



Exceptions Report

For the month of May 2023

Financial Report

Procurement

Building and Resource Consents

Customer Services

May 2023 Financial Report

Monthly Income Statement

Statement of Comprehensive Revenue and Expense

For the year ended:	Actual YTD	Budget YTD	Variance YTD	Annual Plan Budget Whole year	Annual Report
31 May 2023	2022-2023 \$'000	2022-2023 \$'000	2022-2023 \$'000	2022-2023 \$'000	2021-2022 \$'000
Revenue					
Rates	40,643	41,095	(452)	44,832	41,691
Subsidies and grants	19,903	20,045	(142)	25,396	31,980
Activity income	7,174	7,254	(80)	7,849	7,741
Contributions	4,394	4,162	233	4,543	4,361
Investments and other income	1,179	1,254	(75)	1,356	5,474
Total revenue	73,293	73,810	(517)	83,976	91,247
Expenses					
Activity costs	27,180	25,371	(1,809)	28,542	28,552
Employee benefits	14,163	15,816	1,653	17,393	14,675
Finance Costs	2,081	2,061	(20)	2,248	1,926
Depreciation	11,170	11,170	0	12,186	12,633
Total expenses	54,594	54,417	(176)	60,368	57,786
Surplus/(deficit) for the period	18,699	18,393	(693)	23,607	33,461
Other comprehensive revenue and expense (Items that will not be reclassified subsequently to surplus or deficit)					
Gain/(loss) on revaluation	0	0	0	13,600	99,222
Total comprehensive revenue and expense for the period	18,699	18,393	(693)	37,207	132,683

Key activity costs analysis

For the period ended:	Actual YTD	Budget YTD	Variance YTD	Annual Plan Budget Whole year	Annual Report
31 May 2023	2022-2023 \$'000	2022-2023 \$'000	2022-2023 \$'000	2022-2023 \$'000	2021-2022 \$'000
Activity Costs					
<i>Analysed:</i>					
Contractors	1,913	2,077	164	2,436	1,659
Professional Services	6,699	7,238	539	8,280	8,256
Repairs and Maintenance	11,857	9,877	(1,980)	10,850	12,522

Comments on major variances

Revenue:

Account	Rationale	YTD Variance \$000
Rates Revenue	<p>Rates penalties are now below budget by \$144k for the month. The budgeted May penalties run was deferred to June due to a new campaign to give more opportunity for debtors to clear their debts first.</p> <p>Targeted rates for wastewater are ahead of budget due to capital repayments for the Mangawhai scheme recorded as revenue for accounting purposes but not included as part of the rates requirement in the Annual Plan.</p> <p>Water by meter revenue is below budget for year to date due to variances in water consumption across all water supply areas. Silver Fern Farms yet to be invoiced and customers using less as a wet summer.</p>	<p>(59)</p> <p>447</p> <p>(840)</p>
Activity Revenue	<p>Activity revenue is on budget for year to date, analysis as per following activities:</p> <ul style="list-style-type: none"> Building Control – activity revenue is below budget for the month by \$62k and \$381k below budget for year to date. There has been a drop in building consent applications year to date (20% decrease). Resource Consenting – activity revenue is below budget by \$30k for the month and below budget by \$273k year to date. This is due to a reduction in activity (10% decrease) and back log of invoicing due to team resources. External recovery costs overall are ahead of budget. NTA business charges recoveries are ahead of budget by \$114k, waste minimisation levy of \$74k was received, \$50k Welcoming Communities funding, and external recoveries of \$56K for private plan changes. 	<p>381</p> <p>273</p> <p>(734)</p>
Investments and Other Income	<p>Other income is below budget year to date due to:</p> <ul style="list-style-type: none"> Negative timing difference due to revaluations of Swaps and Forestry which occurs at year end. Investment income is ahead of budget due to favourable interest rates on increased deposits of surplus funds, and additional revenue from vehicles sale. 	<p>(711)</p> <p>636</p>
Operating Subsidies and Grants	Operational subsidies from Waka Kotahi still up on budget for the year from the sealed and unsealed pavement maintenance programme.	965
Capital Subsidies	<p>Capital subsidies are below budget year to date due to Transportation subsidies below budget by \$3.5 million. This is due to a number of roading capital work projects which haven't commenced due to a wet season.</p> <p>Offset by subsidy received for Kaipara Wharves and Pontoon constructions - \$2.2 million, Tourism Infrastructure Funding for Public toilets of \$240k and \$126k for reserves, additional \$404k Better of funding package.</p>	(1,107)
Contributions	<p>The contributions are ahead of budget for the year to date:</p> <ul style="list-style-type: none"> Development contributions are below budget for the month by \$11k. Additional lots created will be around the same as last year (173 lots) but there are 27 less lots in Mangawhai with development occurring in Paparoa and Maungaturoto. 	(212)

	<ul style="list-style-type: none"> Financial contributions are ahead of budget for the month and year to date. 	445
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Expenses:

