
MONTHLY HIGHLIGHT REPORT



FEBRUARY
2019

Key Performance Indicators – Traffic light status report

Health & Safety Summary

Key Priorities Update

Financial Management Report

Monthly Highlight Report – February 2019

CORE INFRASTRUCTURE & SERVICES

Key Performance Indicators

WATER SUPPLY

WATER CONSUMPTION

Amount consumed per person per day

TARGET	RESULT
<530L	673L

WATER SUPPLY COMPLAINTS

No. of complaints per 1000 connections

TARGET <4 PER ANNUM	MONTHLY RESULT	YTD RESULT	
Odour	0	0.08	
Clarity	0.21	0.66	
Taste	0	0.16	
Pressure/flow	0.71	3.49	
Continuity of supply	0	2.46	
TARGET <2 PER ANNUM	QLDC response to issues	0	0.08

WATER SUPPLY FAULTS

Median response time to attend site (urgent and non-urgent)

TARGETS	RESULTS
<60 mins	41.5 mins
<1440 mins	1236 mins

WATER SUPPLY FAULTS

Median response time to resolve problem (urgent and non-urgent)

TARGETS	RESULTS
<1440 mins	1198.5 mins
<10,080 mins	4445 mins

STORMWATER

STORMWATER COMPLAINTS

No. of complaints per 1000 connections

TARGET <5 PER ANNUM	MONTHLY RESULT	YTD RESULT
	0.64	6.77

STORMWATER FLOODING

Median response time to attend site

TARGET	RESULT
<180 mins	0 mins

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

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

Results in **GREEN**
Target achieved

● DIA measures

WASTEWATER

WASTEWATER OVERFLOWS

Median response time to attend site

TARGET	RESULT
<60 mins	25 mins

WASTEWATER OVERFLOWS

Median response time to resolve problem

TARGET	RESULT
<240 mins	183 mins

WASTEWATER COMPLAINTS

No. of complaints per 1000 connections

TARGET <5 PER ANNUM	MONTHLY RESULT	YTD RESULT
Odour	0.09	1.17
Faults	0.32	3.22
Blockages	0	1.71

TARGET <2 PER ANNUM

TARGET	RESULT
QLDC response to issues	0

SERVICE & \$\$\$

REQUESTS FOR SERVICE (RFS)

% customer RFS resolved on time

TARGET	RESULT
>95%	3 Waters 90% Solid Waste 76% Roading 78%

CAPEX

% within capital expenditure budget

TARGET	RESULT
80%-110%	79%

WASTE MANAGEMENT

WASTE DIVERTED FROM LANDFILL

Total waste diverted from landfill

TARGET	RESULT
>425t	475t

WASTE TO LANDFILL

Total waste to landfill

TARGET	RESULT
<3,333t	3633t

EXCEPTIONS

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

Water consumption - The target has been exceeded however as February is still in the peak water consumption period, it is not an unexpected result and still remains within the annual target.

Requests For Service (RFS) - 3 waters- Additional work required with contractor to gain better alignment with DIA requirements. The current contractual KPI is being assessed across response and restoration times, and the contractor is achieving. However, the DIA measure only looks at service restoration times, for which the KPI target of 95% is not being met. We will be seeking at Core Group level to gain agreement to assess the contractor performance against the KPI target individually for response and restoration, so as to better align the contractor with our DIA expectations.

Requests For Service (RFS) - Solid Waste - 76% of RFS were resolved on time in February which is due to a decrease in contractor performance. Managing the incumbent contractors through the transition to the new solid waste contractor (Waste Management) will be challenging, and it is expected that some disruption to the level of service will be difficult to avoid. Minimising this will continue to be a focus area.

Requests For Service (RFS) - Roading- 78% of RFS were resolved on time this month. The council team has found it challenging to keep up with the volume of requests received, with internal performance at 70%. This is even with the continued use of a dedicated external resource to supplement the team.

Total waste to landfill - 3633 tonnes of waste to landfill was recorded this month. Waste to landfill continues to increase year to date. The recent closure of the private clean fill site in Wakatipu and the cancellation of the private green waste service for residents is likely to be contributing to the increase of waste to landfill, along with rapid growth in the district.

