



Exceptions Report

For the month of December 2020 and January 2021

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Financial Report

Statement of Operating and Capital Performance

	This Month 31 January 2021				Indicator	Year to 31 January 2021				Indicator	Whole Year	
	Actual \$'000	Annual Plan \$'000	Variance \$'000			Actual \$'000	Annual Plan \$'000	Variance \$'000			Annual Plan \$'000	Forecast \$'000
All												
Rates	3,550	3,548	2	●		23,607	22,939	667	●		38,780	38,780
Activity Revenue and Other Income	716	626	90	●		4,563	3,598	965	●		6,454	6,454
Subsidies and Grants - Operational	632	441	191	●		6,859	2,906	3,953	●		4,809	6,192
Total Operating Income	4,898	4,615	283	●		35,028	29,444	5,585	●		50,042	51,426
Employee Benefits	1,205	1,159	(46)	●		7,995	8,025	29	●		13,142	13,142
Contractors	89	155	66	●		924	1,085	161	●		1,888	1,888
Professional Services	445	395	(50)	●		3,745	2,809	(936)	●		4,724	4,863
Repairs and Maintenance	903	823	(80)	●		8,758	6,541	(2,218)	●		10,240	12,560 *
Finance costs	128	238	111	●		1,303	1,668	366	●		2,860	2,860
Other Operating Costs	115	467	352	●		3,791	4,172	381	●		7,040	7,070
Total Operating Costs	2,885	3,237	353	●		26,516	24,300	(2,216)	●		39,894	42,383
Operating Surplus/(Deficit) (before Depreciation)	2,013	1,378	635	●		8,512	5,144	3,368	●		10,148	9,042
Capital Subsidies	3,909	1,563	2,346	●		7,453	9,074	(1,621)	●		15,081	16,851
Contributions	385	254	131	●		2,803	1,779	1,024	●		3,046	3,046
Other Capital Revenue	0	0	0	●		11	0	11	●		0	0
Total Capital Revenue	4,294	1,817	2,477	●		10,267	10,854	(586)	●		18,127	19,898
Capital Expenditure	2,311	2,278	(33)	●		11,151	13,555	2,404	●		27,822	33,236
Total Capital Payments	2,311	2,278	(33)	●		11,151	13,555	2,404	●		27,822	33,236
Subtotal Capital	1,983	(461)	2,444	●		(883)	(2,701)	(1,818)	●		(9,695)	(13,339)
Surplus/(Deficit) - before Loan Payments and Depreciation	3,996	916	3,080	●		7,629	2,443	1,550	●		453	(4,296)

*Includes Carry overs:

- Waipoua River Road project - \$1,159,902
- Dargaville Wastewater desludging - \$983,000

Key: ● Within 5% of budget

● Over or under budget by 5 - 10%

● Over or under budget by more than 10%

Statement of Operating Performance

Comments on major variances

Operating Income:

Account	Rationale	YTD Variance \$000
Rates Revenue	Penalties are ahead of budget for the year to date due to arrears penalties applied (July 2020) and instalment penalties.	187
	Targeted rates for wastewater are overall ahead of budget due to growth in Mangawhai area.	330
	Water by meter ahead of budget, mainly in Dargaville	214
Activity Revenue and Other Income	Activity revenue:	
	<ul style="list-style-type: none"> Increase in Building Control revenue year to date. This month up \$5k on budget. 	286
	<ul style="list-style-type: none"> Increase in Resource consenting income year to date. This month decrease of \$41k. 	115
	<ul style="list-style-type: none"> Increase in Licences, Registrations fee year to date. This month decrease of \$14k. 	80
	<ul style="list-style-type: none"> External recovery costs are ahead of budget for year to date. <p><i>This month:</i> Kai Iwi lakes campground revenue increase of \$223k due to holiday season and receiving Mangawhai Heads campground Council share of \$60k.</p>	573
Operating Subsidies and Grants	Te Tai Tokerau Redeployment Package the "Shovel Ready" project subsidies were invoiced in the month of September.	
	<i>This month:</i> Further subsidies of \$39,491 received. Additional subsidies of \$41,000 received towards the Ambassador Programme for the peak season at Kai Iwi Lakes.	1,461
	Operational subsidies from NZTA are ahead of budget year to date due to maintenance work completed earlier than scheduled.	1,630
	Revenue raised for PGF funding for Kaipara Kickstart Programme milestone claims.	941
	The Kaipara District Council 3 Waters Stimulus Grant totalling \$4,691,048 with \$2,345,524 being the first instalment received in January 2021.	2,346

Operating Costs:

Account	Rationale	\$000
Employee Benefits	Employee benefits costs are on budget for the month and year to date	
Contractors	The contractor's costs are on below budget for the year to date.	161

Professional Services	<p>The professional services costs are ahead of budget for the year to date:</p> <p><i>This month:</i> Additional cost for Mangawhai Central private plan change. Costs are on charged to the applicant.</p>	936
Repairs and Maintenance	<p><u>Community activities</u> – Te Tai Tokerau Redeployment Package the ‘Shovel Ready’ project started August 2020 - removal of trees at Mangawhai Community Park and design, build and construct 5 mountain bike tracks at Harding Park.</p> <p><i>This month:</i> The Te Tai Tokerau Redeployment Package project costs for the month of January are \$22,870. The total cost of this project is offset by the funding noted above under subsidies and grants.</p> <p><u>Roading:</u> - Roothing works maintenance programme is ahead of budget – due earlier completion of scheduled unsealed roads maintenance work.</p> <p><i>This month:</i> Roothing – Local Network improvements ‘Shovel Ready’ project started – removal of hazardous trees and spot spraying noxious weeds, litter collection and clean-up (\$54,912).</p> <p><u>Waters:</u> - Increase of cost due to Rotu Water Intake emergency slip repairs work undertaken.</p>	<p>1,299</p> <p>899</p> <p>648</p>
Finance Costs	Below budget due to lower inter-period loan balances.	472
Other Operating Costs	<p>Costs overall are lower than budget.</p> <p><i>This month:</i></p> <ul style="list-style-type: none"> • Software licences – timing difference from budgeted month of payment. • Audit fees – timing difference from budgeted month of payment. 	369

Capital Revenue

Account	Rationale	\$000
Capital Subsidies	<p>Capital subsidies overall are lower than budget year to date, due to projects work not started yet:</p> <ul style="list-style-type: none"> • Rooding – capital works are ahead of budget due to projected schedule completed earlier. • District Leadership – PGF projects funding (project milestone to be completed before funding can be claimed) 	<p>1,245</p> <p>(2,034)</p>
Contributions	<p>The contributions are overall ahead of budget year to date.</p> <ul style="list-style-type: none"> • Development contributions are lower than budget for this month and year to date. • Financial contributions significantly are ahead of budget for the month and year to date. 	1,024

Public Debt: The public debt position as at 31 January 2021 is \$44 million and the net debt position (debt less cash) is \$33.7 million.