Account	Rationale	\$000
Employee Benefits	The variance is the result of vacancies across the business and unable to fill these in IT (4), Resource Consents (5), Infrastructure (3), Building Consents (1), Finance (2), Governance (1) and PMO (2).	1,653
Contractors	Contractor's costs are below budget for the year to date in Animal Management due to reduced use of WDC Pound, Mangawhai Wastewater and Refuse Collections. This line includes costs for: water supply and wastewater plant operations, refuse collection & public toilet cleaning services.	164
Professional Services	Professional services costs are below budget, due to a timing difference in the Roding services of \$1m and District Leadership services of \$445k. This is offset by an increase in the Regulatory management activity of \$1.05m where external resources are being utilised for consenting work due to several staff vacancies. These costs are on charged but there will be a delay to when the revenue is recorded. Increase in security services at Kai Iwi Lakes campground for the high season over January/February. The other activities are tracking on budget.	539
Repairs and Maintenance	Transportation: Extra cost of \$1.1 mil for Emergency works in response to Cyclone Gabrielle, we are awaiting approval to claim 100% NZTA subsidy. Additional works of \$1.10mil have been completed for roading sealed, unsealed and drainage works. NZTA emergency claim is awaiting approval and will be an additional claim of \$1.066m to offset.	(2,171)
	District Leadership: Extra costs of \$138k incurred for Civil defence and recovery in response of Cyclone Gabrielle. \$43k has been reimbursed from NEMA in June, another claim for Infrastructure is to come.	(108)
	Waters: Reticulation repairs and maintenance across the network are below budget – timing difference only.	174
	Open spaces: Ground maintenance programme are down on budget – timing difference only as the work have been delayed due to wet weather. Extra cost of \$88k incurred for arborist and clearing cost after Cyclone Gabrielle.	139
	Land Drainage: Maintenance programme is behind schedule due to wet weather events.	20
Finance Costs	Above budget due to external loan costs with the current month variance mainly contributing to year-to-date variance with May cost exceeding budget by \$31K.	(20)

Capital Expenditure:

Account	Rationale	\$000
Capital Expenditure	Capital expenditure year to date shows \$32.9m, against a total year budget of \$79.4m including the carry forwards from FY22 and approved budget variations during the year.	46,526

	<p>With the continued adverse weather experienced, it is anticipated that up to \$39m will be carried forward to the FY2023/24 year. Much of this relates to the roading programme due to storm recovery roading works and other large spend is due to projects being slowed by weather (Pouto wharf), commencement (stopbank work in Te Kopuru and Raupo) or other situations beyond our control such as the Maungaturoto watermain renewals which can only be worked on when the Brynderwyns is open and the SH12 detour is not needed.</p>	
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Public Debt:

Kaipara District Council

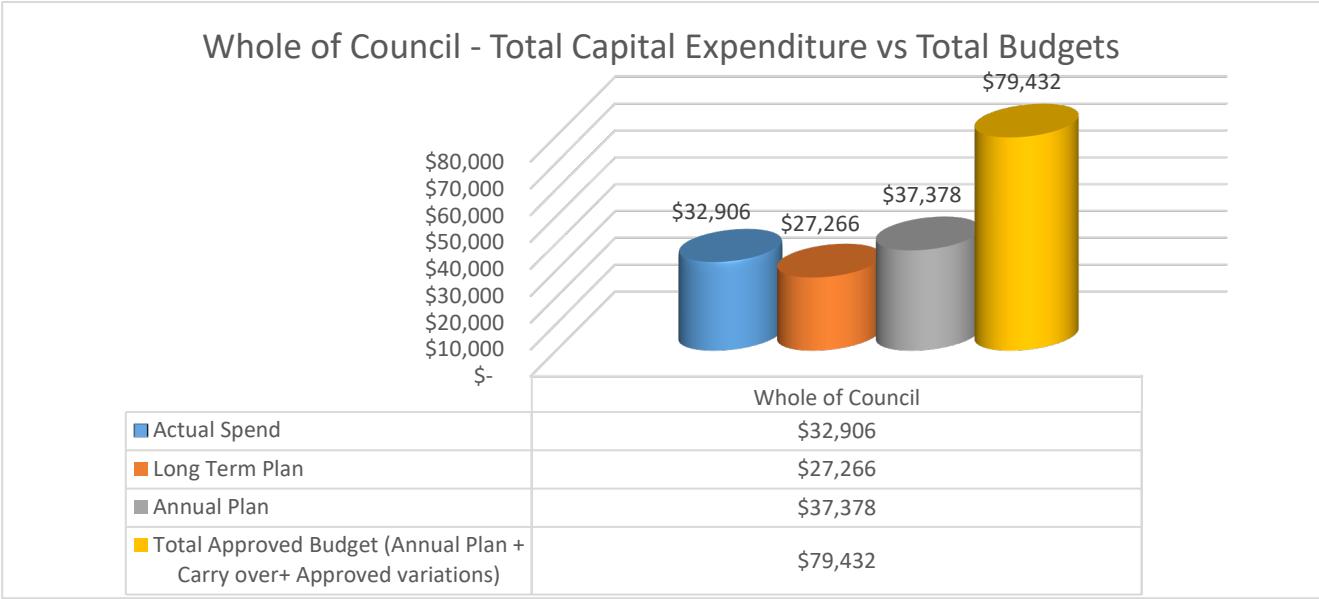
Public Debt		Actual YTD 2022-2023 \$000's	Budget Whole year 2022-2023 \$000's	Annual Report 2021-2022 \$000's
31 May 2023				
Debt				
	Public Debt	44,000	43,281	44,000
	Cash in bank	(8,427)	(10,794)	(11,802)
	Term deposits	(11,000)	0	(10,000)
	Total Net Debt	24,573	32,488	22,198