ACTIVE PARTICIPANTS
active sport and recreation participants per capita

TARGET	RESULT
>2553	2881

QUEENSTOWN MEMORIAL CENTRE
% hours of community use per month

TARGET	RESULT
>27%	62.5%

RESOURCE CONSENT TIME
% processed within the statutory timeframe

TARGET	RESULT
100%	81%

CUSTOMER CALLS
% answered within 20 seconds

TARGET	RESULT
>80%	78.8%

LAKE HAYES PAVILION
% hours of community use per month

TARGET	RESULT
>23%	40.6%

ARROWTOWN ATHENAEUM HALL
% hours of community use per month

TARGET	RESULT
>23%	NA

 **REGULATORY FUNCTIONS & SERVICES**

COMMUNITY ASSOCIATION MEETINGS
% attended by Elected Members/QLDC staff

TARGET	RESULT
>80%	25%

LAKE WANAKA CENTRE
% hours of community use per month

TARGET	RESULT
>37%	43.2%

ARROWTOWN COMMUNITY ROOMS
% hours of community use per month

TARGET	RESULT
>12%	17.9%

BUILDING CONSENT TIMES
% processed within the statutory timeframe

TARGET	RESULT
100%	92.4%

COMPLAINTS RESOLVED
% complaints resolved within 10 working days

TARGET	RESULT
>95%	80%

QUEENSTOWN EVENTS CENTRE (INDOOR)
% hours of community use per month

TARGET	RESULT
>85%	31.2%

LIBRARY EVENTS
of community events held within libraries

TARGET	RESULT
>29	65

FREEDOM CAMPING RFS
of freedom camping RFS per month

TARGET	RESULT
<26.5	23

LGOIMA REQUESTS
% responded to within 20 days

TARGET	RESULT
100%	97%

QUEENSTOWN EVENTS CENTRE (ROOMS)
% hours of community use per month

TARGET	RESULT
>24%	47.2%

LIBRARY CIRCULATION
of items issued per month

TARGET	RESULT
>31,784	31,314

COUNCILLOR ENQUIRIES
% responded to within 5 days

TARGET	RESULT
>95%	93%

TRAIL USAGE
Average number of daily trail users

TARGET	RESULT
>1800	2219

PARKS RFS
% RFS resolved within specified timeframe

TARGET	RESULT
>70%	73.1%

INTEREST RATES
Weighted average interest rate per month

TARGET	RESULT
<6.5%	4.5%

EXCEPTIONS

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

Queenstown Event Centre (Indoor) - The target was not met this month however this is not unexpected due to more sport being played outdoor in the summer months. This is a seasonal trend and usage will increase once the weather cools down.

Arrowtown Athenaeum Hall - Renovations took place in the Athenaeum Hall this month and therefore the space was not available for bookings.

Community Association Meetings - 3 of 12 meetings were recorded as attended in February 2019 by Elected Members and staff. Although there has been the introduction of a new form that allows multiple meetings to be entered, the recording of attendance has decreased. Elected Members and Tier 3 managers have all received a monthly calendar reminder to complete this report.

Resource Consent Time - 81% of resource consents were processed within the statutory timeframe this month. This is due to high consent numbers as well as currently carrying a higher number of vacancies than is usual.

Building Consent Times - 92.4% of building consents were processed within the 20 working day statutory timeframe. This was due to an IT issue which stopped the issuing of building consents for four days and secondly, the high volume of commercial building consent applications continues to put pressure on the consent processing team.

Complaints Resolved - There were five complaints received for the month of February 2019. Of these, four were resolved on time.



PREVENTION

Submissions per month

TYPE	RESULT
Risk Assessment	105
Near Miss	0
Hazard	16

BEHAVIOUR SELF ASSESSMENT

Dept. Self Safety Scores

TYPE	RESULT
A	6
B	9
C	0
Target achieved	Yes

UNSAFE EVENTS

Incidents/Accidents Across All Groups

TYPE	RESULT
Employees	13
Contractors	3
Volunteers	0
Public	4

UNSAFE EVENTS

Frequency Rates

TYPE	TARGET	RESULT
TRIFR*	<9	13.44
LTIFR**	<2	5.97

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

NOTIFICATIONS

Contact with Worksafe

EVENT TYPE	RESULT
Death	0
Injury	0
Illness	0
Incident	0

WELLBEING ENGAGEMENT

February Wellbeing Initiative

Bikewise was the wellbeing initiative this month and the Aotearoa Bike Challenge was promoted to staff to participate.

