



**Far North
District Council**

Chief Executive Officer's Report to Council

Period: 1 Sept 2021 – 31 Oct 2021

Key Work Plan Areas:

Governance

CEO Office

Corporate

Strategy

Operations

Infrastructure and Asset Management

Introduction

Welcome to this CEO report, which provides an overview on the Council's activities for the period 1 September 2021 – 31 October 2021.

Welcome to the latest summary report of Council activities

Introduction from Shaun Clarke, Chief Executive

At the beginning of this reporting period, Northland moved from Alert Level 3 to Alert Level 2, with cases of COVID still occurring in the region. As New Zealand's response moved from elimination to suppression, the focus of our communication moved from reporting daily numbers of cases to encouraging people to get vaccinated. To help keep our staff safe, on 17 September we held a vaccination day for staff and Elected Members, and again in October for the second shot. Work commenced assessing the level of risk Council roles have when interacting with the public. We continued to assist our partners through the Northland Intersectoral Forum, discussing border checkpoints, the potential impacts on tourism and promotion of key messages (amongst other topics).

During this 8-week period, Government asked Councils to use this time to understand the information the Department of Internal Affairs had released on Three Waters Reforms. FNDC chose to hold a community survey to gauge public support for the Government's Three Waters Reform proposal, which ran for four weeks. On 27 October, Minister Mahuta announced the Government was going ahead with reform plans to amalgamate council-owned drinking, wastewater and stormwater infrastructure across New Zealand into four water services entities (negating the need for Council to 'opt in or opt out' of these arrangements). For the Far North, this will mean one entity providing water services across Auckland and Northland. More detail on transition arrangements is expected in the coming months.

Additional to the Three Waters Reform survey, we had a busy engagement period with consultation taking place in relation to:

- Heritage areas – nine different communities were asked for their feedback as part of the Draft District Plan. This was complemented with an online hui on the topic with staff, Elected Members and community representatives on 1 October.
- Representation review – Concluding on 1 October, deliberations were held later in the month. Council was scheduled to adopt a final proposal in November.
- Bylaws – The next tranche of Bylaws we sought public opinion on was for Parking, Vehicles on Beaches, and On-site Wastewater Disposal Systems.

Council submitted a bid for Government housing infrastructure funds through for thirteen new housing proposals planned by Iwi, Far North Holdings Ltd and community housing providers. Kāinga Ora received over 200 proposals, and we were fortunate enough to have four bids invited to progress to the 'Request for Proposal' (RFP) stage. Another three applications made it to the 'Reserves List' that may be drawn upon if there is an insufficient number of proposals that progress to negotiation, following completion of the due diligence and evaluation process at the RFP stage. Council will make a decision in December on submissions to this second stage.

The Transport Minister announced that Northland will receive \$751 million over the next three years under the National Land Transport Programme. The Far North's contribution of \$96 million for local road maintenance is higher than the \$88 million initially anticipated but still short of the \$105 million that was bid for to deliver all Far North projects in the Regional Land Transport Plan (which the Northland Regional Council sought community feedback on in 2020).

ILGACE (Iwi Local Government and Chief Executives) met on 5 October, the first virtual meeting due to COVID restrictions. The future of local government, regionwide river flood mapping and outstanding natural landscapes in the coastal marine area were discussed (in addition to updates from each of the Councils). Te Kahu o Taonui shared a report noting they had discussed kai security and Whai Kainga - emergency housing.

Adapting to a virtual working environment has become second nature. Staff held our inaugural 'All staff virtual meeting' in September, focused on aligning what we do on a common purpose. We also held a new starter afternoon tea between the Strategic Leadership Team (SLT) and 22 of our newest staff members. The FNDC 'To Tamata leadership programme' was launched, aimed at developing our leadership talent. This bespoke programme has select participants from across the organisation and we're supporting their professional growth through this structured in-house learning.

Te Wiki o te reo Māori was celebrated virtually through the promotion of Maori Language Moment 2021, to help set a world record for the number of people speaking an indigenous language at the same time. We also ran a competition for staff to find who had the best 'Teams' background promoting te reo Māori in virtual meetings, and had some great entries

SLT members took the opportunity to thank our frontline staff who work tirelessly for our communities by dropping off some chocolates as a token of our appreciation. We've also had some great achievements by our staff; I'd like to acknowledge the Manager Community & Customer Services who was selected for the Taituara executive leadership programme, and our Chief Financial Officer selected for the Taituara Finance Working group.

FNDC was successfully shortlisted for the 2022 Australian Financial Review Best Places to Work award. This is a study to identify Australia and New Zealand's best places to work and showcases our Creating Great Workplaces project with our hybrid working model in application. The process includes a staff survey of what it's like to work this way, managed and run by the award host. We are very proud of making it to this stage and look forward to hearing the outcome.

International Accreditation New Zealand (IANZ) completed its audit of the Building Consents team. In 2019, the Council's Building Consents team struggled to issue all consents within the 20-day statutory period. This necessitated a lot of hard work to review systems, procedures, reporting mechanisms, staffing levels and culture. At the end of October 2021, the team had processed 99.63% of consent applications received since 1 July 2020 within the 20-day statutory timeframe, despite record high numbers of applications. This is an exceptional turn-around, and I congratulate all of the Building Consents team for the extraordinary effort that has gone into this.

Other highlights have included:

- Council winning \$450,000 in funding from the Ministry of Social Development (MSD) for the Mayors Taskforce for Jobs Community Recovery Programme. The focus of the funding is to provide 50 sustainable employment opportunities for youth and NEETs (Not in Education, Employment, or Training).
- Completion of 3.5km of seal extension on Pungaere Road. The seal now extends all the way from State Highway 10 to Puketū Forest Park.
- The development and installation of bilingual signs to visitors at Kawakawa's Hundertwasser-inspired community hub, library and service centre, Te Hononga.
- The demolition of the skate park at Kerikeri Domain was completed, despite bad weather,

and the project is making good progress.