Public Debt is represented by:

less than 1 Year	10,000
1-3 Years	14,000
3-5 Years	14,000
Greater than 5 Years	6,000
Total Public Debt	44,000

Capital Expenditure for the period ended 31 May 2023

Activity - Capital Expenditure Financial Year 2022-2023	Actual as at 31 May 2023					Whole Year			
	Actual YTD	Total Approved Budget	Balance budget left to spend	Indicator	Percentage complete	Annual Plan 2022-2023	Carry Over Budget	Approved Variations	Total Approved Budget
	\$000's	\$000's	\$000's			\$000's	\$000's	\$000's	\$000's
District Leadership, Finance and Internal Services	2,304	4,343	2,039	●	53%	492	3,574	277	4,343
Flood Protection and Land Drainage	564	6,993	6,429	●	8%	4,903	935	1,155	6,993
Open Spaces and Facilities	7,306	12,589	5,283	●	58%	3,079	2,559	6,951	12,589
Stormwater	320	4,137	3,817	●	8%	1,400	1,006	1,731	4,137
Transportation	16,066	37,373	21,307	●	43%	22,352	8,422	6,599	37,373
Waste Minimisation	2	465	463	●	0%	275	190	0	465
Wastewater	5,430	10,746	5,316	●	51%	2,974	7,432	340	10,746
Water Supply	898	2,775	1,877	●	32%	1,903	572	300	2,775
Regulatory Management	16	11	(5)	●	145%	0	11	0	11
	32,906	79,432	46,526		41%	37,378	24,701	17,353	79,432



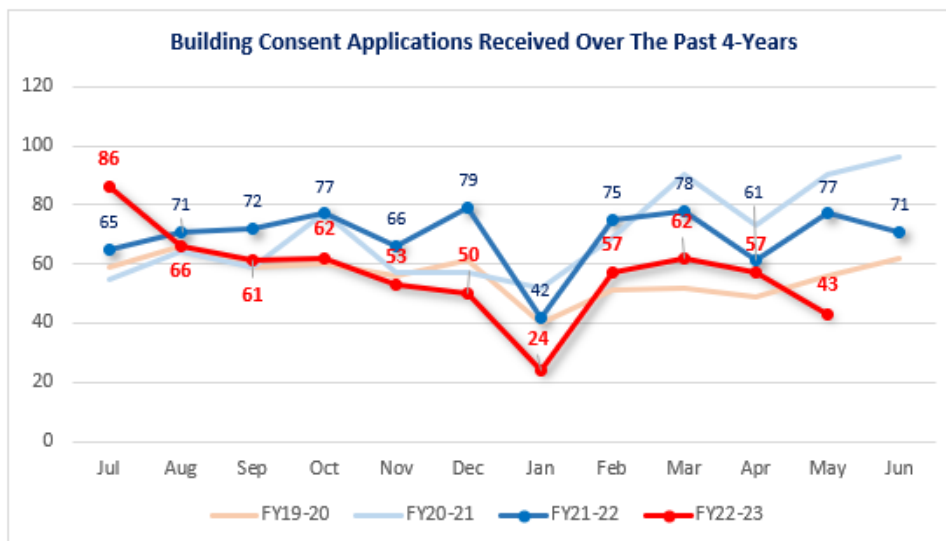
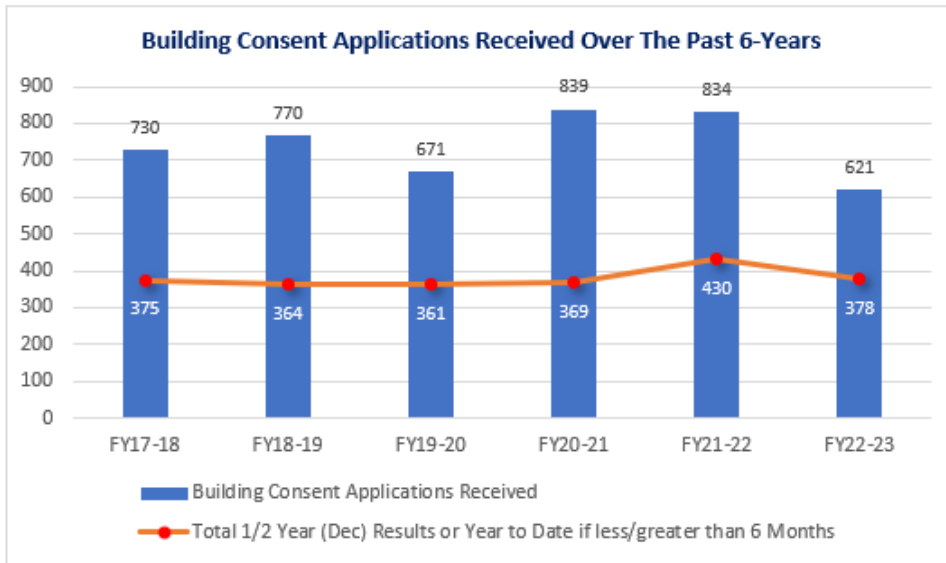
Procurement

