

Appendix C - Financial Performance

Financial Summary

Account	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	123	98	25	364	364
Operating revenue (LDI)	0	0	0	0	0
Operating expenditure (ABS)	2,991	2,519	(472)	10,235	10,235
Operating expenditure (LDI)	185	272	87	1,482	1,455
Operating expenditure (LGS)	288	288	0	1,154	1,154
Net Cost of Service	3,342	2,982	(360)	12,506	12,479
Subsidies and grants for capital expenditure	0	0	0	0	0
Capital expenditure	674	750	76	7,224	7,835

Net cost of service for the quarter to September 2016 was \$3.34m, an unfavourable variance of \$360k when compared with budget of \$2.98m. The majority of this variance is in the Local Parks Sport and Recreation activity and is outlined in the Operating Expenditure section of this report.

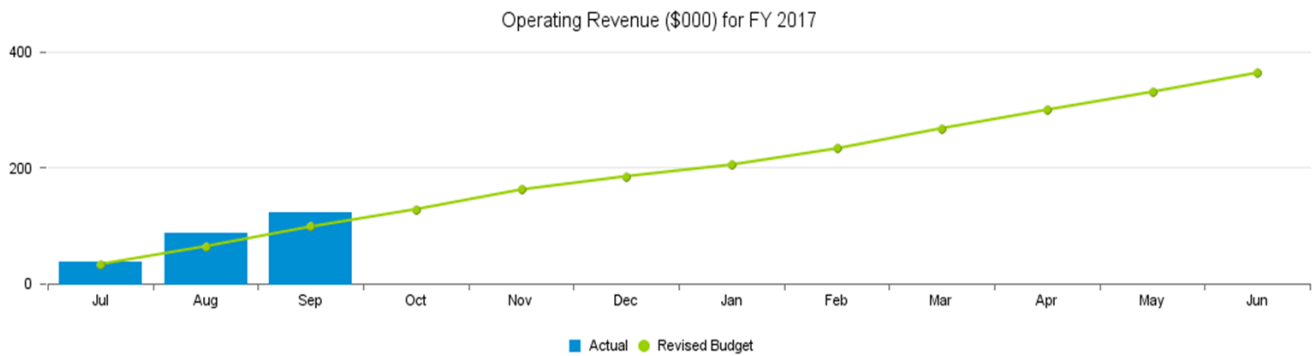
For the first time we are including a Funding Impact Statement (FIS) in the quarterly report for each local board. The FIS is one of the key statements included in the Annual Plan. Essentially it pulls together all the information from each of the different groups of activities and sets out in a single statement the sources of both the operating and capital funding for everything that the local board does.

Budget differences

The following Capex and Opex LDI changes have been made in the Revised Budget to 30 Sep 2016. Further changes are expected as Growth funds are finalised and loaded into capital budgets in October.

Capex	Amount (000's)
Annual Plan	7,835
• Capex renewals carried over	203
• Capex development carried over	1,067
• Unspent LDI Capex carried over to Y18	-591
• Development budget moved out to regional	-1,290
Revised Budget	7,224
Opex LDI	
Annual Plan	1,455
• Opex deferrals from Y16 carried over	27
Revised Budget	1,482

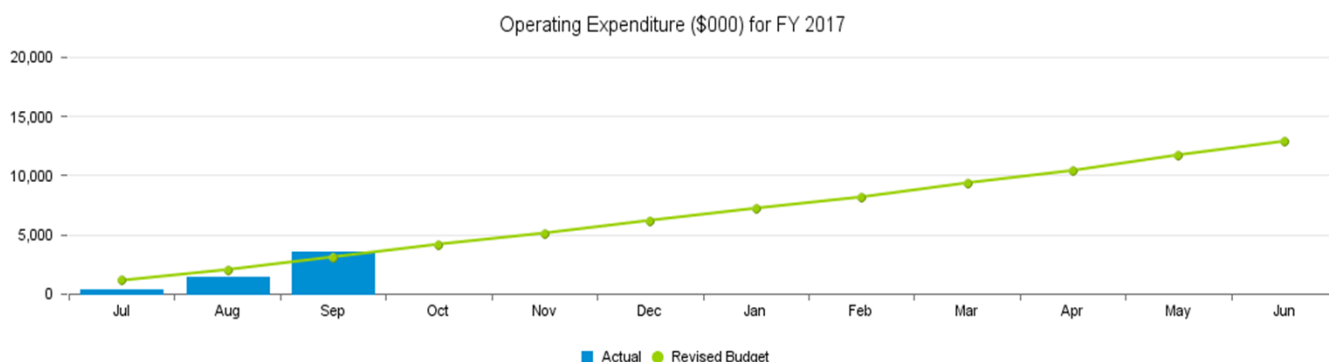
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	115	98	18	364	364
Local parks, sport and recreation	7	0	7	0	0
Total Operating Revenue	123	98	25	364	364

Operating Revenue was \$25k above budget. The majority of this is revenue for an arts centre that is in another local board area and needs to be transferred out (\$21k).