Public Debt and Requirements			
	June 2020	31 January 2021	June 2021
	\$000's	\$000's	\$000's
Debt			
Public Debt	44,000	44,000	51,320
Cash in bank (overnight deposits)	(4,398)	(10,267)	(1,926)
Net Debt	39,602	33,733	49,393
Reserves (future obligations)			
Development Contribution Reserve	(24,702)	(24,702)	(25,415)
Other Reserves	17,848	17,849	13,021
Total reserves (future obligations)	(6,854)	(6,854)	(12,395)
Debt Requirements			
Public Debt	44,000	44,000	51,320
Future obligations	17,848	17,849	13,021
Gross Debt Requirement	61,848	61,849	64,340
Less cash in bank	(4,398)	(10,267)	(1,926)
Net Debt Requirements	57,451	51,581	62,414

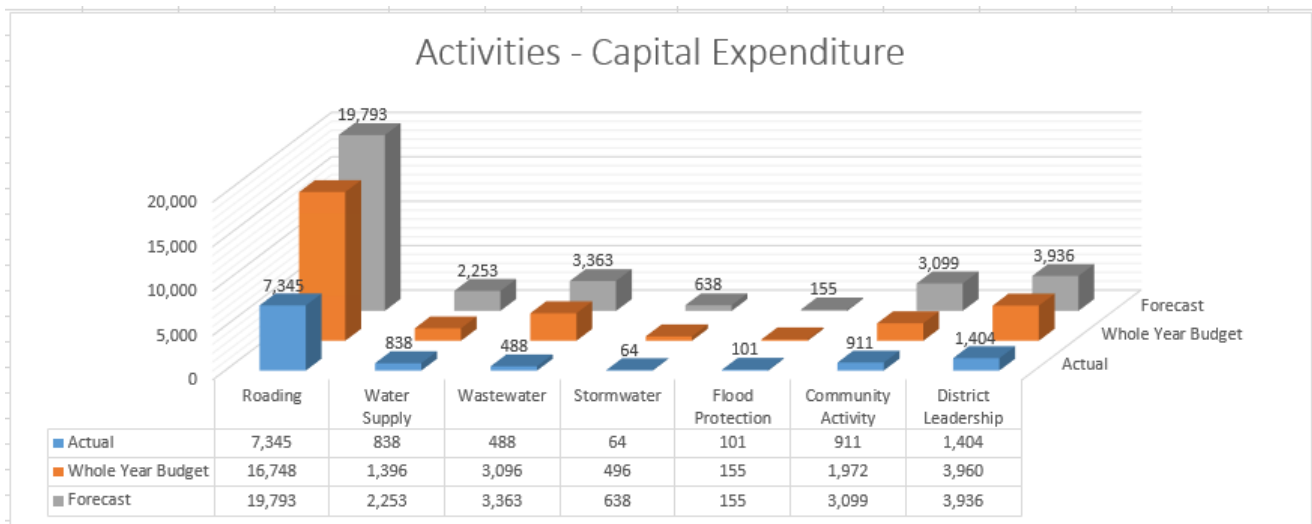
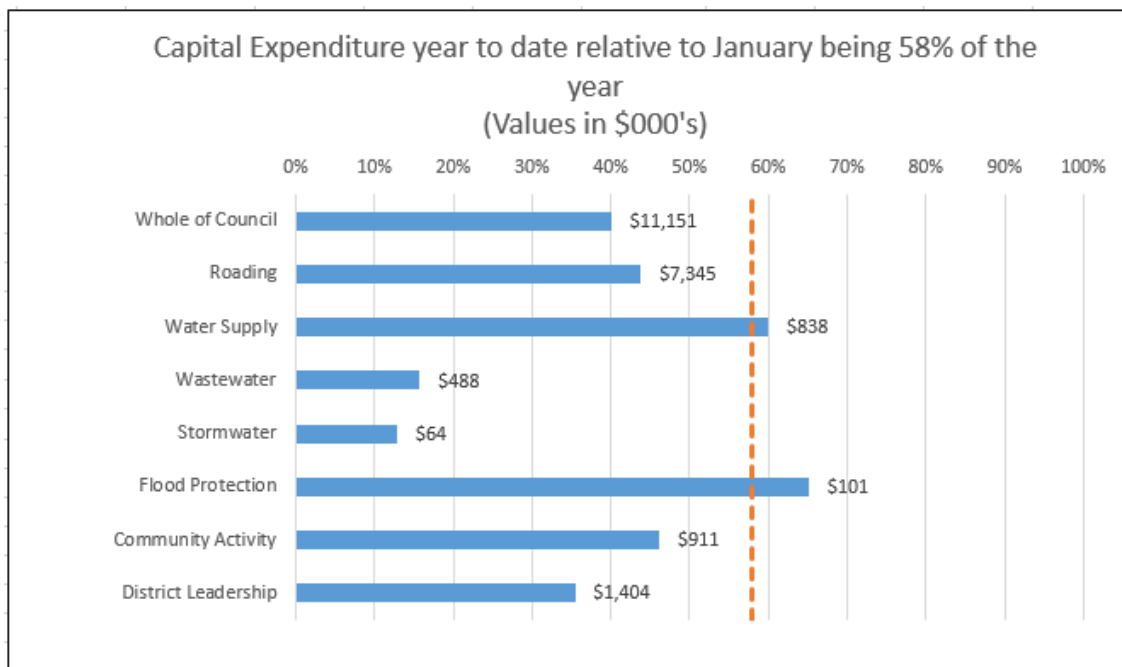
*Note: Reserves balances are only recalculated at end of year.