Procurement in progress/ recently awarded

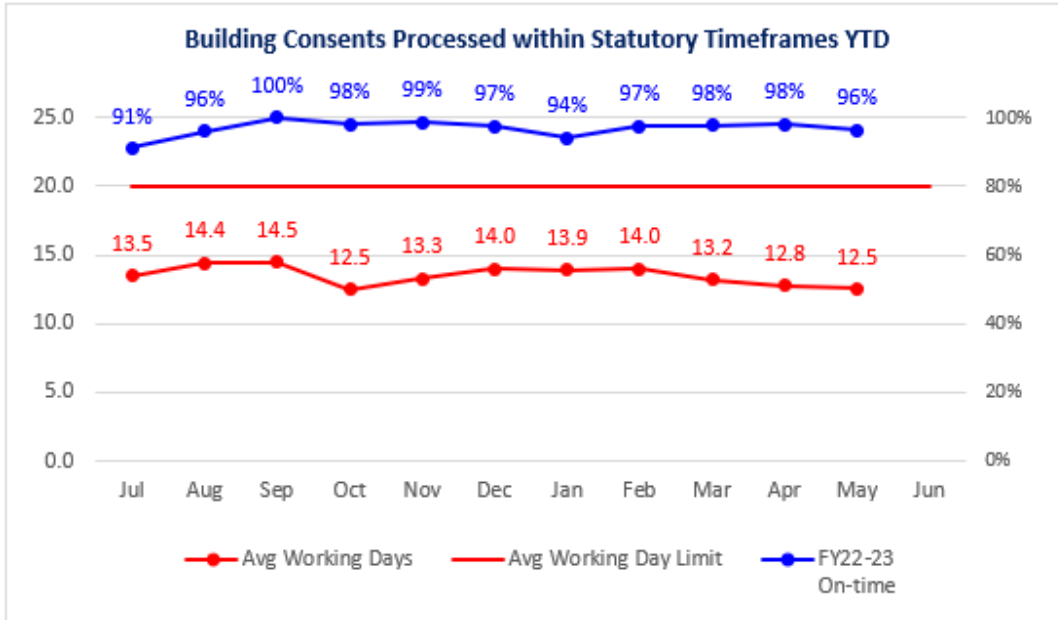
Project	Estimate	Procurement Method	Status
Pahi Toilets – Civil	\$312,600	Direct – 2 suppliers now after 1 advised cannot resource anymore.	Contractor's pricing
Baylys Beach Toilet remediation	\$100,000	Direct – 1 supplier	One of six suppliers approached agreed to price, in process of pricing now.
Te Kopuru Stopbanks	\$710,000	Direct – 2-3 local suppliers	Contracts awarded and work's underway.
Raupo Floodgate	\$169,153	Direct – 2 suppliers	Contract awarded
Bowergate stopbank replacement stopbank civil works	\$495,000	Direct – 2 suppliers	Procurement approval being sought for civil works

