

## Financial Performance

### Financial Summary

| Activity                    | Year To Date (\$000) |                |              | Full Year (\$000) |               |
|-----------------------------|----------------------|----------------|--------------|-------------------|---------------|
|                             | Actual               | Revised Budget | Variance     | Revised Budget    | Annual Plan   |
| Operating revenue (ABS)     | 3,504                | 3,614          | (110)        | 4,742             | 4,742         |
| Operating expenditure (ABS) | 15,725               | 16,175         | 450          | 21,605            | 21,763        |
| Operating expenditure (LDI) | 782                  | 1,098          | 316          | 2,251             | 2,153         |
| Operating expenditure (LGS) | 847                  | 847            | 0            | 1,130             | 1,130         |
| <b>Net Cost of Service</b>  | <b>13,850</b>        | <b>14,507</b>  | <b>657</b>   | <b>20,244</b>     | <b>20,303</b> |
| <b>Capital expenditure</b>  | <b>4,781</b>         | <b>9,099</b>   | <b>4,318</b> | <b>12,707</b>     | <b>14,529</b> |

The Howick Local Board's net cost of service to the end of March was \$13.9m against a budget of \$14.5m.

Operating revenue is below budget due to total revenue from Lloyd Elsmore Pool and Leisure Centre tracking behind budget. Despite the reduced revenue, the centre is managing expenditure levels to remain profitable. Pakuranga Leisure Centre continues to perform well. In community services venue for hire revenue continues to track ahead of budget with higher utilisation than was anticipated when budgets were set.

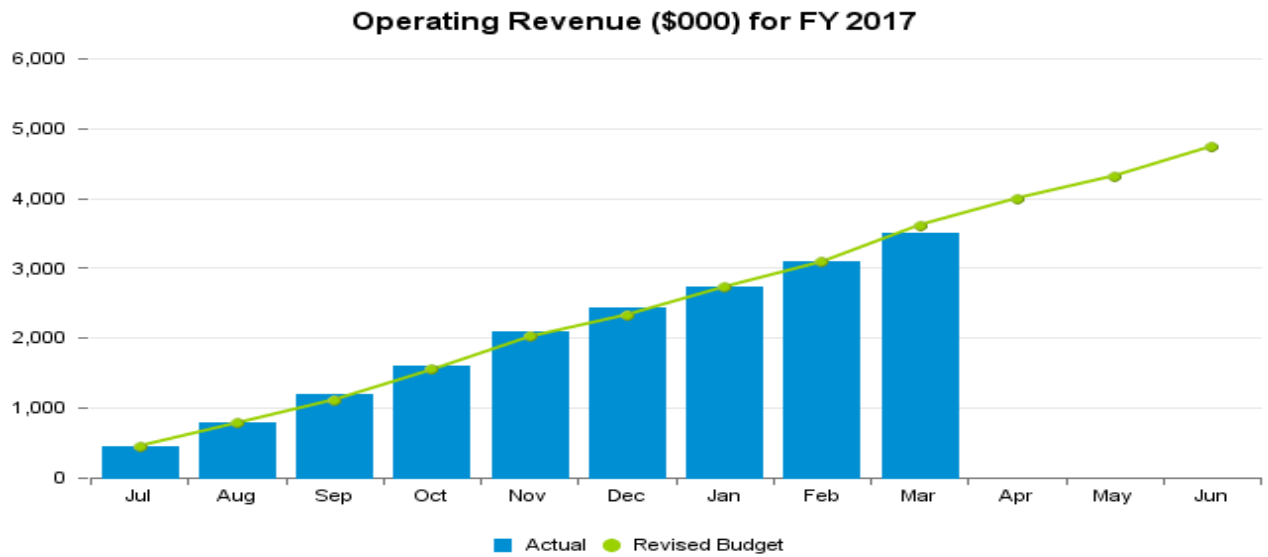
Operating expenditure for asset based services is \$450k below budget. In community services both Botany and Howick Library are reporting lower staffing costs. For local parks there continues to be lower expenditure to date in the parks maintenance area.

Expenditure for locally driven initiatives is \$316k below budget. While community grants have the largest variance to budget, there are still local grants round remaining. The facility partnerships (\$300k), green assets (\$50k) and youth facility feasibility (\$30k) projects have been identified by delivery units as requiring a deferral of budget due to delay in delivery. All deferrals will be confirmed in May 2017.