Operational performance during this period saw:

- Comparing October 2021 to October 2020 (NB Due to COVID Level 3 restrictions all of the service centres were closed for 7 days in October):
 - 44.81% decrease in financial interactions at Service Centres
 - 24.29% decrease in calls to the Contact Centre
 - 16.93% decrease in AskUs emails received
 - 14.07% increase in building inspections booked
 - 59.86% decrease in visits to Service Centres
 - 86% decrease in i-SITE visitor numbers
 - 93% decrease in i-SITE retail revenue
 - 75% decrease in i-SITE transaction spend
 - 91% decrease in i-SITE transaction numbers
 - 453.7% increase in ebook and audio downloads
 - 7% decrease in library website session
 - 108.4% increase in digital checkout sessions
- 270 RFSs received by Animal Management in October, 59 of which were urgent
- 34 dogs impounded during October, with 9 claimed by their owners, 1 dog adopted and a further dog taken by a rescue group
- Monitoring & Compliance received 111 RFSs, a decrease of 19 from the previous month
- 89 Resource Management Act (RMA) consents were received
- 93% of Resource Consents were issued within statutory timeframes for October (3 consents went over the statutory timeframe)
- 19 environmental health verifications scheduled and completed for October
- 3 Good Host Visits of licensed premises were conducted
- 41 alcohol licenses issued
- 155 building consent applications received in October
- On average, building consents are being issued within 11 days and code of compliance certificates on average in 7 days
- 31 swimming pool inspections completed with a 26% swimming pool fail rate
- 8 Building Warrant of Fitness audits completed
- 12 Notices to Fix (for breaches of the Building Act 2004) were issued
- 39 development applications received by the Road Safety & Traffic Planning team
- Hokianga ferry revenue was \$18,696 excl GST, a significant reduction from October in 2020 as the District spent a significant amount of time at increased COVID Alert levels
- Transportation RFSs increased in October (434 vs. 309 in September) with the category of 'Potholes, Edge Breaks, Corrugations' remaining as the single largest number of requests

This report continues to evolve. We now have three groups providing an update which are also received at Committees (Regulatory, Infrastructure Network and Strategy & Policy). We recommend these are read as an encyclopedia for Elected Members to reference specific points. These documents are available online and we invite Elected Members to refer constituents to it. This report has reduced from 100+ pages to 20-odd pages and we appreciate Elected Member feedback on any further refinements.

Governance

Workshops and Briefings

A number of workshops were held during the period, conducted virtually due to COVID restrictions. Whilst the medium of virtual is not always ideal, Officers appreciate being able to have elected member time to progress the work of Council.

Kaikohe-Hokianga Strategic Planning
Big Ideas Lab – 2
Kerikeri-Waipapa Spatial Plan
3 Waters Reform
Annual Plan – 2
District Plan – NRC Hazard Update
Climate Adaptation Strategy
Development Contributions Policy
Reprioritisation
District Plan – Heritage Precinct
Covid Readiness and Resilience
Representation Review

Community Board Workshop and Working Party

The September Community Board Workshop was postponed due to COVID. It is now scheduled for 17 November and likely to be run virtually despite the preference for it to be a face-to-face and interactive workshop. The Community Board Working Party will be scheduled in line with outcomes of the workshop.

Training

All training events planned for Elected Members continue to either be postponed or cancelled due to COVID.

CEO Office

People and Capability

HRNZ Award Bid

A working party submitted an award entry under the “2022 Future Focus of Work Award” which recognises how organisations have evolved with new ways of working following the COVID-19 pandemic. The award bid documented the Creating and Enabling Great Workplaces project, showcasing the hybrid remote working journey. This detailed the progressiveness of Council with our people first concept, while ensuring that customer needs come first. Nominations are to be reviewed by HRNZ during early 2022.

Leader Development

The quarterly New Leaders 101 workshop presented by both the People & Capability Advisors was held virtually on the 27th of October. A small group of 5 new People Leaders attended. The session cultivated open discussions and informative question and answer opportunities. The team received welcomed positive feedback.

The Leadership Programme Delivery resigned from the role. This has meant the Tō Taumata programme has not met its delivery milestones. We have just secured a new facilitator that will commence with FNDC in mid-November.

CEO Office

The advertising period has commenced for the Chief Executive Officer role. We are utilising the services of an external recruitment provider for this campaign. Some of SLT recently visited all our customer facing staff and presented them with a small thank you gift to show appreciation for having to work with face-masks full time. This gesture was very well received.

During October a panel of 4 Leaders interviewed 10 potential cadets for our FNDC Cadet programme. 5 were appointed with a start date of 1 November 2021. The calibre of cadet applicants was very high and made the selection difficult.

Infrastructure & Asset Management Group

Infrastructure & Asset Management is currently recruiting towards one internal vacancy and two vacancies seconded to the NTA. Recruiting the required skills in this area continues to prove tough, as it has been seen across a wide variety of high skilled roles.

Strategic Planning & Policy

Two new staff members were offered roles in the Te Hono team, which will provide much welcomed support. There are also ongoing recruitment tasks being actioned towards filling a few further vacancies and more information will be provided in the next report.

Corporate Services Group

The pilot merger between Transformation & Assurance and Digital Information Services, that commenced 8 June, is now at mid-point for review. This pilot will allow for digital transformation and innovation with the following five outcomes expected; strengthened programme delivery, customer centric service design, embedded change management, leadership efficiencies and pathways and addressed business risk.

There are also recruitment tasks towards filling a few further vacancies within IT and more information will be provided in the next report.