Building and Resource Consents

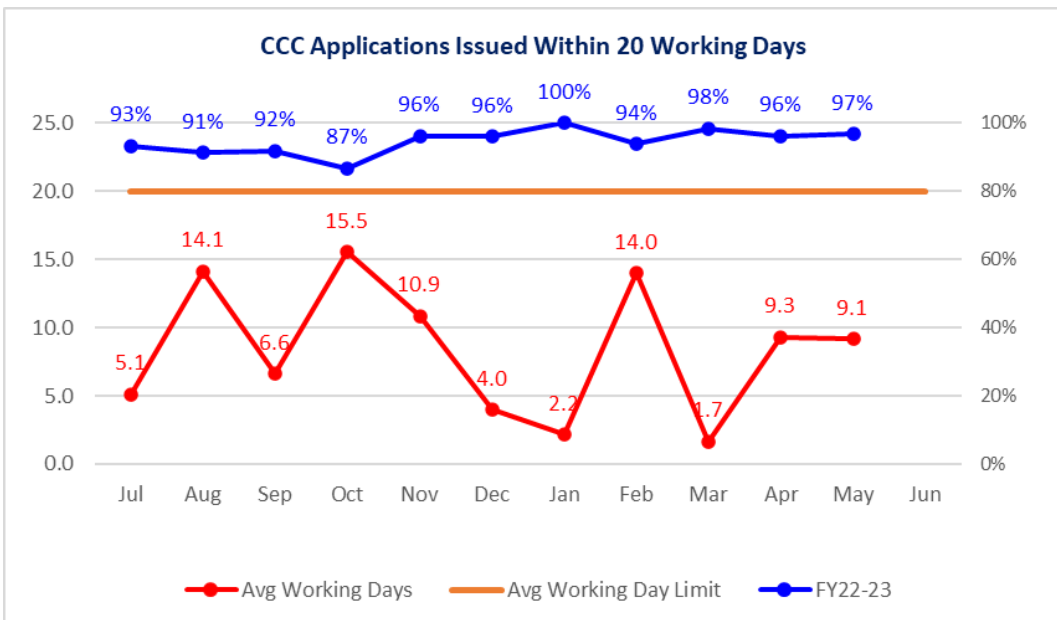
Building Consents

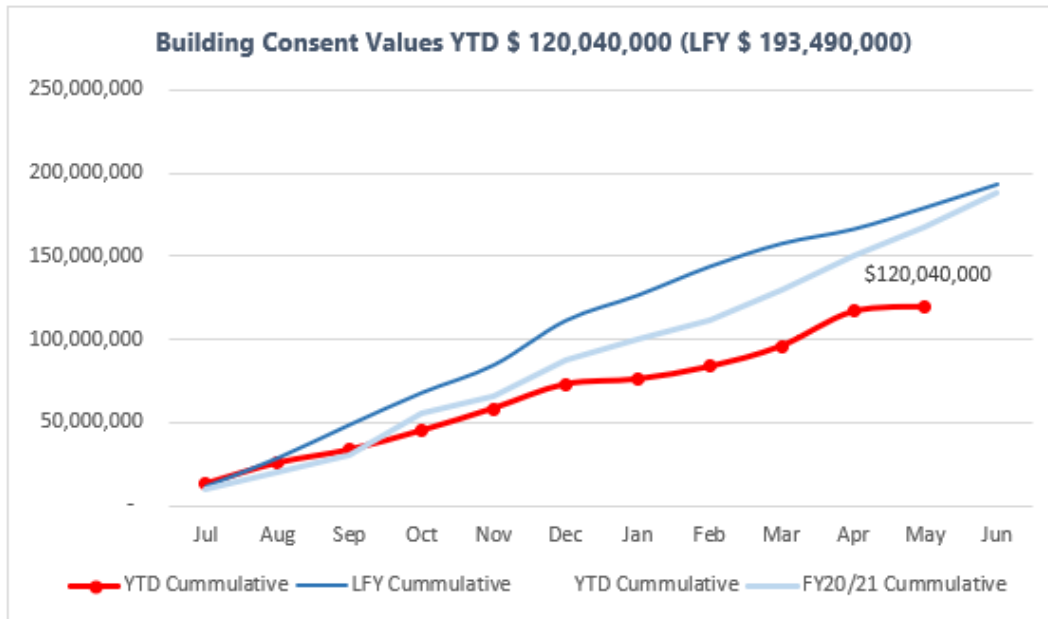


Building consents processed in May achieved 96% with two overdue consents 1 x 21 days as a result of late notification on issuing of the consent, and 1 x 21 days following resolution to multiple Requests for Information (RFI's). Year to date, the BCA's tracking has improved to 96.7%.



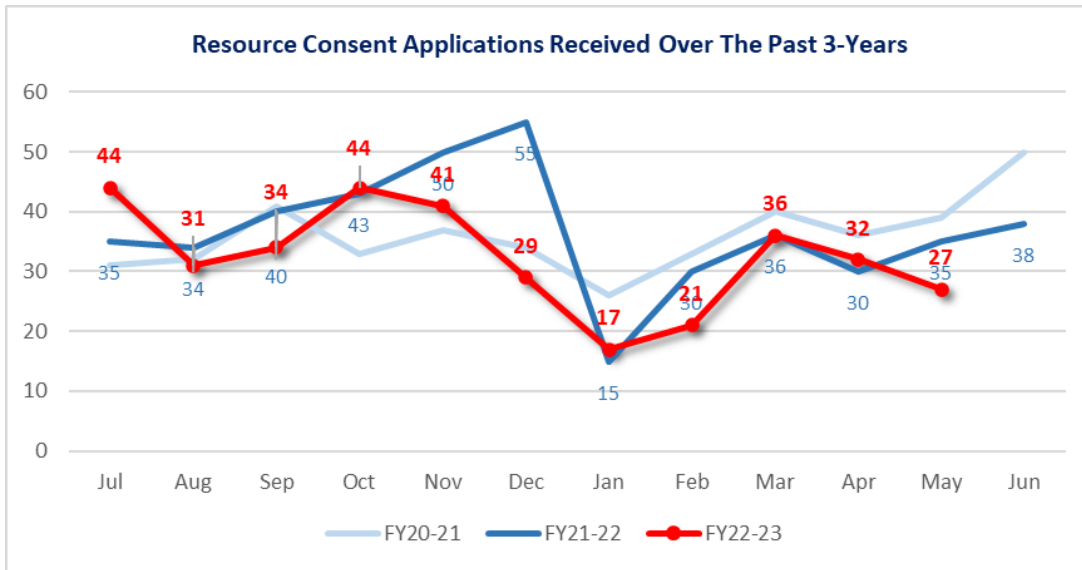
Code Compliance Certificates (CCC) issued in May achieved 97% with two CCC's issued over 20 working days due the time clock affecting on older CCC refusals. Year to date has improved to 94.3%.



