Summary for 8 Months Ending 28th Feb 2026 Whole of Council

Revenue Analysis

Rates Penalties charged to overdue rates instalments not yet paid.

Fees & Charges ($630K) or (4.2%) unfavourable variance

Solid Waste YTD
$339K favourable
Solid Waste Full Year Forecast:
Transfer Stations have a $323K favourable variance due to a new contract for this financial year, which increased revenue partly from cost fluctuations and performance payments. The prior budget was based on last year's revenue under the old contract.

District Facilities YTD
($258K) unfavourable
District Facilities Full Year Forecast:
HFTE had less than expected income from HFTE ($260K). This is due to the large amount of vacancies. 33 in total. This will continue for some time as 6 in Awanui are waiting for new roofs and 17 in Kaikohe needing major works
Water Supply YTD:
$542K Favourable ($6.10M actuals vs $5.56M Budgeted)
Water Supply Full Year Forecast: The favourable variance is primarily driven by timing of rates billing cycles.
Water by Meter revenue is $409K above budget, and Penalty revenue is $91K above budget, reflecting the impact of billing cycles, including the second billing runs for Ōpononi (January) and Kaitāia (February), which resulted in higher-than-expected revenue recognition for the period.

Other Income $2.64M or 119.6% favourable variance
The favourable variance is primarily driven by additional funding received across multiple activities:
•**Roading & Footpaths YTD:**
$653K favourable variance
•**Roading & Footpaths Full Year Forecast:**
Actuals of $978k received against a budget of $625K due to a 100% NZTA funding for the Kaitaia–Awaroa camera project.

•**Water Supply YTD**
$1.2M favourable YTD with actuals of $1.27M compared to budget of $21K.
Water Supply Full Year Forecast:$850K Better Off Funding (BOF) received for the Asset Management Information System, along with an additional $414K received in January 2026, and $49K BOF claimed in October for the SCADA Plant Upgrade.

Corporate Services YTD
$551K favourable variance
Corporate Services Full Year Forecast
Interest Received $393k, and $158k from Mayors Taskforce For Jobs for recruitment

Planning & Policy YTD
$500K favourable variance
Planning & Policy Full Year Forecast
Includes $420K received for Climate Change initiatives from Central Govt Disaster Recovery

District Facilities YTD
($296K) unfavourable variance
District Facilities Full Year Forecast
Interest not yet allocated & Dec 25 - Feb 26 Power for Te Hiku Sports Hub not yet recovered but this should be resolved by end of FY

Central govt subsidies - admin & operational ($1.50M) or (10.1%) unfavourable variance
YTD:
•**Roading and Footpaths reflects an** unfavourable variance of ($1.50M)
•**Roading & Footpaths Full Year Forecast:**
Roading actuals of $13.36M to budget. N.B. Full year budget of $22.31M.
Footpaths programme is under review due to NZTA not funding the programme. The programme, last updated in 2023 is under review to confirm completion status and delivery against plan. An updated and approved footpaths list is required from the Community Board before progress can continue.
Major work planned for Special Purpose Road for Tau Henare Drive this year. Some isolated pavement failure repairs are planned for in the coming months.
FNDC has set higher budget during the Annual Plan process before NZTA finalised its funding programmes, creating a budget variance.
Stellar to provide NZTA with an updated list of work to be completed for this financial year for EW and 32 slip repair projects. A major reforecast of approximately $20M is planned to shift into next financial year subject to NZTA approval.

Development Income YTD
$502K favourable variance ($502K actuals vs $0 Budgeted)
Development Income Full Year Forecast
The favourable variance is driven primarily by revenue from the Doland Road Wastewater Catchment Upgrade project (Project 551809). This income was not included in the original budget, resulting in a positive variance.