District Services Group

All Managers in District Services have completed succession plans. Recruitment is underway for an additional Team Leader within the Resource Consents Team for a 2-year fixed term period to cover demand.

There are also ongoing recruitment tasks towards filling a few further vacancies within Building and more information will be provided in the next report.

Staffing, Salaries and Training

Current Staffing Levels

Actual Full Time Equivalent (FTE) at 31 October 2021	Annual Plan Establishment (FTE)
346.47	385.70

- The figure for the Actual FTE is based on permanent staff numbers
- Established FTE is based on permanent position numbers

Salaries and Training

Financial Performance as at 31 October 2021	YTD Actual	YTD Budget	YTD Actual vs Budget	Annual Budget
Salary Costs	\$11,176,815	\$9,942,459	-\$1,234,356	\$32,305,150
Training Costs	\$114,069	\$225,920	\$111,851	\$677,774
Trainings as a % of Salaries (Sector average is 4%)	1.0%			2.1%

Vacancies

Department	FTE Available
CEO/Communications/People & Capabilities	1

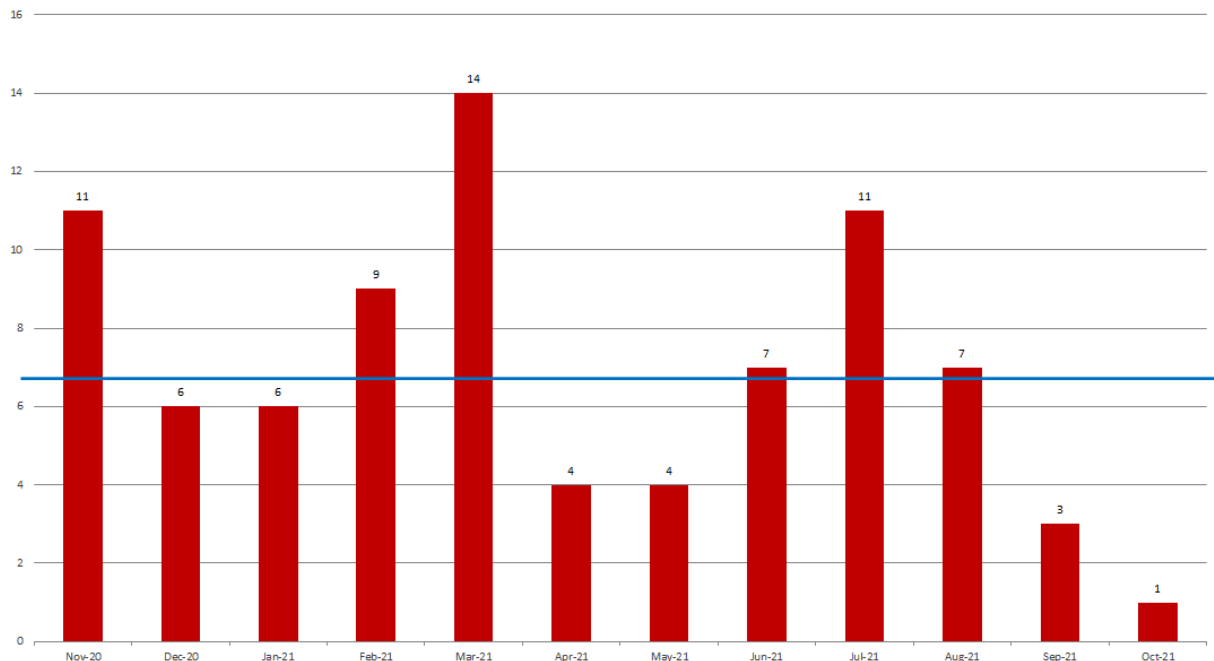
Corporate Services	7.7
District Services	12
Infrastructure & Asset Management/NTA	11.2
Strategic Planning & Policy	7.3
FNDC TOTAL (FTE) * includes part time & full time EST Position Vacancies	39.2

Health, Safety & Wellbeing (HSW)

Summary of Activities

- COVID-19 support of the business during Alert Level changes, with essential workers continuing to operate during those levels.
- Workplace COVID vaccinations administered to staff, through our third-party provider. 55 staff received dose #1 in September, with 32 attending for dose #2 in October.
- Civil Defence training facilitated during September, with ten staff attending the CIMS 4 course and six staff completing Emergency Operations Centre (EOC) course.

PeopleSafe Stories Types during the reporting period



PeopleSafe 12 Month Rolling Incident Rate

During the two-month reporting period there were 4 incidents/events told, covering 6 story types, which is a considerable drop in incident numbers when compared to previous reporting months. The average number of incidents told per month has decreased accordingly to 6.9 incidents/month. With the alert level changes and mandated “work from home” during heightened alert levels, this reduction in reporting could be a result of this lack of field and office-based work.

Communication

Activity summary

Communicating information about the Representation Review and COVID-19 pandemic were focus areas for the Communications Team in September and October.

Media releases

The team issued eight media releases during the eight-week reporting period. These were about:

- A new waste contract to operate Russell Landfill
- A consultation exercise about new bylaws for parking, roadside activities and private wastewater systems
- Changes to water billing for Kerikeri households and businesses as a result of COVID-19
- The adoption of new bylaws for treated water supplies and vehicle crossings
- A Council survey to gauge community support for the Three Waters Reform Programme
- The extension of a feedback period for heritage areas in the Draft District Plan
- The allocation of grants by community boards
- A consultation exercise about options for controlling erosion at Ōpononi

Publication of media releases

The team was largely successful at getting these media releases published in newspapers that circulate in the district.