Capital investment is below the year to date budget. This is mainly in the park, sport and recreation renewals programme (\$2.5m variance to budget). The Lloyd Elsmore Park Leisure Centre upgrade is the main contributor, with the project still in the design phase. Land acquisition for the management of storm water infrastructure is progressing but showing a \$1.2m variance below budget with various infrastructure agreements still being

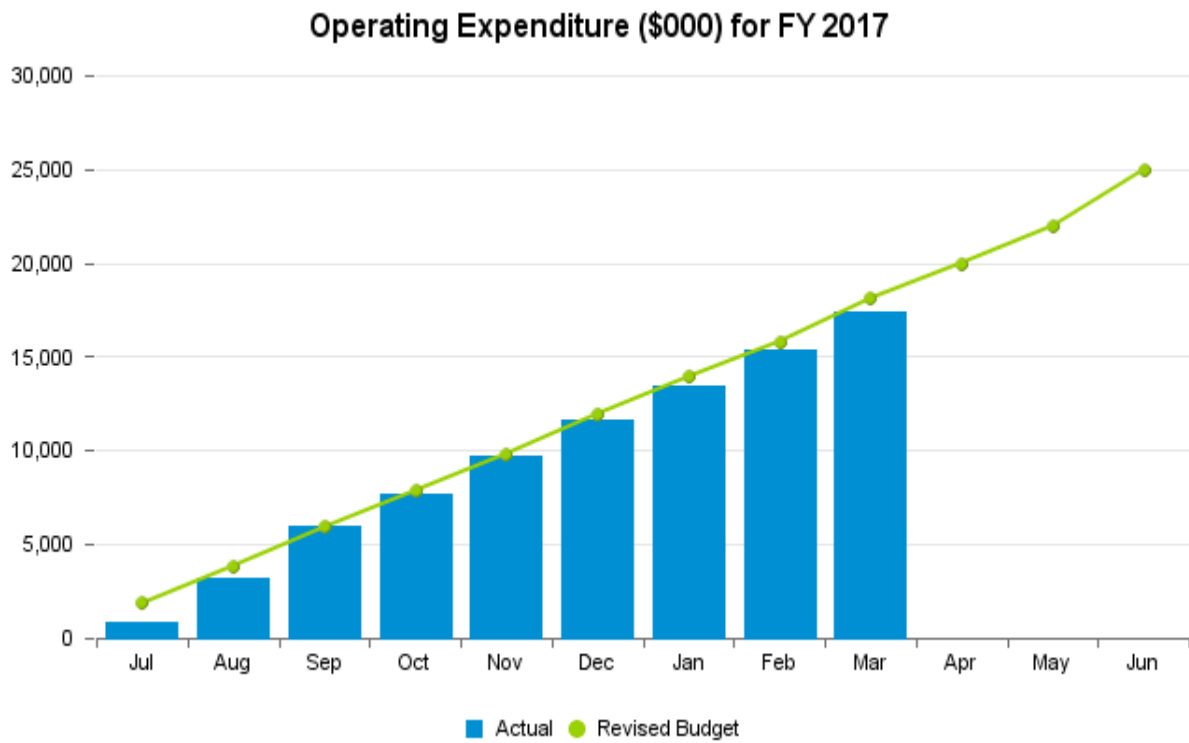
progressed. The majority of the capital spend to date is for the development taking place at Barry Curtis Park.

## Operating Revenue



| Activity                          | Year To Date (\$000) |                |              | Full Year (\$000) |              |
|-----------------------------------|----------------------|----------------|--------------|-------------------|--------------|
|                                   | Actual               | Revised Budget | Variance     | Revised Budget    | Annual Plan  |
| Local community services          | 204                  | 151            | 53           | 205               | 205          |
| Local parks, sport and recreation | 3,299                | 3,463          | (164)        | 4,537             | 4,537        |
| <b>Total Operating Revenue</b>    | <b>3,503</b>         | <b>3,614</b>   | <b>(111)</b> | <b>4,742</b>      | <b>4,742</b> |