<https://www.lovetoride.net/nz>

MONTHLY COMMENTARY

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

There were 13 Employee incidents in the month of February (1 x LTI, 3 x First Aid, 5 x Vehicle Incident, 2 x Employee Incident, 2 x Report Only). The lost time event was the result of a back strain.

Total Recordable Injury Frequency Rate (TRIFR): TRIFR continues to reduce - currently at 13.44.

Unsafe Events: There were three contractor incidents and four public incidents (involving QLDC work place) in the month of February. None of these were significant events to report.

Incident Causation Analysis Method (ICAM): No ICAM investigations took place in February.

Health & Safety Training:

Child Protection Policy training was held at Wanaka Library and Wanaka Recreation Centre.

HEALTH & SAFETY COMMITTEE CHAIR

February has seen a large reduction in the TRIFR and the LTIFR. This is because QLDC's new Health and Safety Manager has reviewed our statistics and found that the organisation was over-reporting on incidents that are not classified as Lost Time Injuries or employee injuries and should not have been included in the TRIFR and LTIFR counts. The past 12 months have been adjusted accordingly which is now presenting lower numbers for each statistic. The Health and Safety Committee discussed how inputs into the new 'MySafety' system need to be entered with full information to ensure that the hazard register and incident reporting is accurate so that appropriate measures can be taken.

QLDC Health and Safety Objectives Review

2018/19

COMPLIANCE:	AS/NZS 4801
UNSAFE EVENTS:	TRIFR 9 - LTIFR 2
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
Project Manawa	<ul style="list-style-type: none"> - This project is currently awaiting the outcome of ongoing negotiations on a possible joint venture with Ngai Tahu. 	<ul style="list-style-type: none"> - Report to Council on outcome of discussions with Ngai Tahu Property under the MoU agreement. 	Amber
Wanaka Lakefront Development	<ul style="list-style-type: none"> - Stage 2 design is 90% complete and matters associated with the design are close to a resolution subject to final approval due from Wanaka Community Board (WCB) at the next meeting. - Amber status is based on the possible risk to current construction timeline following recent WCB workshop outcomes. 	<ul style="list-style-type: none"> - Confirm and approve revised timeline. - Stage 2 design to be publically released after the Wanaka Community Board meeting - 4 April. 	Amber
Queenstown Gardens	<ul style="list-style-type: none"> - Currently confirming scope to procure and confirm engagement of a Landscape Architect (LA) to lead the next steps of this project as per procurement policy. - Roading and safety design scope is currently being reviewed to request price proposal from Opus. 	<ul style="list-style-type: none"> - Review Landscape Architect proposals. - Confirm engagement with Landscape Architect and Opus. 	Green

ITEM	COMMENTARY	NEXT KEY MILESTONES	RAG STATUS
<p>Coronet Forest Harvest</p>	<ul style="list-style-type: none"> - PF Olsens created a detailed harvest plan and for the Coronet Operation and their involvement in the project to date has been beneficial. However as they have not been able to secure a harvesting contractor, they can no longer provide any value to the project. They have worked hard to try and secure a contractor but to no avail. - QLDC have an approved outline plan and are ready to start harvesting now, but require a crew with proven Health & Safety record and who are qualified to Safetree Contractor Certification (top forestry standard). A procurement plan for the harvest has been drafted. - Contractors are now collecting beech seed for the re-vegetation part of the project. - MPI has been in contact and the re-vegetation project may be eligible for the billion trees funding. 	<ul style="list-style-type: none"> - The contract with PF Olsens is to be terminated - March 2019 - Once the procurement plan has been approved, RFP documents will be ready to go up on the Gets website. - Submit an application for billion tree funding - 20 March 2019 	<p>Amber</p>
<p>Queenstown Events Centre/Wanaka Recreation Centre Masterplan</p>	<ul style="list-style-type: none"> - Awaiting the draft Masterplans for Queenstown Events Centre and Wanaka Recreation Centre from the consultants Boffa Miskell, due 8 March. 	<ul style="list-style-type: none"> - RLB Quantity Surveyors are undertaking a costing exercise for both plans and we expect this to be completed in mid-April. - QLDC internal review underway with workshops planned for 4th April Wanaka Community Board and 11th April Community & Services Committee. - An external peer review is going to be undertaken from Recreation Aotearoa in conjunction with Sport NZ - late April - A meeting of key stakeholders in Wanaka and Queenstown will be convened after the Council workshops in April. - Approval for formal public consultation will be sought at the May Community & Services committee meeting 	<p>Green</p>
<p>Tourism Infrastructure Fund (TIF) Funding Project – Public Toilets</p>	<ul style="list-style-type: none"> - Request For Tender (RFT) for preferred toilet supplier is currently out to market. - Further engagement will begin shortly with community groups to determine finer details around final locations and exterior cladding. - A GeoTech investigation is being undertaken to determine the appropriate location options to discuss with the community groups. 	<ul style="list-style-type: none"> - RFT will close - end of March. - Anticipate contract to be awarded - early April. - Meetings with Community Groups to be scheduled. 	<p>Green</p>