- One of the eight media releases was published in all four local newspapers
- Two media releases were published in three local newspapers
- Three media releases were published in two local newspapers
- One media release was published in one newspaper

Media enquiries

The team responded to 24 media enquiries in September and October. Key topics of enquiry included COVID-19, storm damage and Council's handling of a request to prune a pohutukawa tree at Ahipara.

Social media

Outputs and outcomes in September and October included:

- 51 Facebook posts about a range of topics
- 56 new Facebook page followers
- 46 new Facebook page 'likes'
- 65,466 people reached by Facebook posts
- 17 LinkedIn posts.

Mayoral support

The team co-wrote eight newspaper columns with the Mayor and Deputy Mayor. Four of these were about the COVID-19 pandemic, two were about the Three Waters Reform Programme and two were about Waka Kotahi NZ Transport Agency highway projects in the district.

CEO support

The team produced nine editions of weekly newsletter The Weekender, as well as regular briefings on the COVID-19 pandemic for staff.

Other support and outputs

- Fortnightly, full-page adverts in four local newspapers about the Representation Review, as well as Council and Far North Holdings Ltd maritime projects.
- A four-page newsletter about Council projects, which was sent to ratepayers with quarterly rates bills
- Radio and digital adverts about the representation review and library services.

Corporate

Transformation and Assurance

Audit and Assurance

The recalibrated Internal Audit and Assurance Programme for the remainder of the 2021 calendar year was presented to the September meeting of the Assurance, Risk and Finance Committee.

Three audits have been completed this reporting period – the Review Network Logon Accounts and two Building Consent Authority Quality Audits.

Risk

Regular reporting, to the Assurance, Risk and Finance Committee, on the top organisational risks and their treatment plans continues.

Three risk progress reports were included in the October 2021 Risk Management Report to the Assurance, Risk and Finance Committee. The Risk Progress Reports on ARF003 Health Safety and Wellbeing Vulnerabilities, ARF006 Projects Priorities Delivery Delays Risk, and ARF012 Contract Management were presented.

Finally, the second progress report on the risks associated with the programme of the externally funded “shovel ready” projects that form part of the Governments economic response to the COVID-19 pandemic was presented to the Assurance, Risk and Finance Committee in September.

Customer Experience Programme

Customer Satisfaction

We continue to see an increase in our overall customer satisfaction (CSAT) scores, with the month of October seeing our highest satisfaction to date (4.03 out of 5). In October 51% of our customers scored us a perfect 5 out of 5.

We again saw improvements in our satisfaction scores during the last COVID lockdown, with many customers expressing their appreciation of level of service during these periods. This is a real testament to the resilience of our staff and adaptability of our work environment. Our response rates have also remained consistent.

Venue responses have been low due to lockdowns so have caused some fluctuations in scores due to low responses, these are noted with * below.

Over the period we can report:

- Service Requests CSAT 3.98 (10.6% ▲)
- Building Consents CSAT 4.25 (3.6% ▼)
- Building Inspections CSAT 4.10 (3.1% ▲)
- Resource Consents CSAT 4.00 (9.5% ▲)
- Visitor CSAT 5.00 (2.6% ▲*)
- Service Centres – No responses*)
- Libraries CSAT 4.90 (16.5% ▼*)

- LIM's CSAT 4.13 (0.6%)
- Property Files Requests CSAT 3.93 (3.5% ▼)

There are 844 customer responses in this period (below average but is expected due to the lockdown) and our response rate is slightly higher at 43.2%.

Customer Satisfaction (new system, scale out of 5)

3.94

▲ 0.08

01 Sep 2021 - 31 Oct 2021



TOTAL RESPONSES	SATISFIED	NEUTRAL	NOT SATISFIED	SURVEYS SENT	RESP. RATE
844	625	67	152	1,895	43.2%

CSAT

3.9

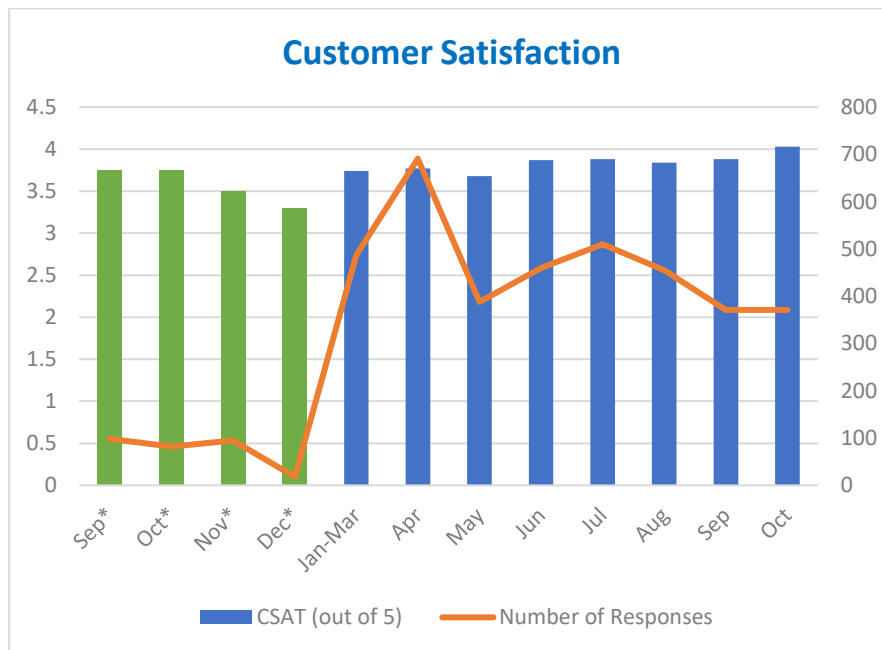
▲ 0.1

How satisfied are you with your recent experience with the Far North District Council?

total 844

Actions	CATEGORY	RESPONSES	%
	Very Satisfied	404	48
	Satisfied	221	26
	Neutral	67	8
	Unsatisfied	72	9
	Very Unsatisfied	80	9

The new system's Customer Satisfaction is a 5-point scale, we have converted the old performance measure below to highlight the monthly Customer Satisfaction results and volume of responses from the old and new systems over the year.