Activities Net Cost for the period to 31 January 2021

	Actual as at 31 January 2021			Whole Year Annual Plan
Activity	Operating Income \$000's	Operating Costs \$000's	Net Operating Surplus/(Deficit) \$000's	Net Operating Surplus/(Deficit) \$'000
Community Activities	5,159	4,210	949	199
District Leadership	5,694	5,738	(44)	(739)
Regulatory Management	4,210	3,716	494	49
Roads and Footpaths	10,625	7,646	2,979	4,427
Wastewater	4,719	2,101	2,618	3,083
Water Supply	2,343	1,820	523	1,614
Stormwater	1,158	498	660	917
Flood Control	461	265	196	293
Solid Waste	659	522	137	305
	35,028	26,516	8,512	10,148

Capital Expenditure for the period ended 31 January 2021

Activity - Capital Expenditure	Actual as at 31 January 2021				Whole Year	
	Actual YTD \$000's	Annual Plan \$000's	Variance \$000's	Indicator	Annual Plan \$000's	Forecast \$000's
Community Activities	911	958	47	●	1,722	3,099
District Leadership	1,404	3,439	2,035	●	3,809	3,935
Roads and Footpaths	7,347	6,100	(1,247)	●	17,148	19,793
Wastewater	487	1,128	641	●	3,096	3,363
Water Supply	838	1,389	551	●	1,396	2,253
Stormwater	63	386	323	●	496	638
Flood Control	101	155	54	●	155	155
Solid Waste	0	0	0	●	0	0
	11,151	13,555	2,404		27,822	33,236



Capital Programme

This section reports on the capital programme from a financial year perspective.

Key achievements

Completing the Baylys Beach Boardwalk and Wood Street innovating street projects before the summer holidays was a key milestone for the teams.

General observations and comments

We are behind year to date budget in all areas except roading. However, with new contracts in place, we are on track to deliver our business as usual programme in most activities. Exceptions include:

- Stormwater where three key projects have been delayed due to landowner issues
- Roading where a greater proportion of some major projects (notably Mangawhai Shared Path and Pouto) are likely to run into the next financial year.

Carry overs have been submitted and budgets will be revised at the March meeting.

Completed Contracts



Baylys Beach Boardwalk
open ahead of summer
holidays - Robinsons



Dargaville Pontoon –
Bellingham Marine



Rotu water intake –
United Civils

Capital Programme Exceptions

Activity	Actual YTD (\$k)	Budget YTD (\$k)	Comment	Response
Community Activities	911	958	On budget	
District Leadership	1,404	3,439	Under budget	
Economic Development - Kaipara Wharves	1,019	3,000	Pouto and Pahi wharf programme pushed back.	Procurement now underway. Address in carry over.
Flood Protection	101	155	Under budget	Address in carry over.
Gent Floodgate	94	90	Delayed installation due to possible cyclone.	Works completed in January. Budget for other gates to be carried over.
Sewerage	487	1,128	Under budget	
Dargaville	146	225	WW modelling progressing slowly, this is tied to PS1 upgrades.	Closer to design.
Mangawhai Development	271	690	Slow progress with the WW modelling work.	Scope of new work identified. Balancing tank tender process underway.
Stormwater	63	386	Under budget	
Baylys – Chase Gorge	-10	90	Works delayed to 2021 due to accommodate landowners.	Address in carry over.
Mangawhai – Eveline and Wood Street	17	296	Works delayed to 2021 due to accommodate landowners.	Address in carry over.
Roads and Footpaths	7,346	6,101	Over budget YTD	
Water Supply	838	1,389	Under budget	

Significant Projects

This section reports on significant capital projects. From a budget perspective this considers the full project budget (not just the financial year).

Key

	Budget	Scope	Programme
	Within budget	Scope clear and approved	On track or complete
	May exceed budget	Some scope changes required	Could be delayed
	EM approval of budget change likely required	EM approval of scope changes requires	Highly likely to be delayed

Community and Growth Projects / Parks

	Budget	Scope	Programme	Comment
Design & Consenting				
Alamar Boat ramp				
Kaiwaka – Rangiora Boat ramp				
Kaiwaka – Sports complex Carpark				
Kai Iwi – Toilet block				Finalizing the scope for this, then to procurement plan.
PTTR/Harding Park – Paths and Tanks				Finalizing the scope.
Procurement				
Kai Iwi Lakes – Security Improvements				Finalizing the scope.
Construction				
Maungaturoto and Mangawhai Toilets				Building Consent for Maungaturoto has been granted and the programme should be on track.
Complete				
Baylys Beach Boardwalk				Baylys Beach Boardwalk completed within budget [\$325k] and open ahead of summer break.

Infrastructure - Transport

	Budget	Scope	Programme	Comment
WIP – Capex (6001)				
106 - Bridges and Structures				
120 – Road Works Unsealed				Later start to programme due to drier weather. Working with Ventia regarding resources.
135 – Road Works Minor Improvements				Programme on track. Reforecast required.
164 – Emergency Works				
184 – Programme BC and Transport Planning				
252 – Road Works Drainage				Possible delay in sourcing materials to reline a large culvert in Wintle Street.
272 - Road Works Sealed Resurfacing				
275 – Road Works Sealed				
278 – Roading infrastructure new and improved				Pouto Road stage 1 to span two financial years.
281 – Traffic Services				

Infrastructure – Waters & Waste

	Budget	Scope	Programme	Comment
Dargaville - 939 Northern Raw Water Crossings				
Dargaville - 965 Northern Raw Water Renewals				
Ruawai - 937 Ruawai WTP				Delay relating to consent.
Dargaville Wastewater Pond Desludging – 2019 - 2021				
Mangawhai and Kaiwaka Wastewater Renewals				Modelling is being accelerated to identify projects. Also, there is the opportunity to explore an extension to the disposal system this year and this is being investigated.
Eveline Street Stormwater				Delayed the start of works to allow the landowner to complete private works.
Wood Street Stormwater				A business case is being completed to confirm scope. This will require the golf course's support.
Chases Gorge Stormwater				Waiting on landowner approval before construction can commence.
973 Floodgate 33				
3 Waters Reform Projects				
Dargaville Haimona and Pirika St Watermain Renewal				Construction started in January.
Dargaville Wastewater Renewals				Scoping and design underway by AWA.
Kaiwaka Wastewater Renewals				Modelling and scoping underway by AWA.
Maungaturoto Hurndall St Watermain Renewals				Modelling underway by AWA.
Maungaturoto Raw Watermain Renewals				Request for Tender revision underway, to be tendered within the Select List Panel of contractors.

Maungaturoto Water Reservoir Replacement				Investigation work (structural, material, and geotechnical engineering) to ascertain replacement of repair of existing reservoirs underway.
Maungaturoto Water Truck Filler and Main Upgrade				Negotiation with Maungaturoto Country Club for land have resumed, AWA carrying out high level capacity assessment for design.
Ruawai Watermains Renewals				Request for Tender has been published for the Select List Panel of Contractors to price.
Te Kopuru Wastewater Treatment Plant Aerator Upgrade				Procurement process for the aerator has commenced.