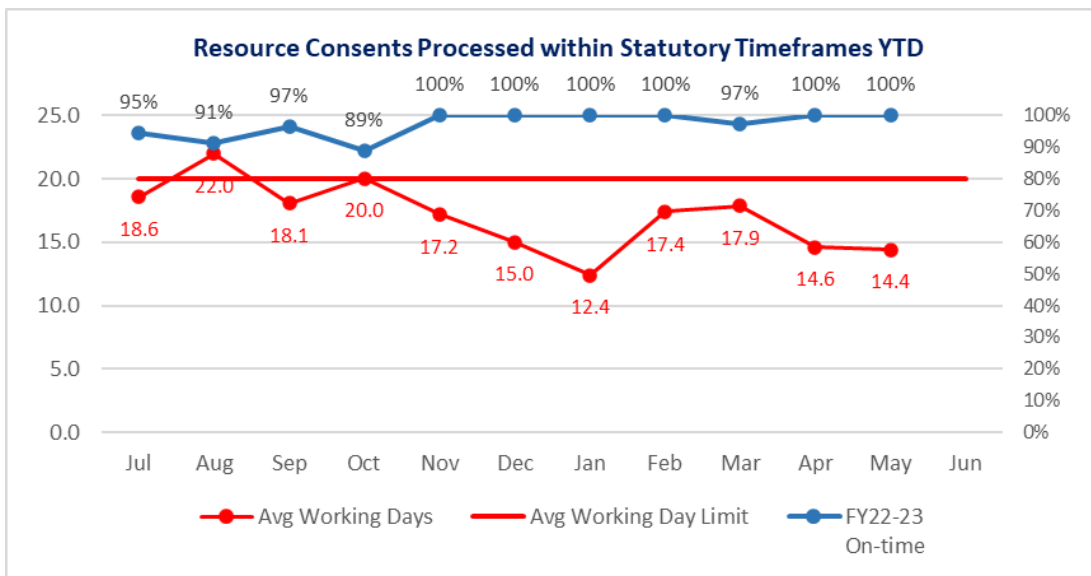


Resource Consents

356 resource consents were received year to date, with 403 last year for the same period.



The team achieved 100% processed resource consents within statutory timeframes. Year to date 96.8%.