Central Government subsidies for New Works ($29.63M) or (73.8%) unfavourable variance:
•**Water Supply YTD**
Unfavourable Variance: ($5.96M) with actuals of $1.32M compared to a budget of $6.17M.
Water Supply Full Year Forecast:
Variance is primarily driven by timing differences between budgeted funding recognition and actual claim progression.
• Kaitaia & Kerikeri Fluoridation (MOH)$2.48M actual vs $1.65M budget → $813K favourable – FY25 accrual was incorrectly recognised and is now treated as revenue in advance, partially offsetting the overall variance.
• Kawakawa Water Treatment Plant Upgrade: $0 actual vs $4.59M budget – project remains in early feasibility with no claims YTD.
• Kaikohe projects: $3.72M actual vs $5.72M budget → $2.19M unfavourable – Stage 3 construction underway with partial claims received and further claims pending.

•**Wastewater YTD**
Unfavourable Variance: ($4.80M) with actuals ($1.32M actuals vs $6.17M budgeted)
Wastewater Full Year Forecast:
Variance arises from early-stage projects and timing of claims:
•Kawakawa WW $0 actual vs $3.67M budget – no funding claimed YTD due to early feasibility stage.
•Kaikohe Wastewater projects: partial claims received $1.32M vs $2.49M budget – Stage 1 and 2 claims fully received, with Stage 3 claims partially submitted and remaining claims pending.

•Roading & Footpaths YTD
reflects unfavourable variance ($18.72M)
Roading & Footpaths Full Year Forecast:
Actuals of $3.14M against YTD $21.86 YTD budget. Full year budget of $42.72M tracking behind budget due to
significant programme delays and the planned rephasing of approximately $20M of capital works into the next financial year, pending NZTA approval of updated projects list. Key contributors include no progress on footpaths new works, Emergency Works, and other capital programme (including LCLR) tracking well behind with increased funding risks as the Aug 2022 weather event subsidy rates reduces. Confirmed funding received of $6.74M for Cyclone Tam Phase 2 & 3 works at FAR of 91%.

YTD:
*** Unsealed Rd Metalling $1.47M, Sealed Rd Resurfacing $2.30M, Drainage Renewals for Roading $900K, Pavement Rehab $256K, Structure Component Bridges $1,50M, Bridges & Structures $2.9M**
Full Year Forecast:
Delayed delivery across the renewal's capital programme due to contractor Stellar, not achieving delivery of capital renewals work. Currently they are reforecasting subsidised works into the next financial year, pending approval of updated project lists from NZTA. Key delays are evident across core renewals activities, including unsealed road metalling, sealed road resurfacing, drainage renewals, pavement rehabilitation, and bridges and structures, resulting in lower than planned subsidy recovery for the current year.
Wastewater & Water Supply: Zero actuals to zero budget. No budget for renewals for these areas.

Other contributions $1,304M favourable variance
YTD
•Roading reflects a favourable variance of $900K
Full year forecast
Roading actuals of $900K against a zero budget due to
Funding of $1.5M expected from MBIE for the Haruru Falls project. Thus far project funds received $900k from MBIE. FNDC to fund $450K per agreement. Final funding of $600K to be received in April once paperwork for project has been finalised.

•There are smaller unfavourable variances across departments that balance out to the overall variance

Expenses

Staff related costs $2.30M or 7.8% favourable variance
•Roading YTD
reflects a favourable variance of $888K
Roading Full Year Forecast
actuals of $870K against a full year budget of $2.72M due to
a reduction in expenditure following the restructure of the Roading Business Unit. The revised structure has lowered overall staff costs, & increased consultant costs, re: hybrid structure.

•**Strategic Relationship** $263K favourable due to salaries which are $78K below budget and honorariums are $123K below budget. Overall training costs are $26K below budget across Community Board, Council Advisory, Stakeholder Relations, and Te Hono development
•**Stormwater** $456K favourable primarily due to a $432K underspend in salary expenses
•**Wastewater** $685K favourable variance in staff-related costs. $666K being for underspends in salary expenses

Contractor fees $2.26m or 6.2% favourable variance

Solid Waste YTD
$235K favourable variance
Solid Waste Full Year Forecast
This is to account for a performance payment for Northland Waste not yet finalised but should be processed by end of FY

Resource Management YTD
$389K favourable variance
Resource Management Full Year Forecast
These funds will be needed with RMA reform coming

District Facilities YTD
$609K favourable variance of, mainly in Public Toilets $309K and Parks & Reserves $314K with small unfavourable variances across other depts
District Facilities Full Year Forecast
Budget was overstated - new Team Leader has found savings and reduced the budget for the next Financial Year.