Procurement

Awarded Contracts

Project	Estimate	Price	Procurement Method	Contractor
Dargaville Water Renewals – Package 1	\$450k	\$396k	Open Market PQM	Forte
Baylys Beach Boardwalk	\$200k	\$313k	Selected LPC	Robinsons
Dargaville Pontoon	\$350k	\$654k	Selected LPC	Bellingham Marine
Dargaville Water Renewals – Package 2 - Includes Separable Portion for Raw Watermain Crossings \$662k	\$1.1m	\$1,121	Open Market PQM	United Civil
Waihue Road Bridge	\$500k	\$347	Open Market	United Civil
Rotu Water intake Slip Repair	\$590k	\$587k	Selected ECI	United Civil
Kaipara Toilet Facilities Various Install only	\$150k	\$81k	Selected PQM	Wilsons Earthmoving.
Kaipara Three Waters Programme	\$4m	n/a	Selected Framework	Forte United Civil Ventia
Floodgate 33 Renewal	\$100k	\$94k	Direct	Barfoote Construction

In Process

Project	Estimate	Procurement Method	Comments
Pouto Road Sealing - Quarry - Stage 1 & 2 (Provisional)	\$5m	- Closed - Open Market	Preferred Tenderer Broadspectrum - Expected award January
Waipoua River Road	\$1m	Direct Appointment	Preferred - Fulton Hogan and Te Roroa - Awaiting safety audit
Hakaru Closed Fill Landfill Leachate	\$460k	Open Market PQM	Tender report completed. Expected to award in January
Kaihu Valley Trail - Head Contractor <i>Bridges to be procured as D&C</i>	\$2m	Direct Appointment	Preferred - Wilson Earthworks Expected award February
Pouto Wharf Design Build	\$1.8m	Open Market D&C	ROI Closed. Evaluation on quality to shortlist to two.
MCWWTP New Balance Tank	\$1.9m	Open Market	EOI has been issued. Detail design in process.

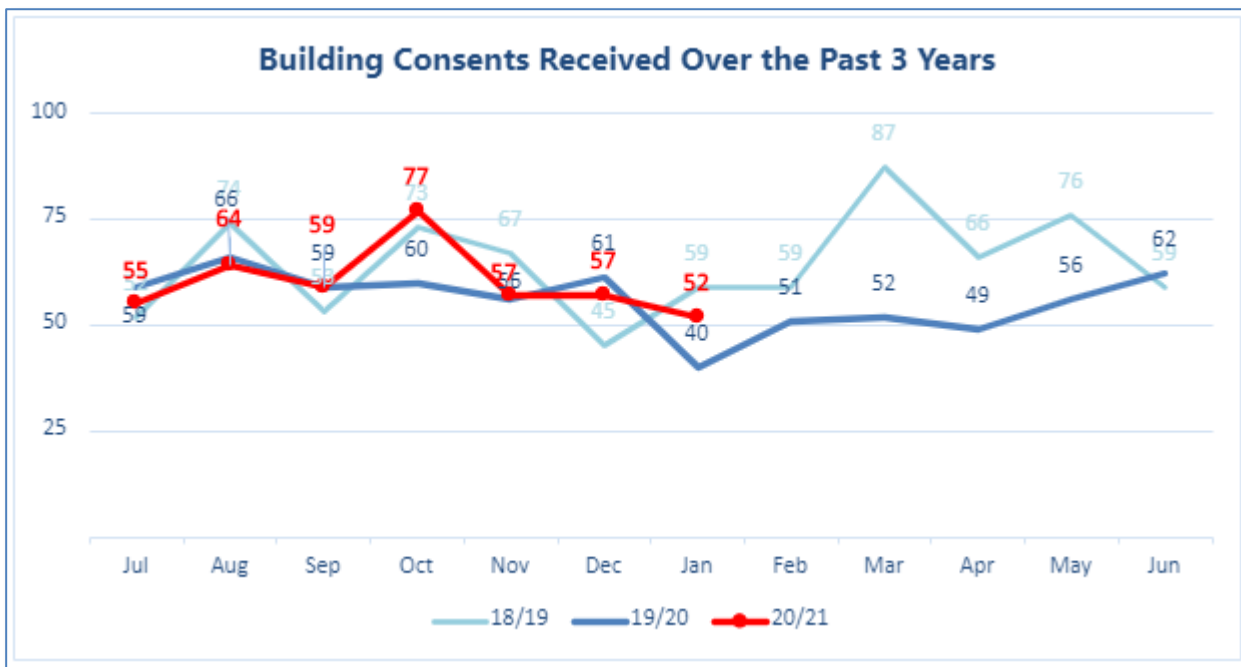
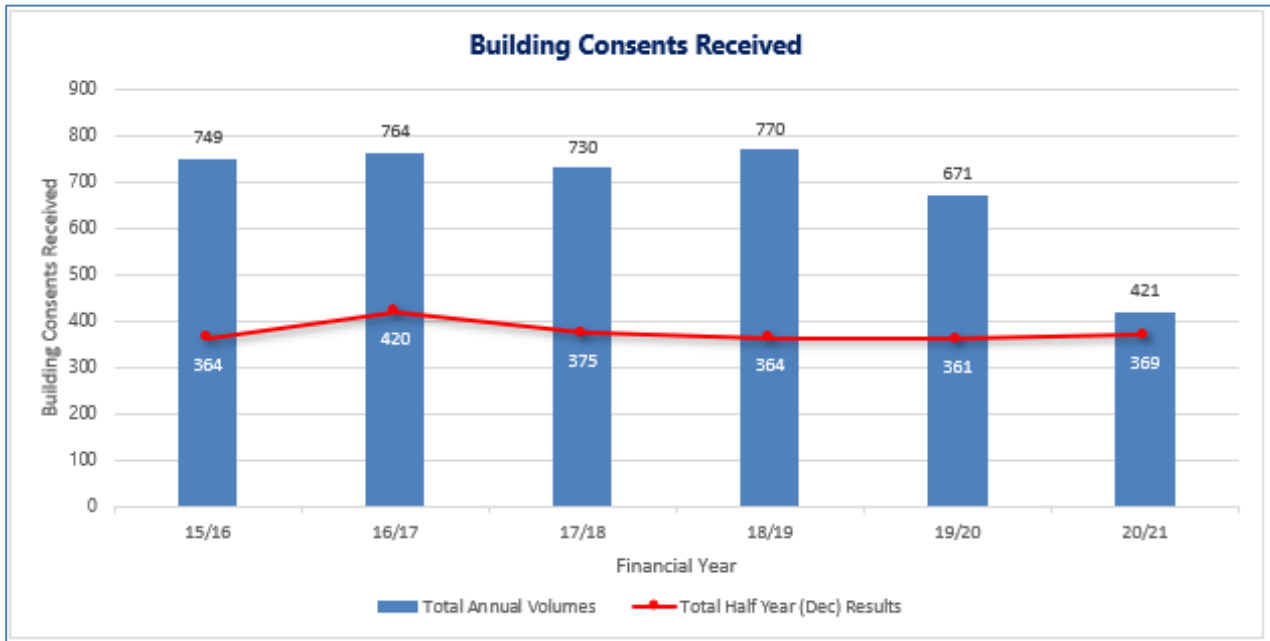
Pahi Wharf Pontoon	\$480k	Direct Appointment	Preferred – Bellingham Marine
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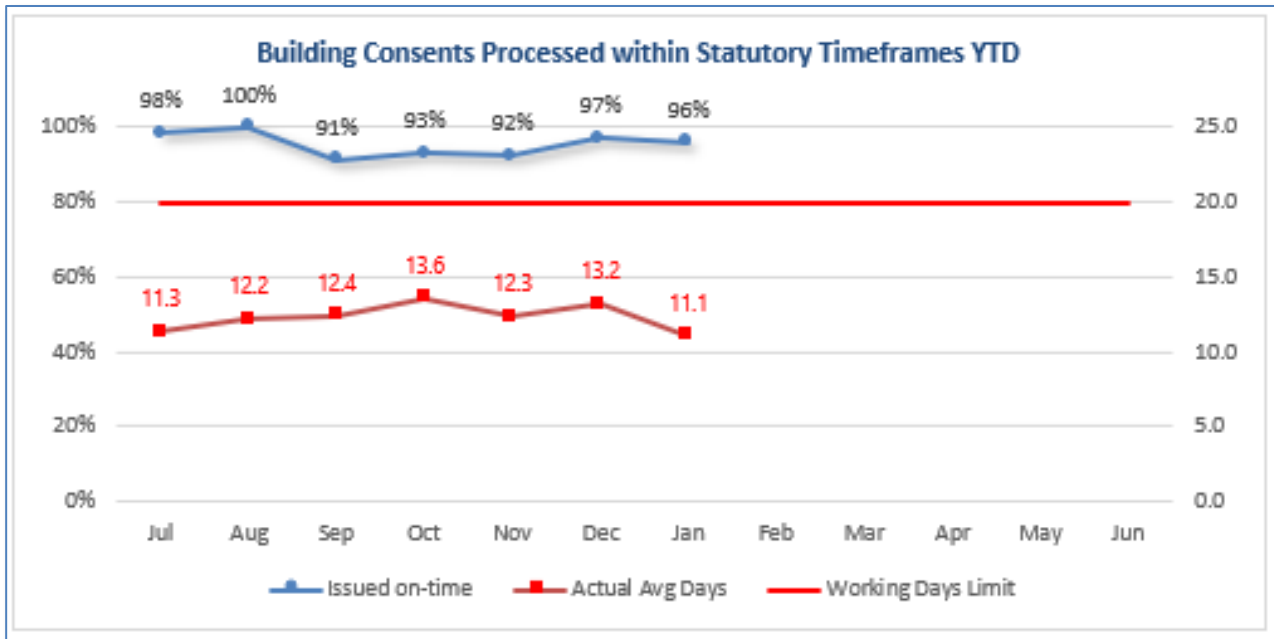
2021 Programme

