274,450)	14,422,217	13,588,255	(833,962)	20,832,909	69%	
Operating Expenditure									
Expenditure - Professional Services	275,857	253,973	(21,884)	1,486,382	1,925,556	439,174	2,894,639	51%	
Expenditure - Legal	94,195	85,899	(8,296)	1,232,088	657,190	(574,899)	1,067,795	115%	*6
Expenditure - Stationery	33,648	35,888	2,240	208,590	287,100	78,510	430,650	48%	
Expenditure - IT & Phones	62,928	42,311	(20,617)	380,775	338,488	(42,287)	507,692	75%	*7
Expenditure - Commercial Rent	156,513	157,949	1,436	1,082,693	1,270,431	187,738	1,903,566	57%	
Expenditure - Vehicle	19,278	45,743	26,465	278,749	365,946	87,198	548,920	51%	*8
Expenditure - Power	245,737	219,488	(26,249)	1,811,027	1,826,540	15,513	2,784,511	65%	
Expenditure - Insurance	65,311	73,053	7,741	505,588	576,083	70,494	868,293	58%	
Expenditure - Infrastructure Maintenance	2,153,200	1,640,559	(512,641)	13,726,495	12,713,421	(1,013,074)	19,416,538	71%	*9
Expenditure - Parks & Reserves Maintenance	322,995	415,833	92,838	2,816,774	3,289,131	472,357	5,133,396	55%	
Expense - External Cost On Chargeable	184,019	60,394	(123,625)	1,140,452	483,155	(657,297)	724,732	157%	*2
Expenditure - Grants	1,179,208	291,998	(887,209)	4,727,559	3,755,475	(972,084)	5,280,583	90%	*1
Expenditure - Other	745,969	767,030	21,061	6,338,168	7,052,202	714,034	10,874,254	58%	*10
TOTAL OPERATING EXPENDITURE	5,538,857	4,090,118	(1,448,740)	35,735,341	34,540,717	(1,194,624)	52,435,569	68%	
Interest and Depreciation									
Expenditure - Interest	415,743	754,539	338,796	3,408,222	6,259,814	2,851,592	9,437,613	36%	
Expenditure - Depreciation	1,931,321	1,931,321	0	15,269,777	15,269,777	0	23,006,523	66%	
TOTAL INTEREST AND DEPRECIATION	2,347,064	2,685,859	338,796	18,677,999	21,529,590	2,851,592	32,444,136	58%	
TOTAL EXPENDITURE	9,677,554	8,293,160	(1,384,394)	68,835,557	69,658,563	823,006	105,712,615	65%	
NET OPERATING SURPLUS/(DEFICIT)	817,130	477,884	339,246	7,304,610	(1,824,532)	9,129,142	(4,183,874)		



*1 Income - Grants & Subsidies - The variance in budget for the month is the receipt of affordable housing developer funds of \$704,237 which are passed on and additional roading subsidy of \$149,706 as a result of timing of roading maintenance.

*2 Income - External Cost Recovery - This is the income received from on-charging external consultant costs. 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 - As previously reported continued increases against budget for parking facilities and infringements, liquor licensing and freedom camping infringement.

*4 Income- Operational - Another strong month with increased revenue across a multiple of activities. Refuse \$140,390 above the monthly budget due to volume and offset in expenses, \$136,000 of income generated from Qtn Trail stormwater mitigation costs not budgeted for, \$133,513 above budget for leases of the campgrounds and \$147,537 of increased interest income.

*5 Expenditure - Salaries and Wages and Contract Staff - The favourable YTD variance for salaries and wages is due to carrying vacancies. This has resulted in the use of contract staff, particularly in the building control department which has resulted in contract staff being employed (\$711,582) and is offset in increased revenue on the internal recovery line.

*6 Expenditure - Legal - The month negative variance is the result of representation and settlement of two weathertightness claims in February totalling \$55,956.

*7 Expenditure - IT & Phones - The month and year to date variance is driven by updates to our data connections for our external offices and a dual connection whilst we are in the process of transferring our servers to a new location. This transfer is scheduled to be completed on the 1st April.

*8 Expenditure - Vehicle expenses - Late processing of our fleet account invoice has generated the month variance and will correct in March.

*9 Expenditure - Infrastructure Maintenance - The month negative variance of \$512,641 is driven by two factors. Firstly, refuse of \$443,442 or 84% over budget as a result of a carbon credit accrual of \$326,559 and increased volume. This is partially offset by additional revenue of \$140,390. Secondly roading of \$234,538 or 50% over budget which is a result of timing and will correct over the coming months.

*10 Expenditure - Other - Positive variances across a multitude of cost centres with the expectation that this positive variance will reduce over the last quarter of the financial year.

**PROPOSED BUDGET
ADJUSTMENTS**

Transfer from	Transfer to	Amount	Reason
OPEX			
Water Supply	Waste Water	\$142,188.30	The 16/17 3 Waters operational budget for 3 waters special wastes disposal needs to be re-allocated to the correct cost centres. The costs for this project relate to both Project Pure and Project Shotover sludge and screening disposal. The project was incorrectly set to split the costs against various cost centres as part of the 15/16 LTP.
Storm Water	Waste Water	\$12,621.78	



Description	Feb 2017 Actual	Feb 2017 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	497,826	557,327	(59,500)	6,950,052	4,458,614	2,491,438	6,687,921	104%
Income - Vested Assets	0	0	(0)	0	2	(2)	10,500,200	0%
Income - Grants & Subsidies Capex	738,245	582,996	155,249	3,170,167	3,853,971	(683,804)	9,030,645	35% *11
TOTAL CAPITAL REVENUE	1,236,071	1,140,323	95,748	10,120,219	8,312,588	1,807,631	26,218,766	39%
CAPITAL EXPENDITURE								
Projects/Asset Purchases	4,882,257	6,050,837	1,168,580	23,331,774	36,794,407	13,462,633	61,437,872	38% *12
Debt Repayment	0	0	0	0	0	0	16,890,000	
TOTAL CAPITAL EXPENDITURE	4,882,257	6,050,837	1,168,580	23,331,774	36,794,407	13,462,633	78,327,872	
NET CAPITAL FUNDING REQUIRED	3,646,186	4,910,514	1,072,832	13,211,555	28,481,819	11,655,002	52,109,106	
External Borrowing								
Loans	0						11,783,000	
Bonds	82,000,000						150,000,000	
TOTAL BORROWING	82,000,000						161,783,000	



COMMENTARY

Capital Revenue and Expenditure

*11 Income - Grants & Subsidies Capex - The timing of construction of the Eastern Access Road (Hawthorne Drive) is correcting the budget position.

*12 Income - Project Expenditure - The largest year to date variances include the Wanaka Recreation Centre (\$949,596.81) where the project has been completed, but the final invoicing is yet to be finalised. Hawthorne Drive stormwater construction project (\$2,219,289) which is due to budget timing. Project spend totalling more than \$200,000 for the month of February, detailed below.

- > \$214,302 -Wanaka Aquatic Centre
- > \$231,240 -QEC main oval drainage upgrade
- > \$240,000 -Marine Parade Renovation
- > \$397,436 -Project Shotover - Stage 1 (Option A)
- > \$416,497 -Wanaka sports facilities building
- > \$450,093 -Wanaka - Sealed Road resurfacing
- > \$888,993 -Eastern Access Road EAR- Hawthorne Drive
- > \$902,879 -Frankton Flats Stormwater - Construction