## Operating Expenditure



| Activity                           | Year To Date (\$000) |                |            | Full Year (\$000) |               |
|------------------------------------|----------------------|----------------|------------|-------------------|---------------|
|                                    | Actual               | Revised Budget | Variance   | Revised Budget    | Annual Plan   |
| Local community services           | 5,816                | 6,467          | 651        | 8,594             | 8,563         |
| Local environmental management     | 32                   | 37             | 5          | 97                | 87            |
| Local governance                   | 847                  | 847            | 0          | 1,130             | 1,130         |
| Local parks, sport and recreation  | 9,761                | 9,867          | 106        | 13,961            | 14,110        |
| Local planning and development     | 898                  | 902            | 4          | 1,204             | 1,156         |
| <b>Total Operating Expenditure</b> | <b>17,354</b>        | <b>18,120</b>  | <b>766</b> | <b>24,986</b>     | <b>25,046</b> |



## LDI Expenditure – All Projects

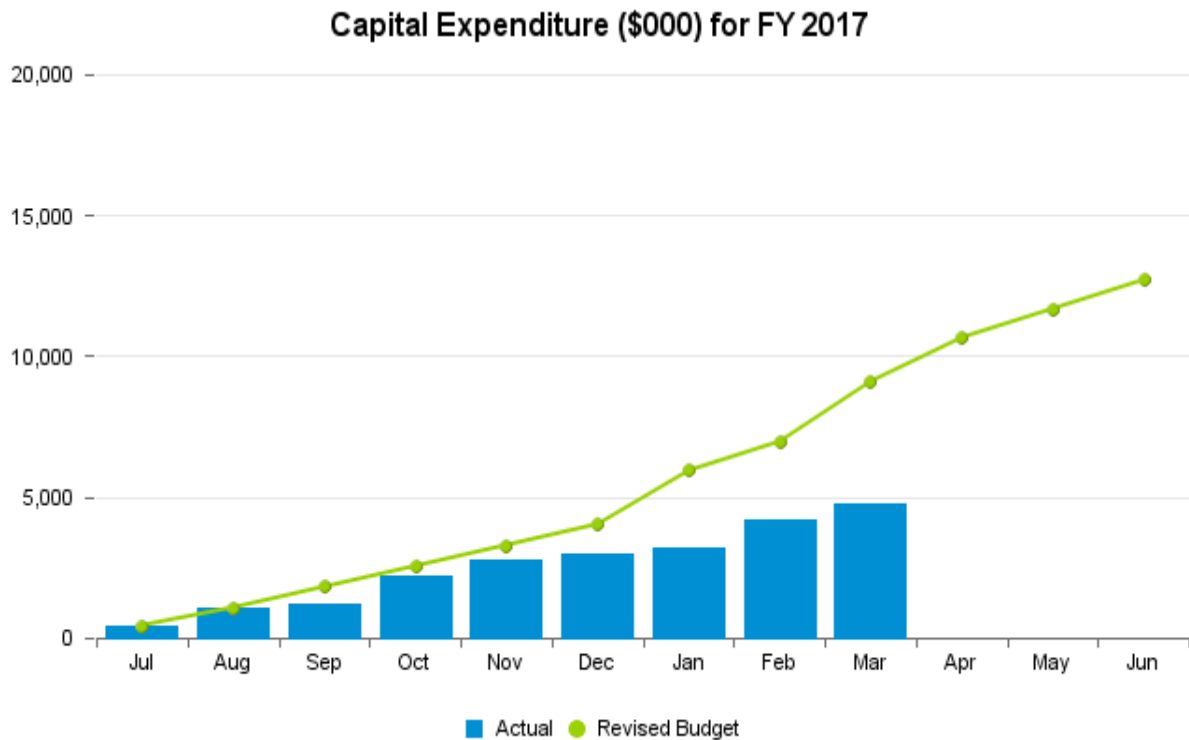
| Net Cost of Service                            | Year To Date (\$000) |                |          | Full Year (\$000) |             |
|--|----------------------|----------------|----------|-------------------|-------------|
|  | Actual               | Revised Budget | Variance | Revised Budget    | Annual Plan |
| ACE LDI Staff allocation                       | 151                  | 152            | 1        | 202               | 202         |
| ANZAC  | 0                    | 0              | 0        | 23                | 23          |
| Arts plan Initiatives                          | 24                   | 49             | 25       | 49                | 0           |
| Community Arts Programmes                      | 0                    | 15             | 15       | 38                | 38          |
| Community response operating fund              | 36                   | 80             | 44       | 130               | 167         |
| Community Safety Initiatives                   | 2                    | 23             | 21       | 31                | 31          |
| Community volunteer awards                     | 8                    | 10             | 2        | 10                | 0           |
| COM Pipes and Drums Inc                        | 11                   | 11             | 0        | 11                | 11          |
| Extended Library hours                         | 57                   | 0              | (57)     | 77                | 77          |
| Fees and charges subsidy                       | 30                   | 30             | 0        | 40                | 40          |
| Healthy Howick concept plan                    | 0                    | 15             | 15       | 20                | 20          |
| Howick Brass Band                              | 13                   | 13             | 0        | 13                | 13          |
| Howick coastguard                              | 46                   | 46             | 0        | 46                | 46          |
| Howick community advice                        | 0                    | 0              | 0        | 2                 | 2           |
| Howick Pride of Place project                  | 59                   | 100            | 41       | 100               | 100         |
| Howick Tourism Plan                            | 0                    | 9              | 9        | 9                 | 0           |
| Inclusion and equity - diversity and inclusion | 1                    | 0              | (1)      | 15                | 15          |
| Local Arts Grants                              | 0                    | 13             | 13       | 25                | 25          |
| Local civic functions                          | 3                    | 4              | 1        | 5                 | 5           |
| Local community grants                         | 103                  | 326            | 223      | 435               | 435         |
| Local events discretionary fund                | 30                   | 42             | 12       | 56                | 56          |
| Local events fund                              | (1)                  | 0              | 1        | 0                 | 0           |
| MCC Concert Band                               | 11                   | 11             | 0        | 11                | 11          |