•**Roading YTD**
reflects a favourable variance of $39K
Roading Full Year Forecast
actuals of 16.06M against a full year budget of $26.54M due to
correct capitalisation of consultant time to various capital projects, reducing operating costs while ensuring NZTA subsidy claims accurately capture all subsidised expenditure.

•**Water Supply & Wastewater YTD**
$984K favourable variance with $9.95M actuals vs $10.94M budgeted
Water Supply & Wastewater Full Year Forecast
Favourable variance mainly due to timing delays in invoicing from Ventia with no invoices received in P5 and P7, and invoices received in P6 & P8

Professional fees $1.27m or 16.2% favourable variance

Planning & Policy YTD
$624K favourable variance
Planning & Policy Full Year Forecast
Bulk is $586 savings in Placemaking and Spatial Plan as budget is not required at this stage, however taking into account commitments, this will be used over the course of the rest of the FY

•**Strategic Relationships** favourable variance of $223K due to external committee roles not yet filled

•**Roading & Footpaths YTD**
reflects a favourable variance $1.45M
Roading Full Year Forecast
actuals of $2.43M against a full year budget of $4.96M
due to reflecting lower deliveries in Q1&2. Q3 has seem a gradual increase. With planned work of $1.69M on roading network for Bridges structures component replacements, we should see costs increasing at the end of the financial year.

•*There are minor savings across several business units, totalling $170K across Corporate Services, Community, and Environmental cost centres*

•**CycleTrail YTD**
reflects an unfavourable variance ($678K)
CycleTrail Full Year Reforecast
actuals of $868K against a full year budget of $285K
due to the write-off of $534K prior-year capitalised professional costs to current-year operating expenditure, increasing the costs of professional fees for the year. These costs were no longer applicable hence the write-off.

•**Water YTD**
($281K) unfavourable variance ($455K actuals vs $174K Budgeted)
Water Supply Full Year Forecast
Due to unbudgeted expenditure across a number of projects. This includes $37K paid to DC Civil Services for Q1 work on IAF projects (Kaikohe Water Reticulation) and (Kaikohe WTP Upgrade), and $84K paid to Hoskin Civil for work on project (Kawakawa WTP Upgrade) and $208K – Geographic BSNS (Project 571814 – DIA 3 Waters Transition Support)

External Services ($1.78m) or (28.4%) unfavourable variance
•**Community & Engagement YTD**
$143K unfavourable ($296K actuals vs $153K budgeted)
Community & Engagement Full Year Forecast
Largest overspends are in the Call Centre ($48K) due to Zendesk and Purecloud fees; and Libraries ($78K) Kotui Library Services paid to DIA
•**Water Supply YTD**
$661K unfavourable ($683K actuals vs $22K budgeted)
Water Supply Full Year Forecast
Unfavourable variance driven by $256K for Te Kahu o Taonui Initiative, $142K for New Source Sweetwater SCADA support, and $230K for Water Scheme, covering various Ventia MCW and O&M payments and accruals.
•**Roading & Footpaths** reflects an unfavourable $965K due to:
The costs incurred for the Kaitāia-Awaroa camera project, totalling $610K. These costs have been recovered from NZTA subsidy under revenue. The increased costs of $355K relates to Ventia and Fulton Hogan work for Unsubsidised & EW. A Q3 reforecast from Stellar Projects is pending to confirm full year costs.