KEY COMMUNITY ISSUES

ITEM	COMMENTARY	NEXT KEY MILESTONES	RAG STATUS
<p>Housing Affordability</p> <p>- Housing Affordability Taskforce (HAT)</p>	<ul style="list-style-type: none"> - Initial work continuing on Queenstown Lakes Housing Strategy 	<ul style="list-style-type: none"> - Develop Housing Strategy – by third quarter 2019 - PDP Stage 3, investigate and consider progressing a mandatory inclusionary zoning programme – by third quarter 2019 - Housing needs assessment being commissioned – second quarter 2019. - Adherence to Stakeholder Deeds being followed up after the completion of auditing – first quarter 2019. 	<p>Green</p>
<p>Responsible Camping</p>	<ul style="list-style-type: none"> - The Service Hubs and Kingston and Luggate camping hubs will be decommissioned at the end of March. - Funding agreement for the RCS implementation is currently being drafted. - The TIF Funding initiatives report has been presented to the Governance Group. 	<ul style="list-style-type: none"> - Funding to be agreed upon. - Appoint the following roles: part time Programme Manager, Administration Support and Data Analyst. - Send data and findings from TIF funding projects to MBIE. 	<p>Green</p>

ITEM	COMMENTARY	NEXT KEY MILESTONES	RAG STATUS
<p>Growth</p> <ul style="list-style-type: none"> - Housing Infrastructure Fund 	<p>Kingston:</p> <ul style="list-style-type: none"> - Various meeting held with developer to finalise Development Agreement. - Developer has lodged resource consent for first stage. Still ongoing negotiations on final DA. <p>Ladies Mile:</p> <ul style="list-style-type: none"> - Review of SH6/Howards Drive roundabout done. Preferred new alignment marked on site. Queenstown Country Club has agreed with the proposed layout of the roundabout. Draft developer on DA prepared. - Working with developer on final site for reservoir. - Memorandum of Understanding drafted. <p>Quail Rise:</p> <ul style="list-style-type: none"> - Wastewater and water supply along State Highway under construction. <p>- There is a slight delay in all of the projects.</p>	<ul style="list-style-type: none"> - Kingston: Finalising Development Agreement with Kingston Village Limited (KVL) - Land valuation for roundabout Howards Drive/ SH6 underway. 	<p>Amber</p>
<p>Water Treatment/ Compliance</p>	<ul style="list-style-type: none"> - On going meetings with Drinking Water Assessor 	<ul style="list-style-type: none"> - Meeting with Small Communities scheduled - 9 May 2019 	<p>Green</p>
<p>Parking</p>	<ul style="list-style-type: none"> - Parking strategy to be promoted at Council workshop. 	<ul style="list-style-type: none"> - Finalise Detailed Business Case report. 	<p>Green</p>