January to March			
Mangawhai Shared Path <ul style="list-style-type: none"> Phase 1 Mangawhai Village Intersections and Shared Path Phase 2 – completion of shared path between Wood Street and Village 	Phase 1 - \$5m Phase 2 - \$10m <i>Phase 2 subject to performance, consents and funding</i>	Open Market PQM	ROI closed and shortlisted to - HEB; Downer, Asset Construction, United Civil and Wharehine. RFP to be issued in February following funding confirmation from NZTA.
Kaihu Valley Trail	\$2m	Selected suppliers PQM D&C	Number of bridges to be incorporated as part of project
Pahi Wharf Upgrade	\$480k	Under review	
Pouto Wharf	\$1.8m	Open Market D&C	ROI closed with following shortlisted. Principals Requirements to be shared and then looking for innovation in construction technique to deliver within budget
MCP – Coastal Walkway Stage 1 & Alamar Boat Ramp	\$900k	Open Market PQM	Scope of work has changed to include carpark. Now going to the market.
Mangawhai Waste Treatment Plant – Balancing Tank	\$1.5m	Open Market PQM	ROI has been issued and design being completed. Funding approved by Council.
Kaiwaka Footbridges	\$500k	Selected suppliers PQM D&C	RFT in March
Kai Iwi Lakes Security Improvements	\$200k	To be confirmed	CCTV, Gates etc
Maungaturoto reservoir replacement	\$500k	Direct	Supplier constructor to be confirmed.
July to December 2021			
Bridge Replacement and Renewals	\$1.2m		Three-year programme
Eveline Street Stormwater	\$150k	Open Market PQM	
Chases Gorge Stormwater Improvements	\$200k	Open Market PQM	
Rangiora Road Carpark Improvements	\$200k	Open Market PQM	