Net Promotor Score (scale –100 to +100)



Net Promotor Score (NPS) is a reputational benchmark and this has increased 8.1% ▲ during this period.

Date and Promise Measures



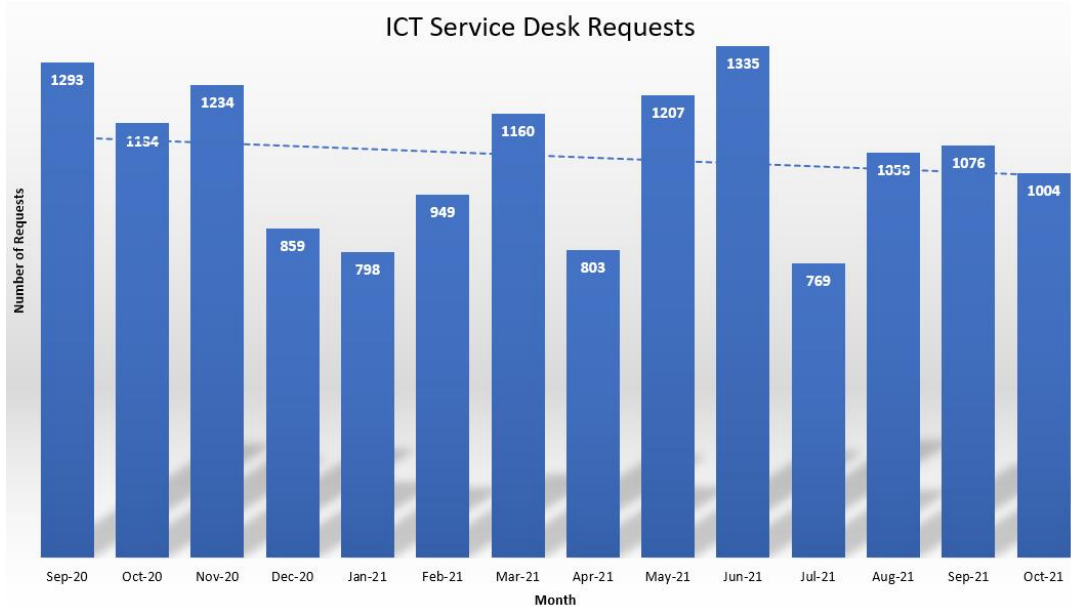
The average customer contacts have improved (4.67% ▲) since the last reporting period and is currently 1.83. Our keeping customers informed has reduced (2.6% ▼) with a CSAT of 3.7.

Digital Information Services

ICT Operations and Delivery:

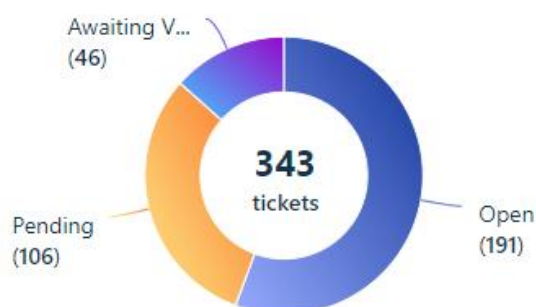
ICT Service Desk Requests

The number of ICT Service Desk Requests received during the September-October 2021 period was 1,605. This number is down from 1,827 which were received in the July-August 2021 period. Overall, the number of requests lodged have trended slightly downwards over the last 12 months.



The number of outstanding requests yet to be resolved is 343 (this is up from 289 in the previous period). 46 of these are awaiting an external vendor or the delivery of equipment, and 106 are awaiting a response from the requester (Pending).

Unresolved Tickets by Status:



Device Storage Encryption

Devices such as laptops and tablets now have security compliance policies applied which will enforce encryption on all hard drives. Encryption provides a safeguard by converting information or data into code to prevent unauthorised access.

This means device hard drives cannot be accessed without logging in with an active Council user account. This ensures that data on any devices that may be lost or stolen cannot be read or accessed, even if the hard drive is removed from the device.

IT Policy System

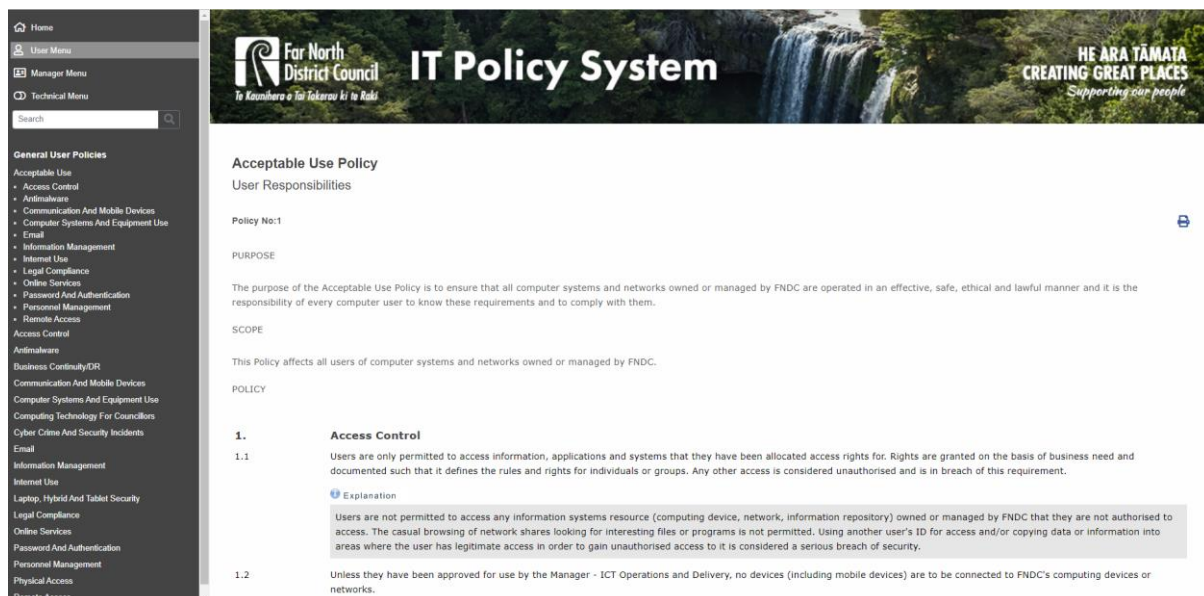
We have recently purchased an online IT Policy System in collaboration with Kaon Security Ltd to move to a more effective IT policy environment and to provide better governance around IT acceptable use and security.