ITEM	COMMENTARY	NEXT KEY MILESTONES	RAG STATUS
<p>Queenstown Centre Masterplan</p>	<ul style="list-style-type: none"> - Geotech testing was completed enabling the preliminary design for the Boundary St Car Park Building to be finalised. - Town Centre Transport Projects Detailed Business Case is in progress with the shortlist stakeholder workshop held in February. - Wakatipu Active Travel Network Single Stage Business Case (incl. Town Centre priority Routes design) in progress with targeted stakeholder engagement on the preferred network options. Developed design for the town centre streets is 80% complete. 	<ul style="list-style-type: none"> - Executive Leadership Team review and approval of Boundary St Car Park Building Preliminary Design to enable Council, Urban Design Panel and affected parties review, scheduled for March. - The updated Procurement Plan for Alternative private sector-led parking is due to be presented to the Executive Leadership Team - end of March. - Key themes and questions for the Town Centre Transport Projects Detailed Business Case are to be included within the "Wakatipu Way To Go" community engagement activities during 1-22 April 2019. 	<p>Green</p>
<p>Wanaka Town Centre Masterplan</p>	<ul style="list-style-type: none"> - Town Centre Masterplan and Integrated Transport Programme Business Case and promotion of the Activation Trial is in progress. 	<ul style="list-style-type: none"> - Town Centre physical Activation Trial scheduled - 15-18 March 2019. - Shortlist options stakeholder workshop scheduled - 4 April. 	<p>Green</p>
<p>Frankton Flats Masterplan</p>	<ul style="list-style-type: none"> - The Masterplan and Integrated Transport Programme Business Case in progress. Longlist Options were evaluated to identify the Shortlisted Options in the stakeholder workshop held in February. - Network Operating Framework has been submitted for stakeholder feedback. 	<ul style="list-style-type: none"> - Key themes and questions for the Masterplan are to be included within the "Wakatipu Way To Go" community engagement activities during 1-22 April 2019. 	<p>Green</p>

KEY STRATEGIC POLICIES

ITEM	COMMENTARY	NEXT KEY MILESTONES	RAG STATUS
Future Development Strategy	<ul style="list-style-type: none"> - Discussion documents have been produced - 'My Place' community pre-consultation sessions were held with the Makarora, Hawea, Luggate and Albert Town communities this month - Project remains amber due to being behind schedule. 	<ul style="list-style-type: none"> - Community pre-consultation sessions to be held with Wanaka, Kingston, Glenorchy, Arrowtown/Arthurs Point and Queenstown - March/April 2019. 	Amber
Climate Change Strategy	<ul style="list-style-type: none"> - Internal Working group held a risk workshop this month - Organised key stakeholder focus groups - Met with the STEP group - 'My Place' community pre-consultation sessions were held with the Makarora, Hawea, Luggate and Albert Town communities. 	<ul style="list-style-type: none"> - Community pre-consultation sessions to be held with Wanaka, Kingston, Glenorchy, Arrowtown/Arthurs Point and Queenstown - March/April - Identify targeted stakeholders for input into draft strategy - March - Meet with Mt Aspiring students for input - March - Begin CEMARS registration process - March - Liaise with Aukaha - March - Meet with CODC - March - Internal communications 'The Way We Work' session 	Green
Housing Strategy	<ul style="list-style-type: none"> - 'My Place' community pre-consultation sessions were held with the Makarora, Hawea, Luggate and Albert Town communities this month - Councillor workshop was held on 11 February to discuss vision, issues and actions. 	<ul style="list-style-type: none"> - Issues and options paper being drafted – March/April 2019 - Community pre-consultation sessions to be held with Wanaka, Kingston, Glenorchy, Arrowtown/Arthurs Point and Queenstown - March/April 2019. 	Green
Events Strategy (review)	<ul style="list-style-type: none"> - Councillor workshop was held on 11 February 2019. 	<ul style="list-style-type: none"> - Establish a framework 	Green
Well Being Strategy	<ul style="list-style-type: none"> - Stage 1 - Project scoping has commenced. - A review of community grants and other community funding is underway to streamline process and improve transparency. 	<ul style="list-style-type: none"> - Educate staff about Well Beings and Treasury Living Standards and impact of Council wide work – March - Review of grants and community funding – March 	Green
Speed Limit Bylaw	<ul style="list-style-type: none"> - Council agreed to the recommendation to formally consult on the Speed Management Bylaw Review. <p>Consultation is on:</p> <ul style="list-style-type: none"> - The bylaw form itself - New speed limits for identified urban traffic areas - Five 'high benefit' roads - Reduced speed limit areas to become permanent 	<ul style="list-style-type: none"> - Consultation is from 11 March - 12 April. - Hearings to follow in April. 	Green