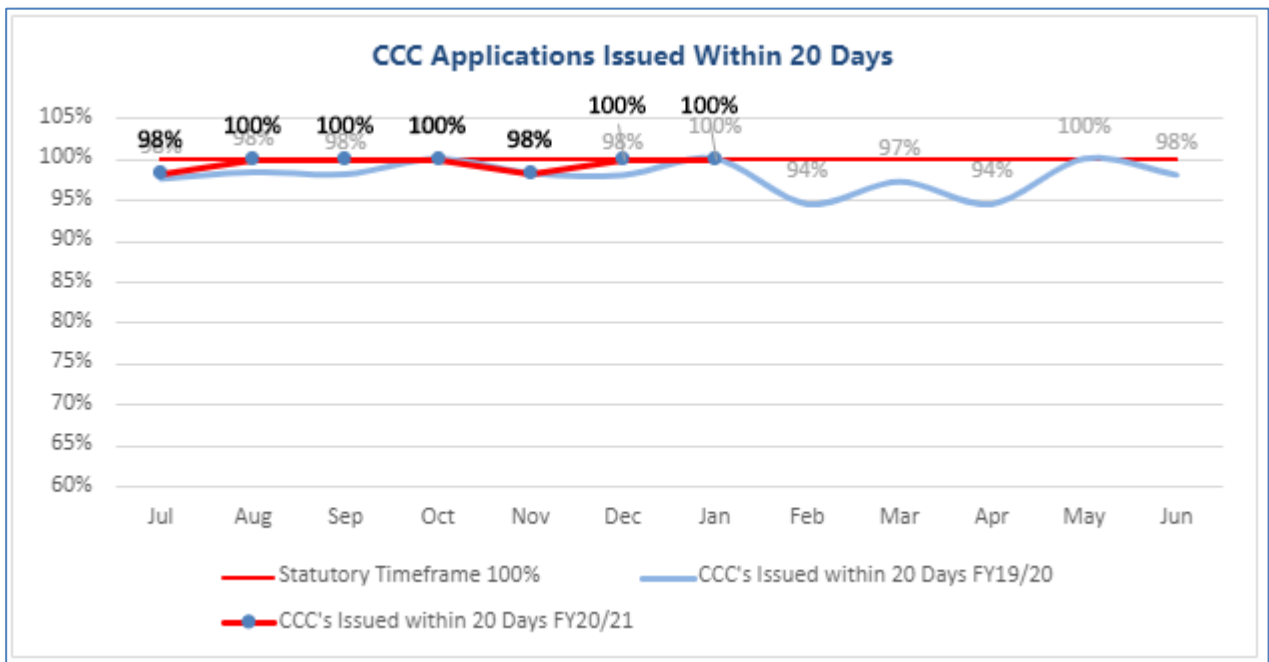
Building and Resource Consents

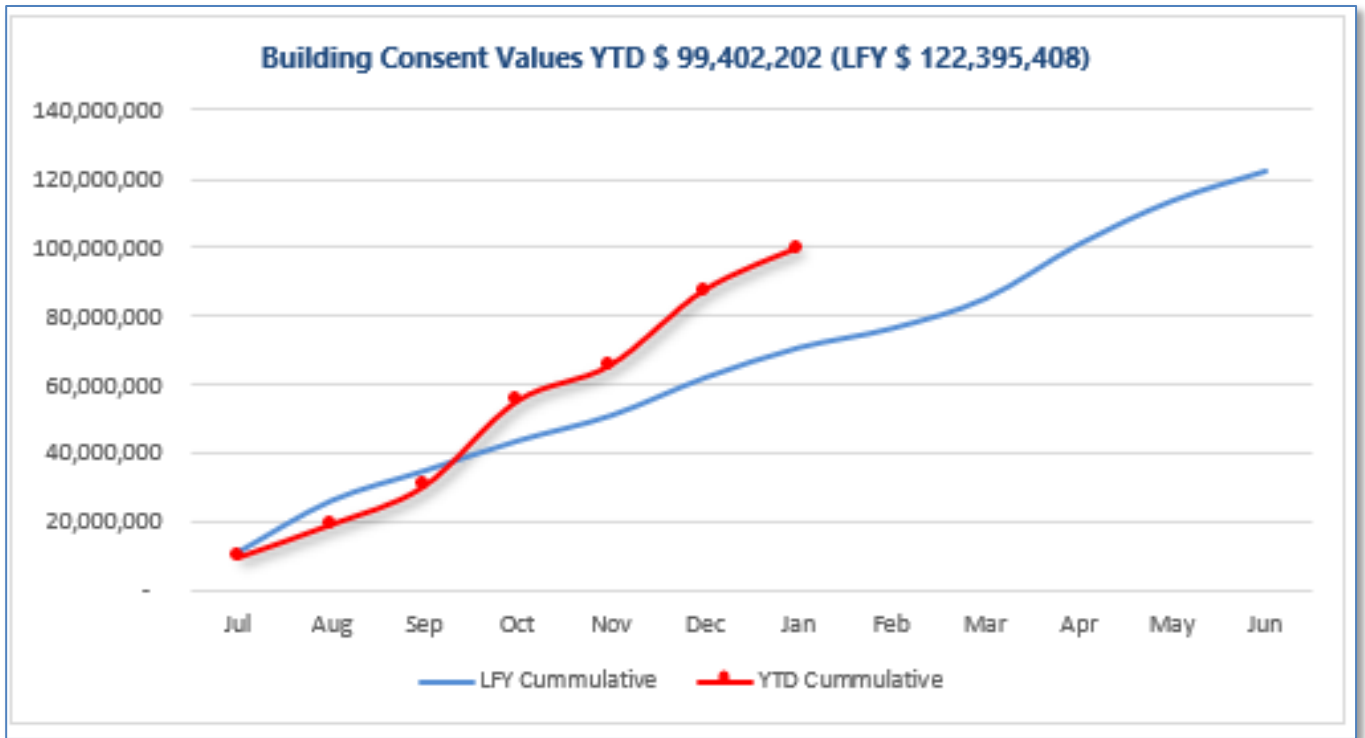
Building Consents



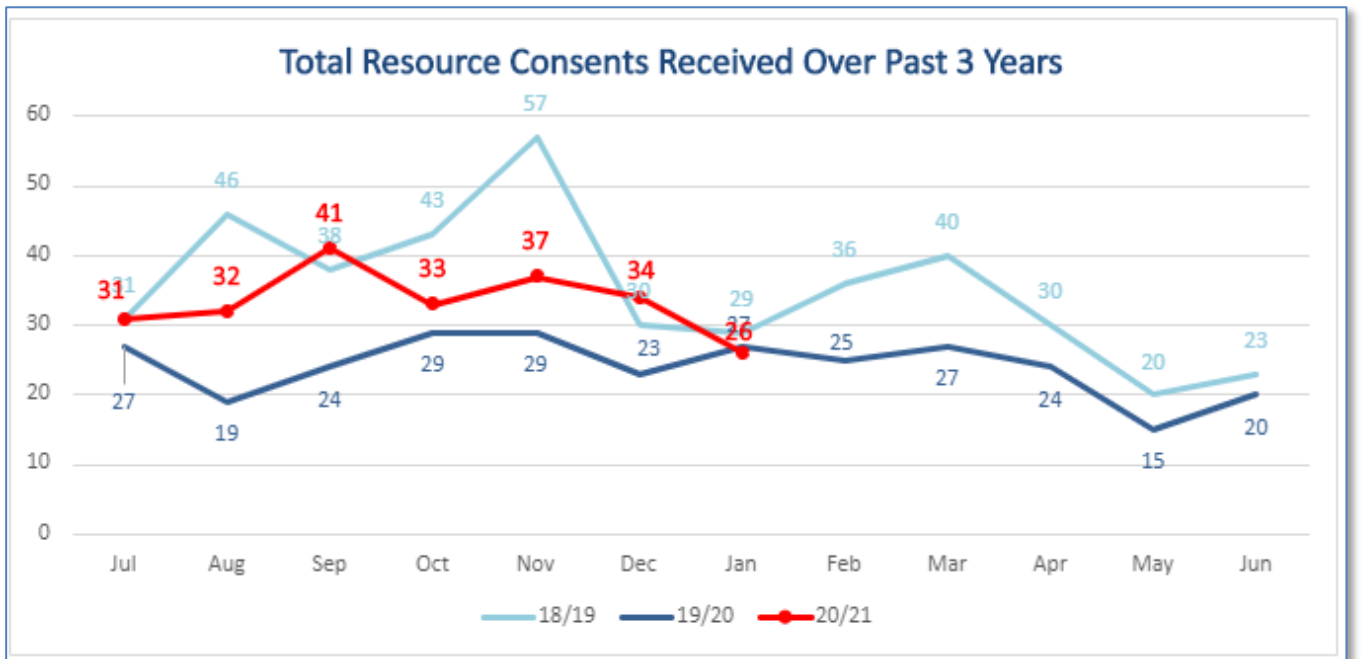


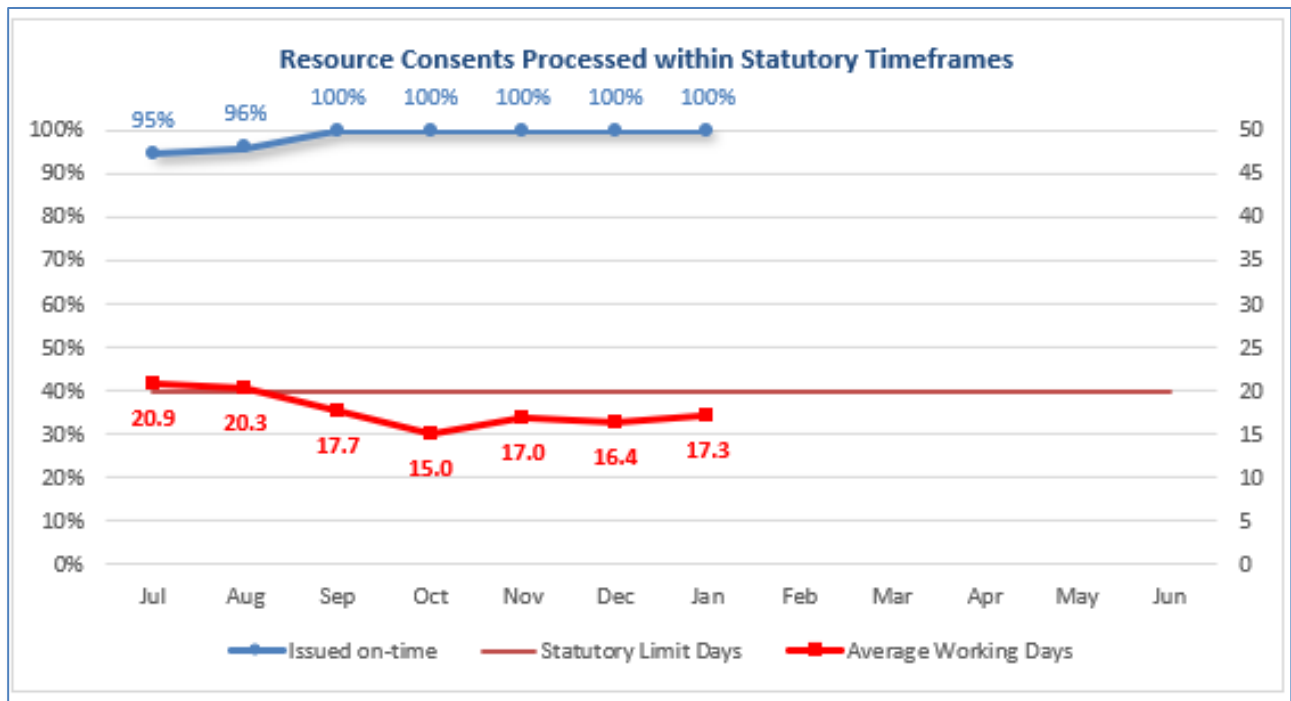
Building consent target of 100% was not met for the month of December 2020 and January 2021 due to delays in processing and a request for information resolution. These are still regarded as high performing standards.