Maintaining our policies to ensure they are well written and still relevant to the ever-changing landscape presented a challenge for us. The creation and ongoing maintenance of IT policies is an onerous manual task that can take up a lot of valuable resource time and can result in misaligned policy documentation that sits unused and delivers little value.

The policy system is kept up to date by Kaon's policy experts with any changes to legislation, standards, and guidelines. Kaon will notify the Council if any additions or changes are needed which ensures ongoing audit and best practice alignment.

The system comes with a recommended range of base policies which are currently being reviewed. Once the policies have been reviewed and approved, all staff, contractors, third parties such as IT vendors, and elected members will have access to the IT Policy System online.

FNDC IT Policy System:



Annual System Upgrade Programme

The annual Objective (electronic document and records management system) and Pathway/ePathway (property, regulatory, and customer service management system) upgrade programme is currently underway. The Digital Information Services team have evaluated the release notes, documented the changes, and assessed new functionality. The team have also completed the configuration changes and have undertaken full system testing. Initial impressions of the ePathway upgrade are that it is more customer friendly with modern design features and improved functionality.

The Objective upgrade was successfully completed in October 2021, with the Pathway and ePathway upgrade scheduled for early November 2021.

Data Insights and Programme Delivery:

Online Services

The availability of Online Services during the COVID lockdown generated increased online interactions and transactions with customers. This included rates and dog payments which Council were able to collect while we were in level 4 lockdown.

Stage 4 Permits and Licenses progressed slowly due to staff absence, COVID CRT commitments and the Pathway upgrade. The top four items that were identified for development are planned for release in mid-November, these are: Special liquor license, Manager's certificate, Vehicle crossing and Earthworks.

Annual System Upgrade Programme

The annual Objective (electronic document and records management system) and Pathway/ePathway (property, regulatory, and customer service management system) upgrade programme have been completed. The Digital Information Services team evaluated the release notes, documented the changes, and assessed new functionality. The team also completed the configuration changes and conducted full system testing. Initial impressions of the ePathway upgrade are that it is more customer friendly with modern design features and improved functionality.

The Objective upgrade was completed in October 2021, with the Pathway and ePathway upgrade successfully completed in early November 2021.

Enterprise Data Warehouse and Business Intelligence

The dashboards and reports for Vision 2020 have been in Production and are being actively used by the Resource Management team. The dashboards provide up-to-date information enabling a clear view of the status of applications and reduce the requirement for manual reporting saving time.

The business requirements for BCA reporting and dashboards have been validated and the automated processes for bringing the data into the data warehouse has been configured. Development of the BCA dashboards in the test environment is underway this will be followed by training and user acceptance testing before moving to production.

Enterprise Architecture

The Preliminary phase of an enterprise architecture practice at FNDC has been initiated. This phase includes engagement and education sessions within a prioritized set of teams. The goal of these sessions is to establish a shared understanding of the outcomes from the practice as well as where the teams fit in to the process and the overall benefits to the organisation from the work.

A working group has been established with individuals from various teams to provide feedback and ensure value is being delivered by the work. One of the main aims is to assemble a picture of what the entire organisation is today in terms of departments, services, processes, roles, applications, data, and infrastructure. The architecture is being documented with a specialist tool which will enable us to create future scenarios of what the organisation could look like. The tool can then generate gap analysis reports shortcomings.

So far documentation and validation of the 3 Waters high-level processes, roles applications and

user groups has been completed in conjunction with IAM and finance. Draft baseline architectures have also been completed for the management of district facilities, roading, regulatory services and strategic and district planning. The validation of district planning architecture is currently underway, and invites have gone out to the strategy development team for the next phase.

Long Term Plan

We have finalised the business cases for the GIS projects for the long-term plan focusing on the current year and engaging with various stakeholders.

Business Intelligence

Enterprise Data Warehouse

We continued work on the extension of the enterprise data warehouse to include the BCA data. The new BCA dashboard is currently being developed and will soon be deployed for user acceptance testing.

CI HRP

The Chief Financial Officer and General Manager Corporate Services received a demonstration of the FTE Lounge – a business intelligence dashboard detailing all FTE related statistics daily (Position FTE, Vacant FTE, Head Count, Leavers, New FTE Requests). The BI team continued with the People & Capability system support and training. Continual improvements made to the data quality dashboard with additional rules and exceptions and to the FTE lounge with additional data analysis tools. Business requirements documentation provided to P&C to initiate Phase 3 of the Ci-Anywhere implementation.

Resource Consent

We created a report for tracking Resource Consent applications received by location report and has since been used to assist SPP planners and IAM engineering teams in their decision making.