Description	February 2019 Actual	February 2019 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	6,229,597	6,273,072	(43,475)	50,084,835	49,974,574	110,260	74,796,862	67%	
Income - Grants & Subsidies	571,198	396,652	174,546	3,710,952	3,523,653	187,299	5,372,665	69%	*1
Income - NZTA External Cost Recoveries	327,939	186,524	141,416	1,970,128	1,492,189	477,939	2,238,284	88%	*2
Income - Consents	985,107	1,036,303	(51,196)	8,705,264	8,890,082	(184,818)	13,358,187	65%	*3
Income - External Cost Recovery	116,054	162,159	(46,104)	740,597	1,386,552	(645,955)	2,083,262	36%	*4
Income - Regulatory	718,056	531,440	186,615	4,434,527	4,251,521	183,005	6,377,282	70%	*5
Income - Operational	2,845,085	2,621,356	223,729	24,418,437	20,036,485	4,381,952	56,622,528	43%	*6
TOTAL OPERATING REVENUE	11,793,036	11,207,504	585,532	94,064,739	89,555,057	4,509,681	160,849,069	58%	
EXPENDITURE									
Personnel Expenditure									
Expenditure - Salaries and Wages	2,374,955	2,304,906	(70,049)	19,553,171	20,559,170	1,005,999	30,375,378	64%	*7
Expenditure - Salaries and Wages Contract	434,365	376,160	(58,205)	3,853,431	3,142,170	(711,261)	4,718,366	82%	*8
Expenditure - Health Insurance	14,026	22,292	8,265	181,160	178,333	(2,826)	267,500	68%	
TOTAL PERSONNEL EXPENDITURE	2,823,346	2,703,358	(119,989)	23,587,761	23,879,674	291,912	35,361,245	67%	
Operating Expenditure									
Expenditure - Professional Services	560,508	389,041	(171,467)	2,666,813	3,120,824	454,011	4,676,990	57%	*9
Expenditure - Legal	210,924	247,811	36,887	1,721,735	1,982,487	260,751	2,973,730	58%	*10
Expenditure - Stationery	23,879	32,775	8,896	216,177	262,200	46,022	393,299	55%	
Expenditure - IT & Phones	70,858	62,749	(8,109)	568,858	501,988	(66,870)	752,983	76%	
Expenditure - Commercial Rent	179,736	179,528	(208)	1,302,216	1,466,324	164,108	2,244,021	58%	*11
Expenditure - Vehicle	47,503	51,775	4,272	416,655	414,200	(2,455)	621,300	67%	
Expenditure - Power	237,107	277,656	40,549	2,040,524	2,221,247	180,723	3,331,870	61%	*12
Expenditure - Insurance	76,001	60,001	(15,999)	549,628	480,012	(69,616)	720,017	76%	
Expenditure - Infrastructure Maintenance	2,133,695	2,014,333	(119,362)	18,772,821	16,688,318	(2,084,503)	25,118,496	75%	*13
Expenditure - Parks & Reserves Maintenance	576,583	681,051	104,468	4,500,130	4,791,434	291,304	10,369,038	43%	*14
Expense - External Cost On Chargeable	122,131	162,159	40,028	900,411	1,386,552	486,141	2,083,262	43%	
Expenditure - Grants	445,335	416,442	(28,893)	3,856,776	3,848,995	(7,781)	6,580,280	59%	
Expenditure - Other	886,279	917,053	30,773	9,172,188	8,845,724	(326,464)	13,259,164	69%	*15
TOTAL OPERATING EXPENDITURE	5,570,538	5,492,372	(78,167)	46,684,932	46,010,303	(674,629)	73,124,451	64%	
Interest and Depreciation									
Expenditure - Interest	466,910	774,147	307,237	3,792,570	6,193,174	2,400,604	9,289,761	41%	*16
Expenditure - Depreciation	1,891,924	1,891,924	0	15,172,175	15,172,175	0	25,148,122	60%	
TOTAL INTEREST AND DEPRECIATION	2,358,834	2,666,070	307,237	18,964,745	21,365,349	2,400,604	34,437,884	55%	
TOTAL EXPENDITURE	10,752,719	10,861,800	109,081	89,237,438	91,255,326	2,017,888	142,923,579	62%	
NET OPERATING SURPLUS/(DEFICIT)	1,040,318	345,704	694,613	4,827,301	(1,700,268)	6,527,569	17,925,490		