Within acceptable range

Other (excl contractor fees, professional fees, external services & legal costs) ($4.44m) or (364.8%) unfavourable variance
Planning and Policy YTD
($152k) Unfavourable variance
Planning and Policy Full Year Forecast
Unfavourable variance of ($202K) Commissioners Fees re District Plan Hearings due to the large amount of work being done in that space This is balanced out to some extent by no spend in the Private Plan Changes area which has a budget of $51k not spent

•**Water Supply YTD**
$667K unfavourable ($755K actuals vs $87K budgeted)
Water Supply Full Year Forecast
Driven by unbudgeted payments of $50K to J Cash Trust (Kaikohe WTP Upgrade), $364K to Jacobs NZ (IAF Kawakawa WTP Upgrade), $166K for the Water and Waste quarterly levy, and $78K for 3-Waters reform professional fees, including $65K to JData (DIA 3 Waters Transformation) and $7.4K to Merriman Jason Consulting (LWDW).
•**Wastewater YTD**
$241K unfavourable variance ($381K actuals vs $140K budgeted)

Wastewater Full Year Forecast
Driven by unbudgeted payments of $91K for Paihia Road wastewater line replacement, $77K to Jacobs NZ for 551358 – IAF Kawakawa WWTP Upgrade concept design, $46.5K for the Water and Waste quarterly levy, and $50K for 3-Waters reform professional fees for 551807 – Taipa Wastewater Transformation Project, including $10K to Hoskin Civil and $30K to Far North Enviro Lab Ltd.

•Roading & Footpaths YTD
reflects an unfavourable variance ($3.42M)
Roading & Footpaths Full Year Reforecast
actuals of $722 against a PSU Recovery full year budget of $4.05M,
due to $1.07M internal staff costs process processed to February bringing the new balance for PSU Recovery to $1.550M. A further $1.88M of internal staff costs is expected to be recovered from NZTA claims.

General Expenses $310k or 4.0% favourable variance
Corporate Services YTD
($984k) unfavourable variance
Corporate Services Full Year Forecast
Bulk being for Insurance payments for the organisation of $975k which will be reallocated to relevant cost centres before the end of FY

District Facilities YTD
$526K favourable variance
District Facilities Full Year Forecast
Various expenses not yet allocated including Insurance $231k, Power $94k, Rates $127k. There is also Repairs and Maintenance budget not yet spent of $57k on various council owned buildings. This should be spent over course of Financial Year

•**Water Supply** $183K favourable variance, primarily due to no insurance costs being incurred against a $54K budget, along with lower water charges of $135K. This is partially offset by a $15.1K overspend in vehicle running costs.
•**Wastewater** $145K favourable variance, primarily due to no insurance costs incurred against a $116K budget, along with lower vehicle hire and running costs, water charges, and rates expenses.

There are smaller favourable balances across other depts as budgets are not required at this time of the Financial Year
Strategic Relationships $179k
Planning & Policy $114k
Solid Waste Management $51k
Environmental Management $132k
Community & Engagement $73k

Grants and Donations $570k or 25.7% favourable variance
Strategic Relationships YTD
$409k favourable variance
Strategic Relationships Full Year Forecast
Community Board and Māori Engagement grants not yet paid this Financial Year

District Facilities YTD
$126K favourable variance
District Facilities Full Year Forecast
Grants for 25/26 yet to be paid out

Rate Remissions ($300K) or (14.3%) unfavourable variance Higher than expected rates remissions being approved due to the current high cost of living
Gain or Disposal ($2,991M) unfavourable variance due to: •**Roading** Renewals reflecting an unfavourable variance of $2.26M (note that no budget is assigned to this category). This is primarily represented by unsealed surface network write-offs related to renewals, as advised through RAMM and the transport team. FIFO method is used.
Depreciation and amortisation - favourable variance $2,836M due to: •**Roading** reflects a favourable variance of $1.60M due to not spending on their capital program. •**Wastewater** favourable $696K due to due to not spending on their capital program. •Smaller favourable variances across depts balance off to overall variance