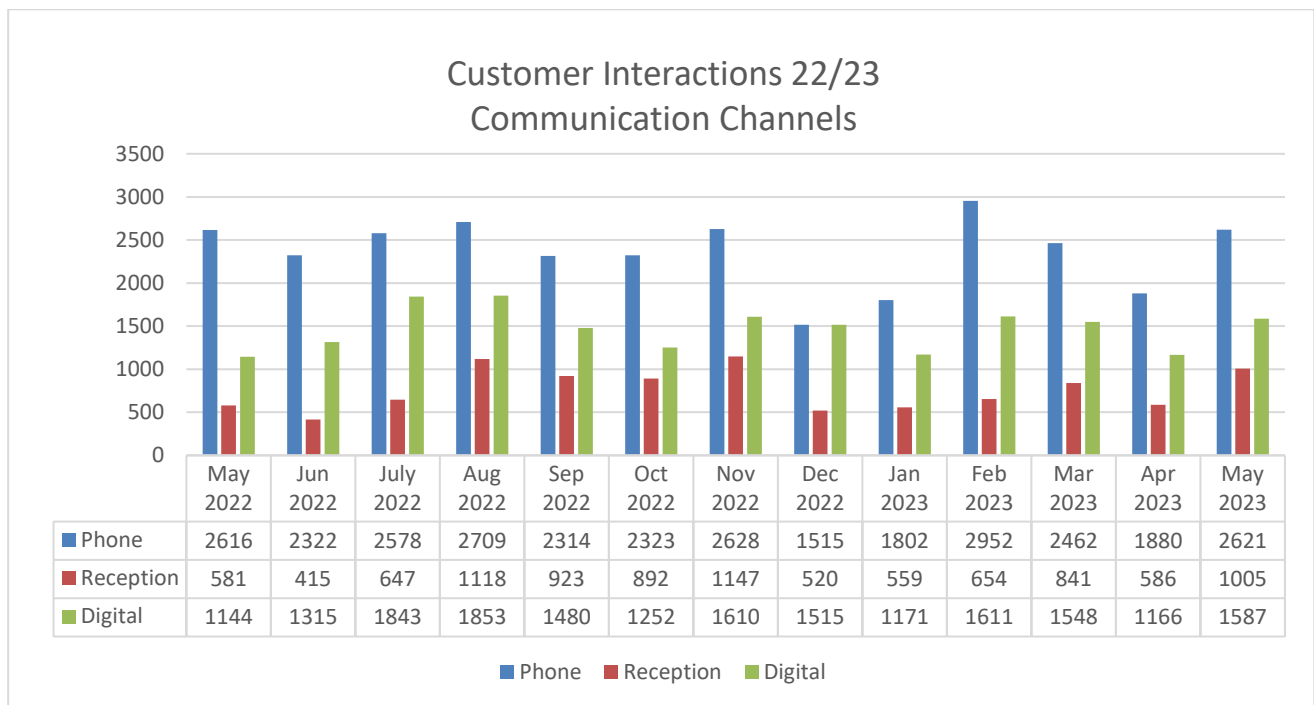


Customer Services

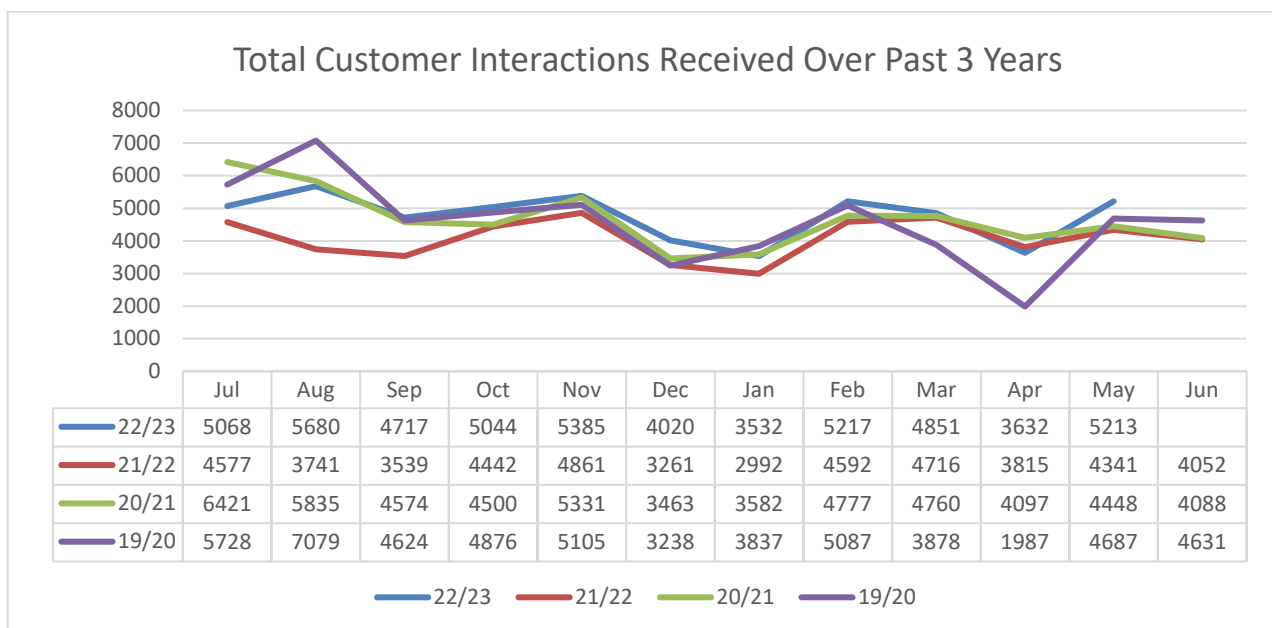
Month	Total Customer interactions	Digital	Reception	Total Calls	Average Speed Answer (sec)	Average call abandonment (%)	Calls FTE
May	5213	1587	1005	2621	17	3	2.85

*Calls FTE – average number of staff available at any given time to answer phone calls

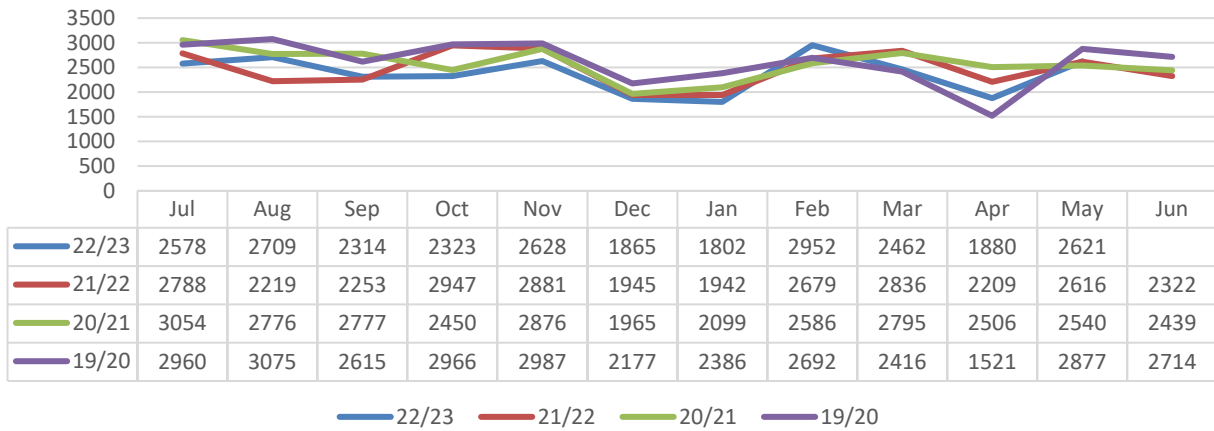
*Average call abandonment – percentage of calls disconnected before answered



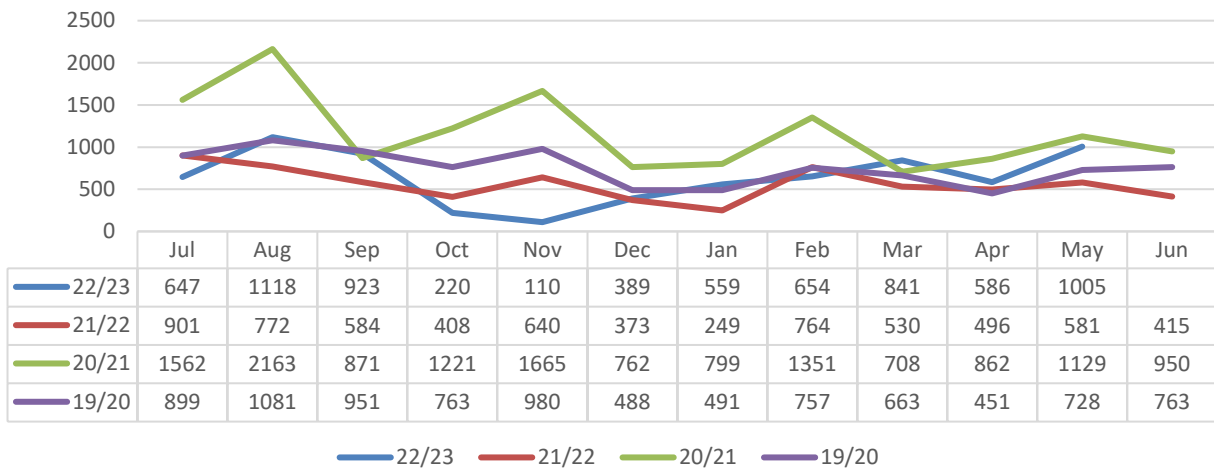
* Digital – Customer enquiries received via email, KDC Website, Antenno and Facebook



