

Appendix C Financial Performance – Māngere-Ōtāhuhu Local Board

Financial Summary

█ On Target
 █ Under Review
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,066	1,145	(79)	1,518	1,518
Operating revenue (LDI)	41	30	11	40	40
Operating expenditure (ABS)	11,698	11,851	153	15,393	15,460
Operating expenditure (LDI)	1,008	1,102	94	2,173	2,094
Operating expenditure (LGS)	768	768	0	1,024	1,024
Net Cost of Service	12,367	12,545	178	17,033	17,020

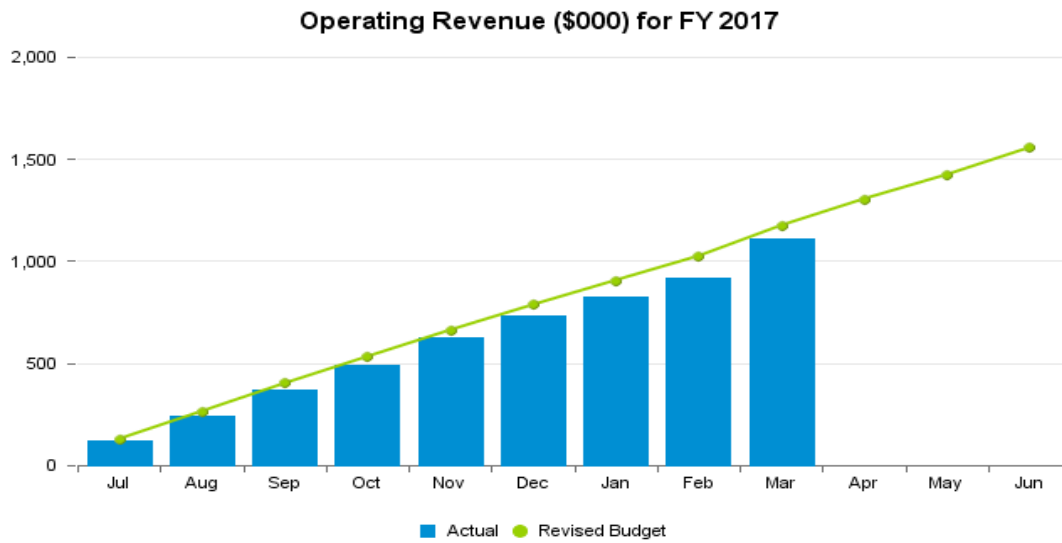
Capital expenditure	2,119	3,317	1,198	4,821	3,615
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Mangere-Ōtāhuhu Local Board has invested \$2.1m in capital expenditure and \$12.4m in operating expenditure for the nine months ending 31 March 2017

Net Cost of Service is near target at 98.6%. Revenue is slightly lower than budget. Higher revenue from community centres and community halls offset lower revenue from leisure facilities. Expenditure is below budget in facility services contract and locally driven initiatives programmes.

Capital delivery performance is at 64% and is behind phased budget by \$1.2m.