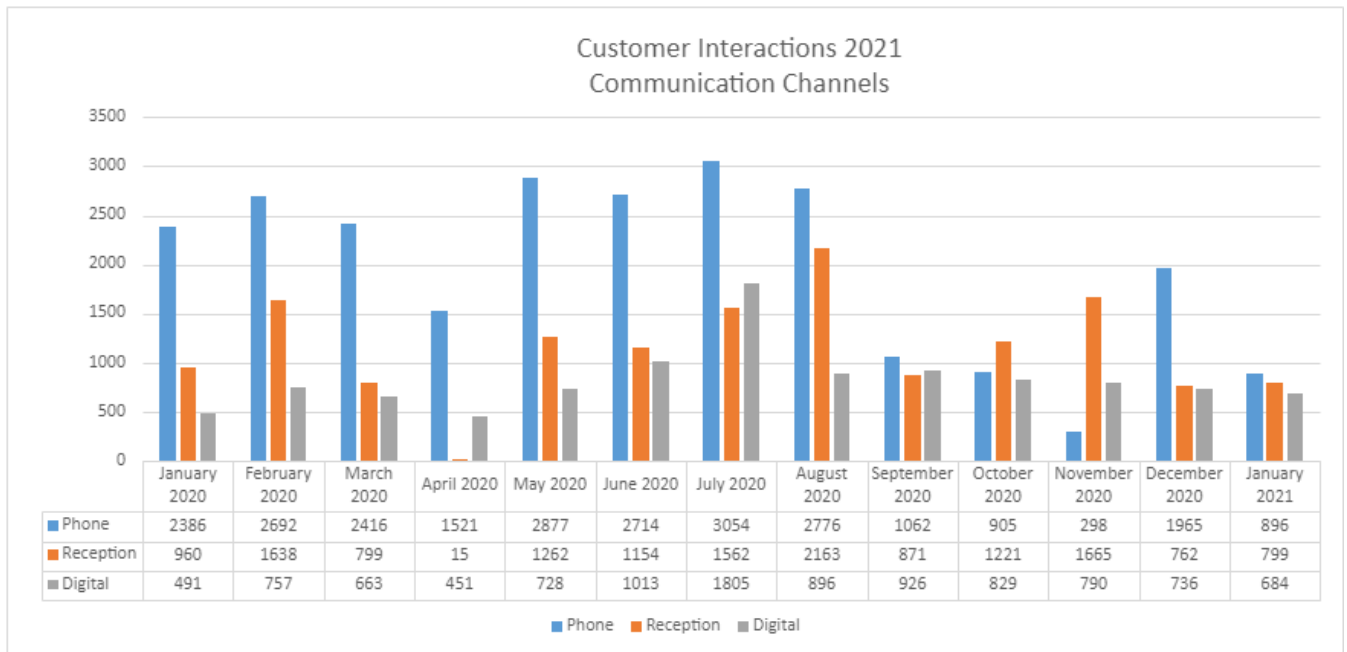
Resource Consents



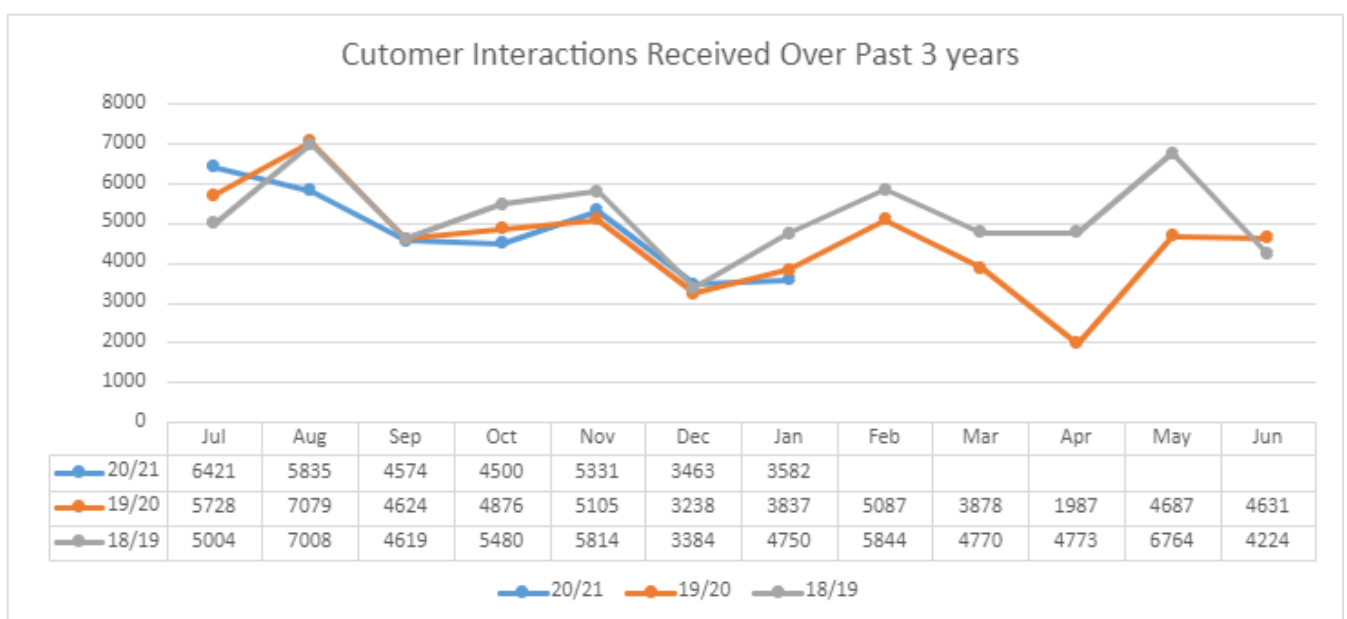


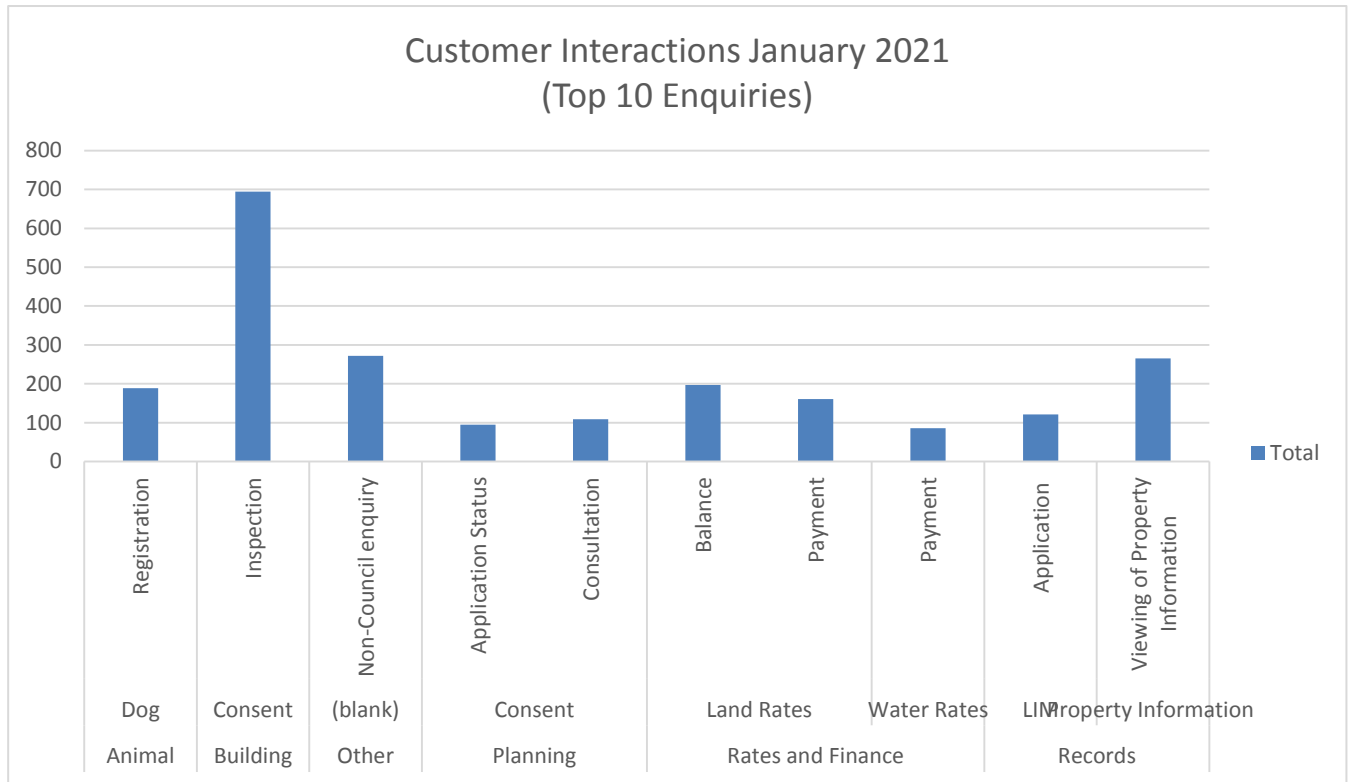
Customer Services

Month	Total Customer interactions	Digital	Reception	Total Calls	Average Speed Answer (sec)	Average call abandonment (%)	Calls FTE
December	3463	736	762	1965	26	5	3.6
January	3583	685	799	2099	36	5	3.21



* Digital – Email, Website, Social media





* Other – FENZ, NZTA, NRC, Utility Companies