| Net Cost of Service                                 | Year To Date (\$000) |                |             | Full Year (\$000) |              |
|---|----------------------|----------------|-------------|-------------------|--------------|
|   | Actual               | Revised Budget | Variance    | Revised Budget    | Annual Plan  |
| Social innovation and enterprise                    | 0                    | 15             | 15          | 20                | 20           |
| Stockade Hill and Howick mainstreet lights          | 21                   | 35             | 14          | 35                | 35           |
| Youth focussed facility / programmes                | 0                    | 0              | 0           | 30                | 30           |
| Youth programmes community development              | 8                    | 15             | 7           | 20                | 20           |
| <b>Total Local community services</b>               | <b>613</b>           | <b>1,013</b>   | <b>400</b>  | <b>1,453</b>      | <b>1,422</b> |
| Develop Industry Pollution Programme (continuation) | 21                   | 20             | (1)         | 30                | 20           |
| Environment response fund LDI                       | 0                    | 0              | 0           | 0                 | 20           |
| Investigate Recycling Hub                           | 0                    | 7              | 7           | 20                | 0            |
| Weed management prog parks and walkways             | 10                   | 10             | 0           | 47                | 47           |
| <b>Total Local environmental management</b>         | <b>32</b>            | <b>37</b>      | <b>5</b>    | <b>97</b>         | <b>87</b>    |
| Community response operating fund                   | 0                    | 9              | 9           | 9                 | 0            |
| Facility Partnership Programme                      | 0                    | 0              | 0           | 300               | 300          |
| Green assets – LDI                                  | 9                    | 0              | (9)         | 50                | 50           |
| LDI Programme Events in local parks                 | 88                   | 0              | (88)        | 100               | 100          |
| LDI Volunteers parks                                | 8                    | 0              | (8)         | 50                | 50           |
| Playground network and design strategy              | 0                    | 0              | 0           | 25                | 25           |
| <b>Total Local parks, sport and recreation</b>      | <b>104</b>           | <b>9</b>       | <b>(95)</b> | <b>534</b>        | <b>525</b>   |