- *1 Income - Grants & Subsidies** - \$187k favourable year to date predominantly due to \$396k additional NZTA opex subsidy income. This includes \$236k of NZTA funding towards Emergency Reinstatement costs for the Glenorchy Road slips. The balance largely being due to timing of environmental maintenance work (which offsets in Infrastructure maintenance costs - See Note.13 below) along with increased funding by NZTA towards this activity. For noting: NZTA Funding Assistant Rates (FAR) for Glenorchy and Crown Range SPRs are to stay at 100% and 90% for 2018:19 (Budgeted at 92% and 84%). There has also been a \$98k grant received from Central Lakes Trust for the Bathhouse Playground. This is offset with a \$300k reversal of a 2017/18 accrual for a Wanaka Recreation Centre grant.
- *2 Income** - The \$478k favourable year to date variance is mainly due to Internal time allocations to CAPEX of \$402k and OPEX \$39k, which reflects revised recovery targets following an internal review of staff costs.
- *3 Income** - Consents - The year to date unfavourable variance of \$185k is predominately within engineering labour recoveries due to a change in policy - QLDC no longer invoice applicants the time for processing development contribution notices (circa \$252k annual reduction).
- *4 Income** - External Cost Recovery - This is the income received from on-charging external consultant costs mostly in relation to consent applications. The expense matching this income is below in the expense line - external cost on chargeable is YTD favourable. The difference between income and expense is due to timing of raising the invoice for on-charging.
- *5 Income** - Regulatory - The year to date favourable variance of \$183k is predominately due to increased carpark revenue via Pay&Display machines of \$264k.
- *6 Income** - Operational - The year to date favourable variance of \$4.4m includes the Queenstown Airport final 2017:18 dividend for \$5.4m which is \$430k above Full Year budget. Turnover rents and lease income is \$313k favourable to budget as is net interest of \$967k. Rates penalties are up on budget by \$282k. Refuse income \$408k favourable YTD (offsets with Infrastructure Maintenance - see note *13). Council also received \$1.8m as part of the Lakeview sale to Well Smart Investment Holding Ltd.
- *7 Expenditure** - Salaries and Wages - The favourable year to date variance of \$1.0m for salaries and wages is due to carrying vacancies through the year in Planning and Development \$717k of which \$417k is within District Plan, Property and Infrastructure \$163k and Community Services \$141k.
- *8 Expenditure** - Salaries and Wages Contract Staff - The \$711k unfavourable year to date variance includes an additional \$461k of contract staff processing costs within Planning & Development to cover vacancies which is partially offset by their additional revenue within Consenting income. Property and Infrastructure and Finance have combined \$150k of unbudgeted contract staff spend to cover vacancies.
- *9 Expenditure** - Professional Services - \$454k favourable year to date variance predominantly due to timing of spend within Property and Infrastructure (\$268k favourable) and Corporate Services (\$245k favourable), which is expected to be caught up during the year. This is offset with \$195k additional District Plan costs partly due to high levels of work on environment court appeals (of which an additional \$171k was incurred in February). To note \$340k of year to date HIF related costs has been transferred to Capital Work in Progress within the Balance Sheet due to the expectation that a proportion of the HIF related costs will be capitalised.
- *10 Expenditure** - Legal - Legal costs for the District Plan have reduced and are now tracking \$216k favourable YTD due to a fixed term internal role within the legal team. This is offset by higher legal fees across the rest of Planning and Development including in Resource Management for appeals and settlements.
- *11 Expenditure** - Commercial Rent - The main driver for the favourable YTD variance of \$164k is due to not having commenced the Frankton library lease until December which is a permanent saving of \$117k.
- *12 Expenditure** - Power - \$181k favourable year to date predominantly due to reduced power and gas expenditure for Alpine Aqualand (\$46k YTD fav) due to the 6 week pool closure and a \$91k YTD underspend for Wanaka Rec Centre and pool which will be a permanent difference.
- *13 Expenditure** - Infrastructure Maintenance - The unfavourable year to date variance of \$2.1m includes \$559k Roading emergency reinstatement costs (\$236k of which is funding by NZTA for over \$100k one-off events) along with \$378k unfavourable spend within Environmental Maintenance due to timing of expenditure (84% of annual budget spent) and \$109k subsidised footpath maintenance works (Offset with additional Income per Grants and subsidies Note. 1). Refuse is \$1.0m unfavourable year to date which includes \$453k refuse disposal costs (carbon credits, glass to Landfill, tyres), \$377k Landfill costs (due to increasing volumes of waste) and \$241k Recycling costs (due to increased collections) which is partially offset with \$408k additional income.
- *14 Expenditure** - Parks and Reserves Maintenance - The favourable YTD variance is due to an underspend on parks contracts expenditure with contractors being diverted from scheduled works to the storm damage in January and not having the time or resources to catch up on the scheduled programming of works. There is a \$110k timing underspend on toilet facility maintenance which will be completed post Easter.
- *15 Expenditure** - Other - \$326k unfavourable year to date variance is predominantly due to an additional \$329k commissioner costs required within Planning & Development. This is due to the Stage 2 District Plan process which was lengthy and complex and required more extensive hearing time and Commissioner input into decision reports.
- *16 Expenditure** - Interest - Interest expense is favourable by \$2.4m due to lower than expected interest rates and timing of capex spend which is mainly within Property & Infrastructure space where the interest budget is phased straight line and has not been adjusted for projects deferred timing of delivery.