Operating Expenditure



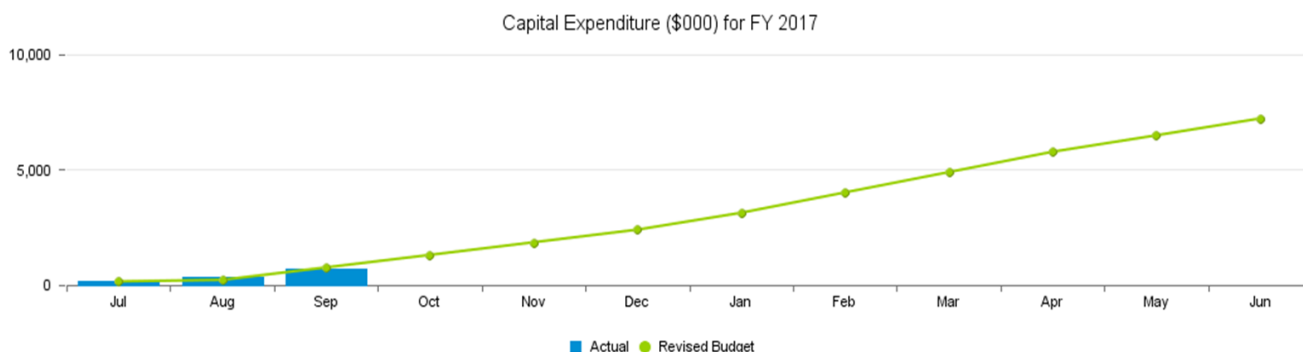
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	761	857	96	3,923	3,936
Local environmental management	7	7	(1)	113	72
Local governance	288	288	0	1,154	1,154
Local parks, sport and recreation	2,131	1,632	(499)	7,005	7,005
Local planning and development	276	295	19	676	676
Total Operating Expenditure	3,464	3,079	(385)	12,871	12,844

Operating Expenditure was \$385k over budget for this quarter

The Asset Based Services (ABS) operational budget overspend of \$472k relates mainly to \$542k of rates charges where the associated budget is not showing in the local board accounts. This affects all local board accounts and will be corrected from October. Underspend in utilities and other expenditure, generally over all service areas, accounts for a \$57k favourable result.

The Locally Driven Initiatives (LDI) operational budget variance has underspend of \$87k. This is mainly a transactional timing variance as some funds including community response funds, and discretionary and grant payments have only just been allocated by the local board and are yet to be paid out. Some work programmes recently adopted are yet to commence.

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	21	14	(7)	140	118
Local parks, sport and recreation	586	697	111	5,691	5,206
Local planning and development	67	39	(28)	1,393	2,511
Total Capital Expenditure	674	750	76	7,224	7,835

Capital Expenditure of \$674k is \$76k behind budget year to date.

There is a mix of projects ahead of schedule and some slightly behind in both renewals and development funds but this does not comprise large amounts. The LDI Capex fund has an unallocated budget of \$533k to be allocated this year and the full balance of nearly \$1.5m to be spent by June 2018. There are currently no key financial issues to report.

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services					
ACE LDI Staff allocation	46	46	0	186	186
ANZAC	0	0	0	35	35
Capacity building programme	0	0	0	10	10
Coastal Sea Rescue Grants	0	0	0	45	45
Community Arts Programmes	0	0	0	50	50
Community Gardens	0	4	4	17	17
Community heritage and identity programmes	1	4	4	17	17
Community response operating fund	0	29	29	84	97
Community Safety Initiatives	0	0	0	30	30
Community volunteer awards	0	0	0	3	3
Fees and charges subsidy	8	8	0	34	34
FYAB	10	0	(10)	14	14
Local civic functions	2	3	1	10	10
Local community grants	7	31	24	156	156
Local events fund	21	10	(11)	101	101
Pukekohe CCTV Opex	16	21	6	85	85
Rural library service review/AandP programme	0	0	0	13	13
School pool community grants	0	0	0	25	25
World War contestable fund	0	0	0	25	25
Total Local community services	111	158	47	939	953
Local environmental management					
Manukau Harbour Forum	0	0	0	8	8
Pest control LDI	6	5	(2)	34	20
Water testing and quality monitoring	0	0	0	6	6
Waterways	1	2	1	65	38
Total Local environmental management	7	7	(1)	113	72
Local parks, sport and recreation					
Coastal erosion - planting	0	19	19	75	75
Greenways plans	11	6	(5)	25	25
LDI Programme Events in local parks	46	10	(36)	40	40
LDI Volunteers parks	10	25	15	100	100
PSR opportunities	0	29	29	114	114
Total Local parks, sport and recreation	67	89	22	354	354
Local planning and development					
Local Economic Development Program	0	9	9	36	36
Revitalisation of town centres	0	10	10	40	40
Total Local planning and development	0	19	19	76	76
TOTAL	185	272	87	1,482	1,455

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Venue for hire renewals	20	9	(11)	86	64
Local library renewals	1	5	4	54	54
Canopy and street toilet renewals	10	0	(10)	0	0
General building renewals	(10)	0	10	0	0
Total Local community services	21	14	(7)	140	118
Parks - Asset renewals	97	168	71	1,577	1,402
Sports park (Waiuku)	60	152	92	1,244	1,224
Parks - Coastal asset renewals	56	76	20	412	407
Greenway and walkway development	128	67	(61)	225	0
Upgrade (Bledisloe Park Queen Street)	117	67	(50)	328	0
Playscape development	9	65	56	643	383
Leisure facility building renewals	2	27	25	272	272
Locally driven initiatives (LDI Capex)	0	27	27	533	1,124
Parks - Sports fields renewals	1	23	22	221	221
General park development	1	19	18	190	174
Soccer carpark (Bledisloe park)	0	5	5	46	0
Recreational facilities building renewals	33	0	(33)	0	0
Sport development	82	0	(82)	0	0
Total Local parks, sport and recreation	586	696	110	5,691	5,207
Town centre upgrade (Pukekohe)	67	39	(28)	1,393	1,221
Forward land infrastructure planning (FLIP)	0	0	0	0	1,290
Total Local planning and development	67	39	(28)	1,393	2,511
TOTAL	674	750	76	7,224	7,835
Subsidies and grants for capital expenditure	0	0	0	0	0

