

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)	912	1,102	(189)	4,146	4,146
Operating revenue (LDI)	0	0	0	50	50
Operating expenditure (ABS)	3,917	3,797	(120)	14,987	14,987
Operating expenditure (LDI)	233	198	(36)	1,826	1,826
Operating expenditure (LGS)	261	261	0	1,047	1,047
Net Cost of Service	3,499	3,154	(345)	13,664	13,664
Subsidies and grants for capital expenditure	0	0	0	0	0
Capital expenditure	560	770	210	6,147	3,926

Net cost of service for the quarter ending September 2016 was \$3.5m, which is \$345k overspent when compared with budget of \$3.2m. This variance is outlined in the Operating Expenditure section of this report.

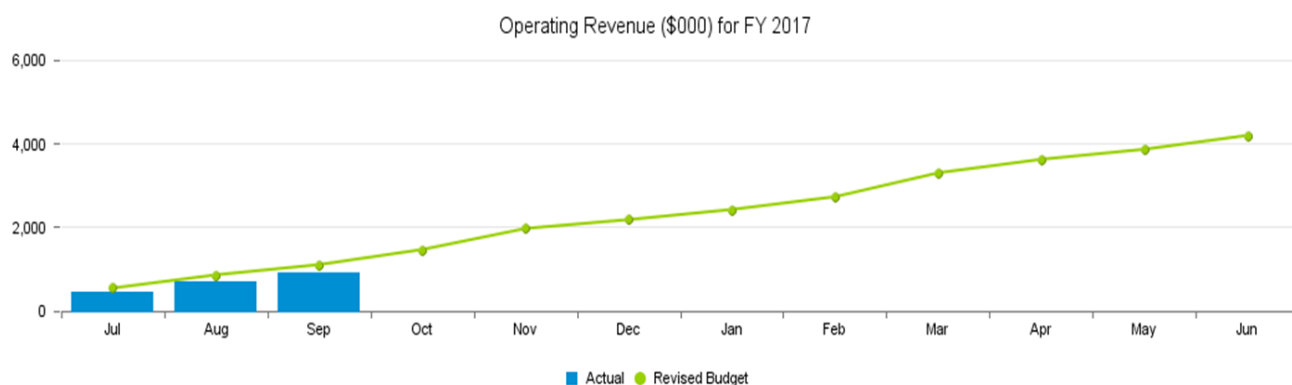
For the first time we are including a Funding Impact Statement (FIS) in the quarterly report for each local board. The FIS is one of the key statements included in the Annual Plan. Essentially it pulls together all the information from each of the different groups of activities and sets out in a single 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	3,926
• Capex renewals carried over	266
• Capex development carried over	358
• Streetscape development (Manukau)	1,380
• LDI Capex brought forward	217
Revised Budget	6,147
Opex LDI	
Annual Plan	1,776
Revised Budget	1,776

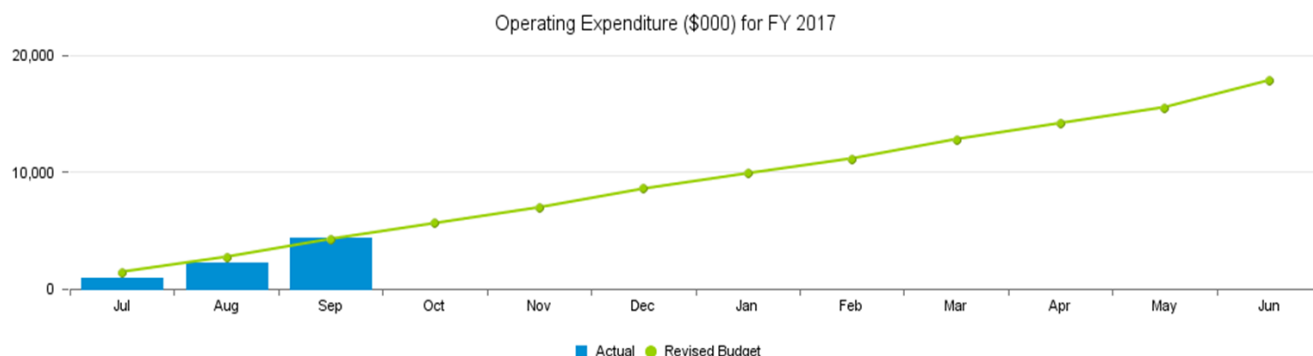
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	86	95	(9)	420	420
Local parks, sport and recreation	826	1,007	(180)	3,776	3,776
Total Operating Revenue	912	1,102	(189)	4,196	4,196

Revenue was below budget by \$189k which relates mainly to leisure facilities' entrance fees and membership fees that are down this quarter by \$180k (18%) overall. Allan Brewster is still struggling with revenues for both early childhood centres (ECE) and the leisure areas (\$52k down). Papatoetoe pool was closed for maintenance for two weeks in September (\$22k down). Ōtara leisure areas were down by \$110k. Strong competition from commercial gyms and early childhood centres continues to be the main factor. However, compared to last year there is a 38% revenue increase following child care costs initiatives by council.