GIS

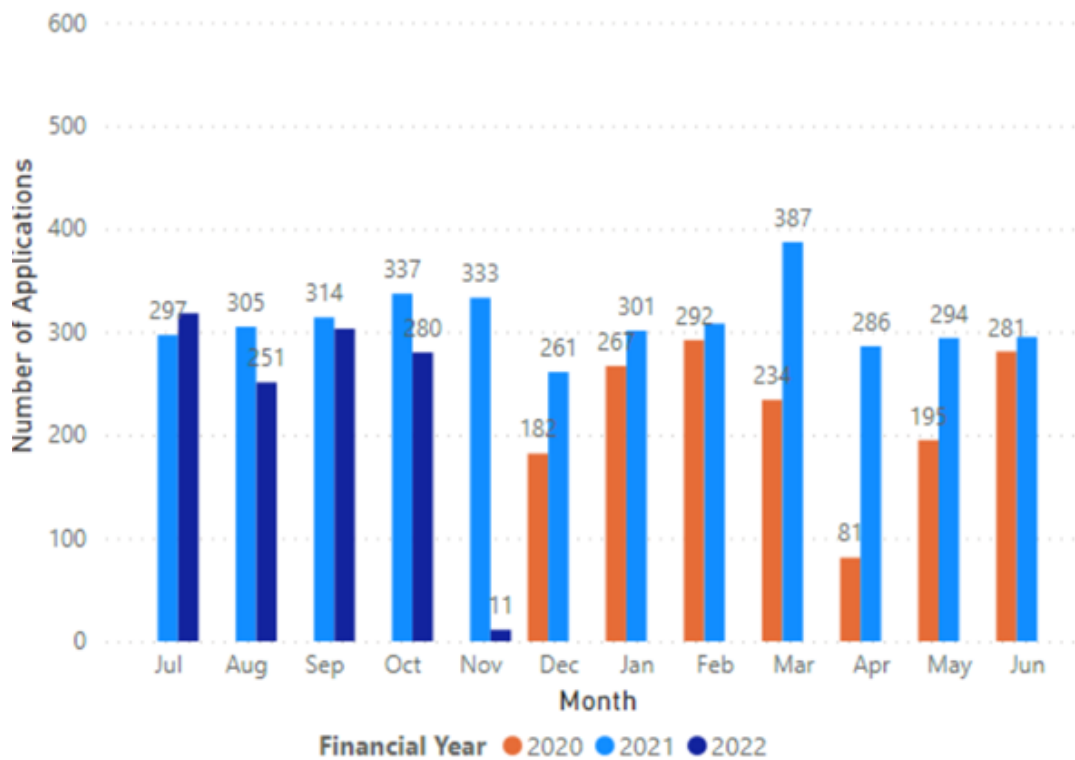
The GIS team have added a new Community Facilities map to the Far North Maps as per the link below

<https://fndc.maps.arcgis.com/apps/webappviewer/index.html?id=65ababd26fff42f780d63549d9845bc6>

This outlines the locations of FNDC facilities e.g., i-Sites, Car parks, skate parks, dog exercise area.

Information Management

Property File ePathway Applications



Objective Collaborate 2021 – Customer spotlight presentation from FNDC on how we use various software tools to enable hybrid working. [Objective Collaborate 2021 Recap](#) | [Objective Corporation](#)

Finance

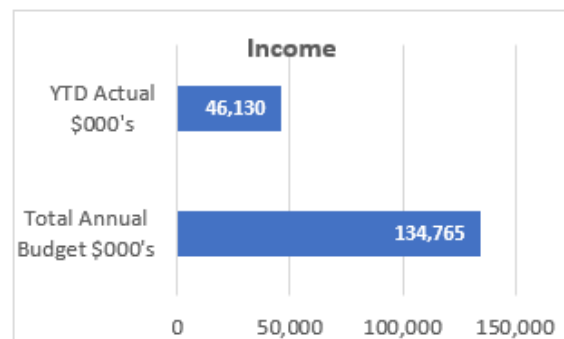
Operational Financial Performance

As at 31 October 2021

Variance Explanation

- Operating surplus for the period ending 31 October 2021 recorded \$15.1 million against a planned year-to-date budget of \$10.6 million. The Operational budget surplus is therefore at 43% compared against the year-to-date budget. However, FNDC have received considerable income in relation Economic Stimulus Employment Opportunity (ESEO), Provincial Growth Fund (PGF) and 3-Water Reform that were not in the budget, and if these are excluded the year-to-date budget deficit is at 14%.
- There has been year-to-date overspend in salaries and contractor & professional fees for which cashflow is being reviewed after confirmation of National Land transport Programme (NLTP) from Waka Kotahi NZTA.
- We are currently tracking above the forecasted operational income. This is due to PGF funds received for Lake Omapere for de-mobilisation costs, operational subsidy and grant received to support capital projects and MBIE grant/subsidy under the Tourism Infrastructure Fund programme. Furthermore, subsidy have been received from Waka Kotahi NZTA for innovating and safer streets initiative.

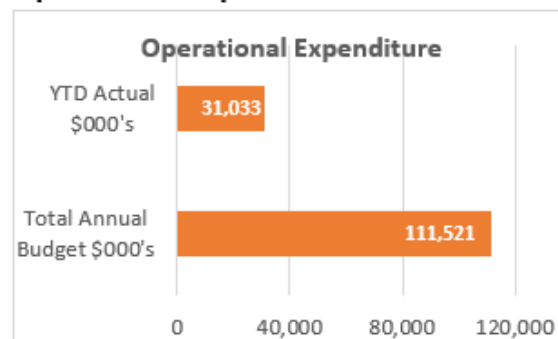
Income



Income has recorded favourable year-to-date budget variance as at 31 October 2021 in the following areas:

- Income has been received from Waka Kotahi (NZTA) for maintaining levels of service across the district. Cashflow forecast would be reviewed following funding approval by Waka Kotahi (NZTA) for the 2021-24 programme.
- Unspent grant funding has been brought into the year to complete the 3-Water Reform projects. Large amount of this grant was not required last financial year, therefore further claims for funding have been delayed as a result.
- Unspent Provincial Growth Fund (PGF) from last financial year to complete the final reinstatement costs for Lake Omapere and support the road sealing project at Ruapekapeka, Ngapipito and Peria road.