| Net Cost of Service                              | Year To Date (\$000) |                |            | Full Year (\$000) |              |
|--|----------------------|----------------|------------|-------------------|--------------|
|  | Actual               | Revised Budget | Variance   | Revised Budget    | Annual Plan  |
| Complete development of heritage plan            | 33                   | 0              | (33)       | 50                | 50           |
| Howick Tourism Plan                              | 0                    | 0              | 0          | 10                | 10           |
| Local economic development planning - BID top up | 0                    | 0              | 0          | 45                | 45           |
| Local Economic Development Program               | 0                    | 39             | 39         | 48                | 0            |
| World Masters Games                              | 0                    | 0              | 0          | 10                | 10           |
| Young Enterprise Scheme                          | 0                    | 0              | 0          | 4                 | 4            |
| <b>Total Local planning and development</b>      | <b>33</b>            | <b>39</b>      | <b>6</b>   | <b>167</b>        | <b>119</b>   |
| <b>Total</b>                                     | <b>782</b>           | <b>1,098</b>   | <b>316</b> | <b>2,251</b>      | <b>2,153</b> |



## Capital Expenditure



| Activity                          | Year To Date (\$000) |                |              | Full Year (\$000) |               |
|-----------------------------------|----------------------|----------------|--------------|-------------------|---------------|
|                                   | Actual               | Revised Budget | Variance     | Revised Budget    | Annual Plan   |
| Local community services          | 851                  | 1,442          | 591          | 2,137             | 3,145         |
| Local parks, sport and recreation | 3,122                | 5,652          | 2,530        | 8,237             | 8,868         |
| Local planning and development    | 808                  | 2,005          | 1,197        | 2,333             | 2,516         |
| <b>Total Capital Expenditure</b>  | <b>4,781</b>         | <b>9,099</b>   | <b>4,318</b> | <b>12,707</b>     | <b>14,529</b> |

## Capital Expenditure – all projects

| Project Name                              | Year To Date (\$000) |                |            | Full Year (\$000) |              |
|---|----------------------|----------------|------------|-------------------|--------------|
|   | Actual               | Revised Budget | Variance   | Revised Budget    | Annual Plan  |
| Art centre redevelopment (Uxbridge)       | 449                  | 620            | 171        | 973               | 1,283        |
| Local library renewals                    | 45                   | 439            | 394        | 628               | 628          |
| Multi-purpose facility (Flat Bush)        | 253                  | 192            | (61)       | 265               | 982          |
| Library furniture and fitting renewals    | 0                    | 134            | 134        | 191               | 191          |
| ACE - Leases renewals                     | 22                   | 43             | 21         | 62                | 62           |
| ACE - Community house and centre renewals | 19                   | 13             | (6)        | 19                | 0            |
| Canopy and street toilet renewals         | 34                   | 0              | (34)       | 0                 | 0            |
| Community facility renewals               | 29                   | 0              | (29)       | 0                 | 0            |
| <b>Community services (GoA)</b>           | <b>851</b>           | <b>1,442</b>   | <b>591</b> | <b>2,137</b>      | <b>3,145</b> |
| Master plan (Barry Curtis Park)           | 1,557                | 1,383          | (174)      | 2,125             | 2,386        |
| Parks - Asset renewals                    | 258                  | 1,147          | 901        | 1,619             | 1,536        |
| Leisure facility building renewals        | 152                  | 1,109          | 957        | 1,579             | 1,579        |
| Walkway and cycleway paths (Flat Bush)    | 30                   | 397            | 367        | 567               | 408          |
| Parks - Coastal asset renewals            | 749                  | 304            | (445)      | 430               | 426          |
| General park development                  | 72                   | 297            | 225        | 420               | 68           |
| Locally driven initiatives (LDI Capex)    | 25                   | 245            | 220        | 409               | 1,428        |
| Parks - Sports fields renewals            | 23                   | 208            | 185        | 296               | 296          |
| Playspace (Flat Bush)                     | 66                   | 129            | 63         | 184               | 124          |

| Project Name                            | Year To Date (\$000) |                |              | Full Year (\$000) |               |
|---|----------------------|----------------|--------------|-------------------|---------------|
|   | Actual               | Revised Budget | Variance     | Revised Budget    | Annual Plan   |
| Playscape development                   | 20                   | 125            | 105          | 200               | 0             |
| Sportsfields development (Ostrich Farm) | 5                    | 121            | 116          | 174               | 119           |
| Greenway and walkway development        | 18                   | 99             | 81           | 107               | 419           |
| Development (Styak-Lushington park)     | 7                    | 59             | 52           | 82                | 80            |
| Sport development                       | 44                   | 28             | (16)         | 45                | 0             |
| Leisure facility equipment renewals     | 98                   | 0              | (98)         | 0                 | 0             |
| <b>Parks sport and recreation (GoA)</b> | <b>3,122</b>         | <b>5,652</b>   | <b>2,530</b> | <b>8,237</b>      | <b>8,868</b>  |
| SWEI Flat bush water quality ponds      | 808                  | 2,005          | 1,197        | 2,333             | 2,516         |
| <b>Planning (GoA)</b>                   | <b>808</b>           | <b>2,005</b>   | <b>1,197</b> | <b>2,333</b>      | <b>2,516</b>  |
| <b>Total</b>                            | <b>4,783</b>         | <b>9,097</b>   | <b>4,314</b> | <b>12,707</b>     | <b>14,528</b> |