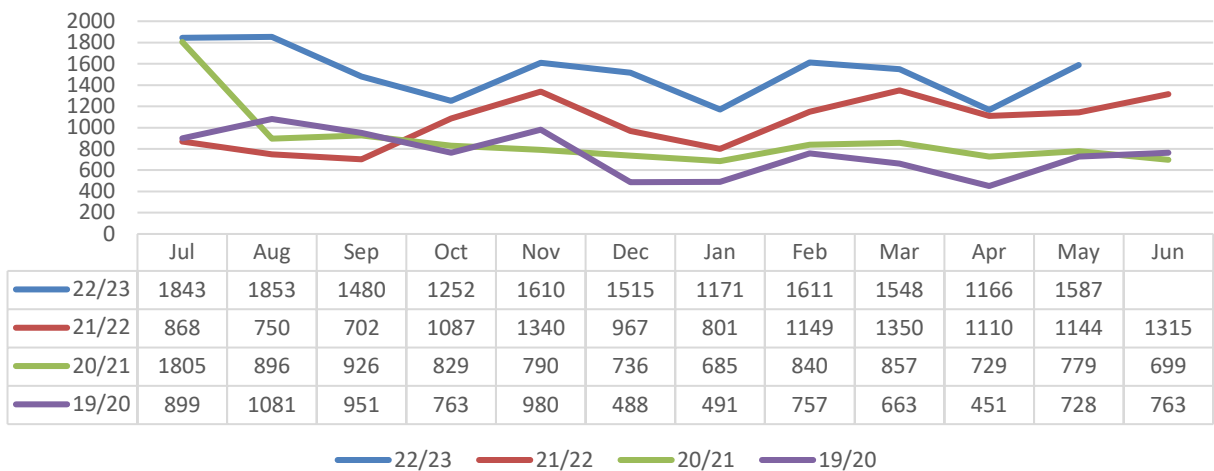
Phone Customer Interactions Comparison

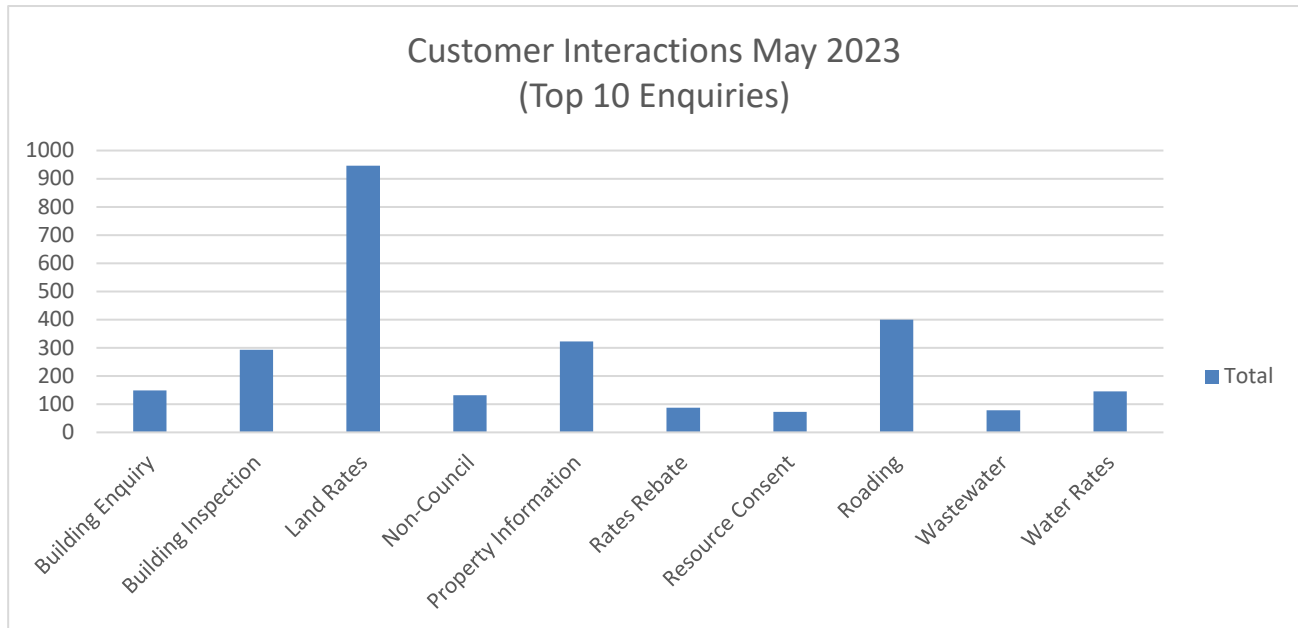


Reception Customer Interactions Comparison



Digital Customer Interactions Comparison





* Other – FENZ, NZTA, NRC, LINZ, CAB, Utility Companies