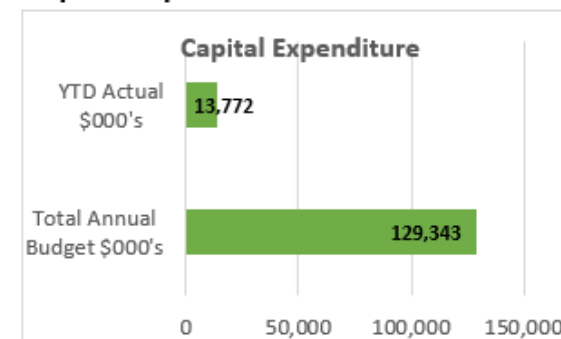
Operational Expenditure



Operational expenditure has recorded unfavourable year-to-date budget variance as at 31 October 2021 in the following areas:

- Maintenance and operational expenses incurred across the roading network for sealed & unsealed pavement maintenance, drainage, structures, traffic services maintenance. Cashflow forecast would be reviewed following funding approval by Waka Kotahi (NZTA) for the 2021-24 programme.
- cashflow forecast would be reviewed for staff personnel cost.

Capital Expenditure



Capital expenditure has recorded unfavourable year-to-date budget variance as at 31 October 2021 in the following areas, however it is worth mentioning some projects were delayed and some have a longer completion date that rolls over financial years:

- Planned works for Provincial Growth Funds (PGF) road sealing projects ongoing at Ruapekapeka, Ngapipito and Peria road to complete during summer. Await approval of the carry forward budget.

Whole of Council Statement of Operational Financial Performance for the period ending 31 October 2021	Year to date			Actuals YTD as a % of Total Budget	Actuals YTD as a % of Annual Forecast	Full year		
	YTD Actual \$000's	YTD Budget \$000's	Variance \$000's			Total Annual Budget \$000's	Total Annual Forecast \$000's	Forecast Variance \$000's
Operations								
Operational income								
Rates - general (excl water supply rates)	30,948	30,887	61	33%	33%	92,675	92,675	0
Rates - penalties	300	516	(216)	15%	15%	2,063	2,063	0
Fees & charges (inc water supply rates)	6,833	5,675	1,159	39%	39%	17,590	17,590	0
Central govt subsidies - operational	4,131	37	4,094	27%	27%	15,122	15,138	16
Other income	3,918	465	3,453	54%	50%	7,315	7,815	500
Total operating income	46,130	37,579	8,550			134,765	135,281	516
Operating Expenditure								
Payroll related costs	11,527	9,942	(1,584)	36%	36%	32,305	32,405	(100)
Other staffing related costs	546	719	173	25%	25%	2,171	2,198	(27)
General expenses	1,866	2,283	417	22%	22%	8,493	8,494	(1)
Rate remissions	1,746	1,553	(193)	84%	84%	2,087	2,087	0
Contractor & professional fees	14,297	10,956	(3,341)	23%	23%	61,783	62,314	(531)
Grants and donations	586	813	227	24%	25%	2,400	2,375	26
Allocations (direct and indirect)	0	0	0	0%	0%	0	0	0
Interest costs	465	761	295	20%	20%	2,282	2,282	0
Total operating expenditure	31,033	27,028	(4,006)			111,521	112,156	(634)
Net operating surplus/(deficit)	15,096	10,552	4,545			23,244	23,126	(118)

Statement of Capital Financial Performance for the period ending 31 October 2021	Year to date \$000's			Actuals as % of Total Budget	Actual as % of Annual Forecast	Full year \$000's		
	YTD Actual	YTD Total Budget	Variance			Total Annual Budget	Total Annual Forecast	Forecast Variance
Capital Works								
IAM's								
District Facilities	4,413	4,753	341	6%	6%	71,422	70,807	616
Stormwater	104	0	(104)	3%	3%	3,983	3,983	0
Solid Waste	64	139	74	7%	8%	922	807	116
Wastewater	289	1,711	1,422	2%	2%	14,973	14,972	0
Water Supply	3,649	2,725	(924)	18%	14%	20,505	25,296	(4,792)
	8,520	9,328	808	8%	7%	111,805	115,865	(4,060)
Roading & Footpaths	4,695	0	(4,695)	52%	52%	8,982	9,032	(50)
Other								
Environmental Management	88	28	(61)	7%	7%	1,308	1,308	0
Governance & Strategic Administration	355	157	(198)	7%	7%	5,349	5,229	120
Customer Services	115	134	19	6%	6%	1,899	1,967	(68)
Strategic Planning	0	0	0	0%	0%	0	120	(120)
Total Capital Works	13,772	9,647	(4,126)	11%	10%	129,343	133,521	(4,178)

Strategy

The Strategic Planning & Policy report is circulated under separate cover to Elected Members and is publicly available through the FNDC website as a [Strategy and Policy Committee agenda item](#) (page 322 – 352).

Operations

The District Services report is circulated under separate cover to Elected Members and is publicly available through the FNDC website as a [Regulatory Compliance Committee agenda](#) item (page 58 – 99).

Infrastructure and Asset Management (IAM)

The IAM business report is circulated under separate cover to Elected Members and is publicly available through the FNDC website as an [Infrastructure Network Committee agenda item](#) (p 52 – 180).