## Funding impact statement

**Funding Impact Statement**  
**Howick**  
**For the year ended 31 March 2017**

| \$000   | Notes | Actual         | Revised        | Annual Plan   | Long Term     |
|---|-------|----------------|----------------|---------------|---------------|
|   |       | 2017           | Budget<br>2017 | 2017          | Plan<br>2016  |
| <b>Sources of operating funding:</b>                                    |       |                |                |               |               |
| General rates, UAGC, rates penalties                                    |       | 23,285         | 23,057         | 23,057        | 21,012        |
| Targeted rates  |       | 402            | 402            | 402           | 648           |
| Subsidies and grants for operating purposes                             |       | 495            | 472            | 516           | 626           |
| Fees and charges  |       | 2,646          | 2,818          | 3,794         | 3,357         |
| Local authorities fuel tax, fines, infringement fees and other receipts |       | 363            | 324            | 431           | 699           |
| <b>Total operating funding</b>  |       | <b>27,191</b>  | <b>27,073</b>  | <b>28,200</b> | <b>26,342</b> |
| <b>Applications of operating funding:</b>                               |       |                |                |               |               |
| Payment to staff and suppliers  |       | 13,900         | 14,679         | 20,300        | 19,295        |
| Finance costs   |       | 3,316          | 3,316          | 4,578         | 3,684         |
| Internal charges and overheads applied                                  |       | 2,474          | 2,474          | 3,299         | 3,279         |
| Other operating funding applications                                    |       | -              | -              | -             | -             |
| <b>Total applications of operating funding</b>                          |       | <b>19,690</b>  | <b>20,469</b>  | <b>28,177</b> | <b>26,258</b> |
| <b>Surplus (deficit) of operating funding</b>                           |       | <b>7,501</b>   | <b>6,604</b>   | <b>23</b>     | <b>84</b>     |
| <b>Sources of capital funding:</b>                                      |       |                |                |               |               |
| Subsidies and grants for capital expenditure                            |       | -              | -              | -             | -             |
| Development and financial contributions                                 |       | -              | -              | -             | -             |
| Increase (decrease) in debt   |       | (2,720)        | 2,495          | 14,505        | 18,119        |
| Gross proceeds from sale of assets                                      |       | -              | -              | -             | -             |
| Lump sum contributions  |       | -              | -              | -             | -             |
| Other dedicated capital funding   |       | -              | -              | -             | -             |
| <b>Total sources of capital funding</b>                                 |       | <b>(2,720)</b> | <b>2,495</b>   | <b>14,505</b> | <b>18,119</b> |
| <b>Applications of capital funding:</b>                                 |       |                |                |               |               |
| Capital expenditure:  |       |                |                |               |               |
| - to meet additional demand   |       | 1,214          | 2,747          | 3,984         | 7,689         |
| - to improve the level of service                                       |       | 2,113          | 2,709          | 4,400         | 8,347         |
| - to replace existing assets  |       | 1,454          | 3,643          | 6,144         | 2,167         |
| Increase (decrease) in reserves   |       | -              | -              | -             | -             |
| Increase (decrease) in investments                                      |       | -              | -              | -             | -             |
| <b>Total applications of capital funding</b>                            |       | <b>4,781</b>   | <b>9,099</b>   | <b>14,528</b> | <b>18,203</b> |
| <b>Surplus (deficit) of capital funding</b>                             |       | <b>(7,501)</b> | <b>(6,604)</b> | <b>(23)</b>   | <b>(84)</b>   |
| <b>Funding balance</b>  |       | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>-</b>      |