Description	February 2019 Actual	February 2019 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	1,446,979	1,353,265	93,714	10,079,974	10,826,117	(746,143)	16,239,175	62%	*17
Income - Vested Assets	0	0	0	0	0	0	10,733,077	0%	
Income - Grants & Subsidies Capex	729,657	1,115,425	(385,768)	3,203,232	5,959,996	(2,756,765)	10,571,695	30%	*18
TOTAL CAPITAL REVENUE	2,176,636	2,468,689	(292,053)	13,283,206	16,786,113	(3,502,908)	37,543,947	35%	
CAPITAL EXPENDITURE									
Projects/Asset Purchases	8,820,478	9,418,862	598,384	34,723,160	46,305,984	11,582,824	105,279,347	33%	*19
Debt Repayment	0	0	0	0	0	0	16,890,000		
TOTAL CAPITAL EXPENDITURE	8,820,478	9,418,862	598,384	34,723,160	46,305,984	11,582,824	122,169,347		
NET CAPITAL FUNDING REQUIRED	6,643,842	6,950,173	890,437	21,439,955	29,519,870	15,085,732	84,625,400		
External Borrowing									
Loans	0						0		
Bonds	85,246,000						187,082,000		
TOTAL BORROWING	85,246,000						187,082,000		

 COMMENTARY

***17 Income - Development Contributions** - 48 Development contribution invoices across the District were generated in February totalling \$1.45m. The largest of which for February were for \$353k to Shotover Country Ltd for 69 lots at Toni's Terrace and \$404k to RCL Henley Downs Ltd for 160 lots at Woolshed Road, Jackspoint. Totals for the year to date by programme are Waste Water \$3.0m, Transport \$2.6m, Parks and Reserves \$2.4m, Water Supply \$1.7m and Storm Water \$338k.

***18 Income - Grants & Subsidies Capex** - For Noting: NZTA released their initial NLTP (National Land Transport Programme) budgets for 2018:19 through to 2020:21 at the end of August which Council has reviewed and continues to follow up with NZTA on projects awaiting funding to be released. Approved funding is dependent on business cases being finalised and agreed, which are in process but likely to result in further deferrals of the NZTA subsidised CAPEX work programme. The first capex reforecast in December had deferred \$4.3m costs and \$2.3m income to Years 2 and 3 of the Long Term Plan which has been adjusted for to match revised timing of delivery.

***19 Project Expenditure** - There was a substantial re-forecast process which was approved by Council in December in line with the 3 Waters bundles revised procurement plan which has re-phased the construction of major projects to Years 2 and 3 of the Long Term Plan. A further 2018/19 reforecast will be provided to Council for approval in April. The largest individual spends in February were: Water taxi service/ferry network \$3.16m (purchase of Wharf 3 in Queenstown Bay), North East Frankton Stormwater conveyance \$831k and Quail Rise HIF WS servicing \$351k.