Operating Expenditure



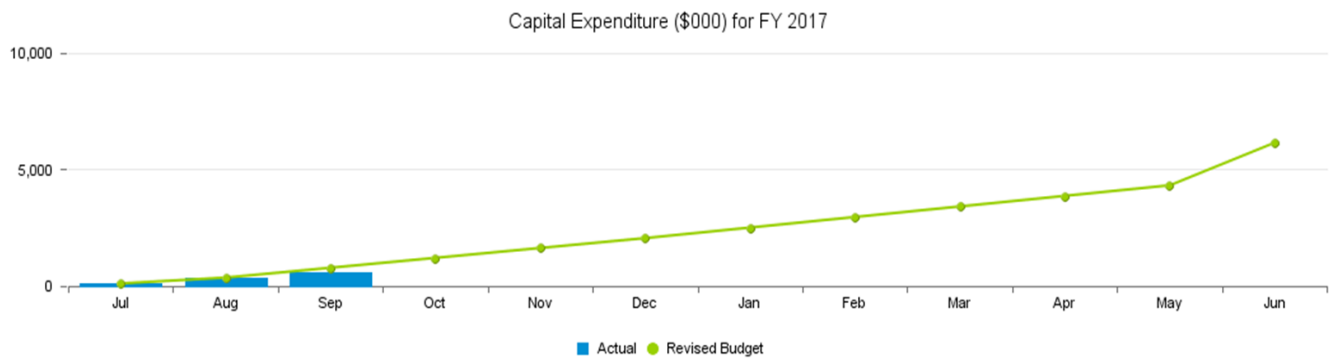
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,386	1,468	82	6,410	6,050
Local environmental management	9	8	(2)	138	138
Local governance	261	261	0	1,047	1,047
Local parks, sport and recreation	2,361	2,115	(246)	9,426	9,426
Local planning and development	395	404	10	839	1,199
Total Operating Expenditure	4,412	4,256	(156)	17,860	17,860

Operating Expenditure of \$4.4m was \$156k over budget for this quarter

The Asset Based Services (ABS) operational budget overspend of \$120k relates to Community Services activities underspend of \$35k in Libraries staff expenses, plus an overspend in the Parks, Sport and Recreation (PSR) activity of \$185k overall. A rates adjustment affecting all local boards will be corrected (\$98k), over budget spending in parks repairs and response maintenance (\$65k) and over budget spend in total leisure operations of 1% (\$22k)

The Locally Driven Initiatives (LDI) operational budget variance was overspent \$36k. This is mainly a transactional timing variance as some funds including community grant payments have already been allocated by the local board and payments released to the community. 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	122	278	156	2,366	2,242
Local governance	0	4	4	41	0
Local parks, sport and recreation	438	488	50	2,360	1,684
Local planning and development	0	0	0	1,380	0
Total Capital Expenditure	560	770	210	6,147	3,926

Capital Expenditure of \$560k is \$210k behind budget year to date.

This mostly relates to Te Puke O Tara Centre upgrade for which preliminary designs have been completed and is \$150k behind spend. The upgrade at The Depot is also in planning phase and is \$52k behind spend. Some projects are ahead of plan, with overall no 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	49	48	0	194	194
ANZAC	0	0	0	25	25
CCTV and town centre safety initiatives	13	0	(13)	360	0
Community Places programme LDI top up	0	0	0	0	30
Community response operating fund	0	0	0	37	37
Community safety	0	8	8	30	30
Inclusion and equity - diversity and inclusion	0	0	0	15	15
Liquor licensing objections	0	0	0	10	10
Local Arts Grants	13	27	14	34	34
Local civic functions	0	2	2	8	8
Local community grants	54	23	(32)	225	160
Local events fund	3	31	28	102	137
Otara Papatoetoe community advice	0	2	2	2	2
Papatoetoe Historical Society	20	0	(20)	20	20
Senior assistance groups	0	0	0	15	15
Skills Sheds operations	0	20	20	79	79
Youth connections across Auckland	12	25	13	50	50
Youth Development Effectiveness	0	5	5	20	20
Total Local community services	163	190	27	1,226	866
Local environmental management					
Develop Industry Pollution Programme (continuation)	0	4	4	21	20
Environmental project (LDI)	3	0	(3)	5	5
Manukau Harbour forum contribution	0	0	0	8	8
Otara Lake and waterways vision	6	3	(4)	88	89
Southern recycling centre options development	0	1	1	16	16
Total Local environmental management	9	8	(2)	138	138
Local parks, sport and recreation					
Colin Dale Park	0	0	0	280	280
Green assets - LDI	0	0	0	10	10
LDI Programme Events in local parks	20	0	(20)	60	60
LDI Volunteers parks	1	0	(1)	10	10
Papatoetoe Bowling Club greens	40	0	(40)	40	40
Puhinui stream and walkway volunteers	0	0	0	10	10
Total Local parks, sport and recreation	61	0	(61)	410	410
Local planning and development					
Local economic development planning - BID top up	0	0	0	0	360
Young Enterprise Scheme	0	0	0	2	2
Total Local planning and development	0	0	0	2	362
TOTAL	233	198	(36)	1,776	1,776

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community Facility Upgrade	33	184	151	1,660	1,628
ACE - Leases renewals	1	53	52	526	526
Public art (Otago Town Centre)	29	25	(4)	25	0
Local library renewals	59	10	(49)	97	30
Library furniture and fitting renewals	0	6	6	58	58
Total Local community services	122	278	156	2,366	2,242
Community response fund	0	4	4	41	0
Total Local governance	0	4	4	41	0
Parks - Asset renewals	304	319	15	1,243	1,149
Locally driven initiatives (LDI Capex)	34	49	15	381	164
Sport development	40	48	8	176	0
Parks - Sports fields renewals	1	26	25	245	183
General park development	48	20	(28)	116	0
Multi-sport Facility (Ngati Otago Park)	0	19	19	190	190
Leisure facility building renewals	8	8	0	8	0
Sports parks	3	0	(3)	0	0
Total Local parks, sport and recreation	438	489	51	2,359	1,686
Streetscape upgrades (Manukau)	0	0	0	1,380	0
Total Local planning and development	0	0	0	1,380	0
TOTAL	560	770	210	6,147	3,926

Subsidies and grants for capital expenditure	0	0	0	0	0
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