Operating Revenue

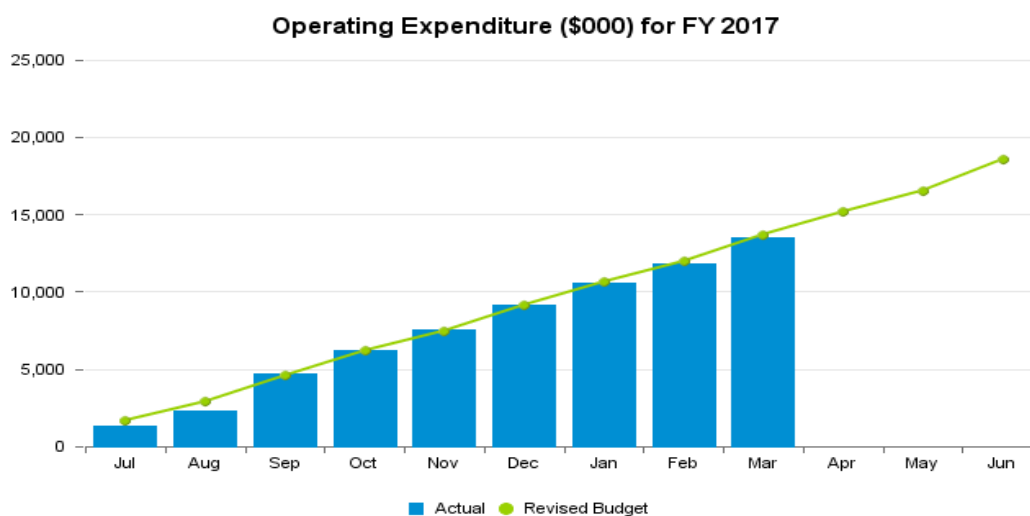


█ On Target
 █ Under Review
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	335	258	77	369	369
Local parks, sport and recreation	772	917	(145)	1,188	1,188
Total Operating Revenue	1,107	1,175	(68)	1,557	1,557

Revenue is slightly below budget due to lower revenue from leisure facilities, offset by higher revenue from community centres and community halls due to increase utilisation.

Operating Expenditure



█ On Target
 █ Under Review
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	5,801	5,839	38	7,941	7,742
Local environmental management	44	102	58	188	188
Local governance	768	768	0	1,024	1,024
Local parks, sport and recreation	5,543	5,723	180	7,932	7,999
Local planning and development	1,319	1,288	(31)	1,505	1,625
Total Operating Expenditure	13,475	13,720	245	18,590	18,578

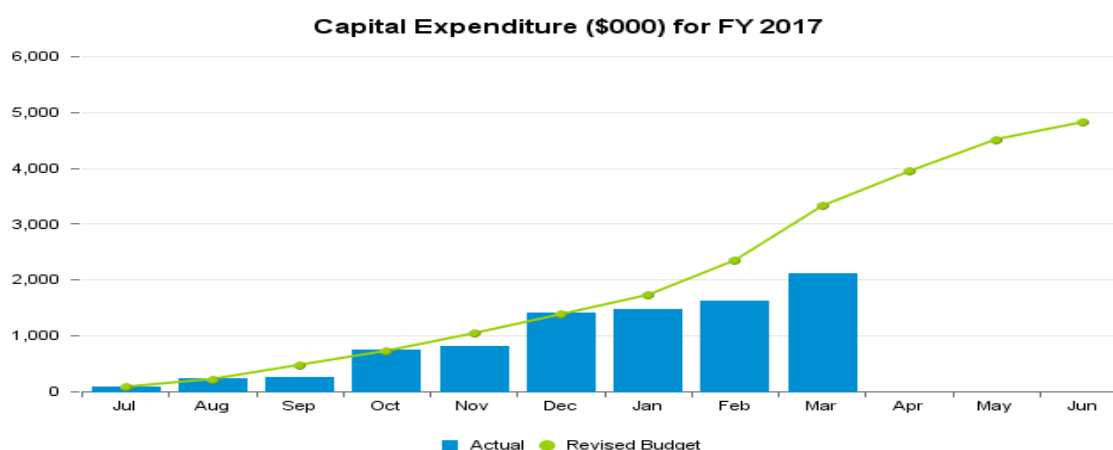
Overall the operating expenditure is below budget particularly in facility services contract. The impact of storm damage from early March flooding is being worked through with suppliers and council's insurance providers.

In locally driven initiatives, some programmes such as mangrove management and removal and environmental initiatives will take place in the next quarter. Community grants of \$100k have been awarded. There is a balance of \$106k to be allocated at the next community grant round in April 2017.

Operating Expenditure - Locally Driven Initiatives

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Accessibility plan for facilities	15	10	(5)	10	0
ACE LDI Staff allocation	136	136	0	181	181
ANZAC	0	0	0	25	25
Art in public places	3	19	16	19	0
Assess options for multi-use facility in Mangere East	0	50	50	50	0
CAB Service in Otahuhu - Toia	26	0	(26)	26	26
Capacity building programme	20	38	18	50	50
CCTV and town centre safety initiatives	210	106	(104)	262	142
Community Arts Programmes	100	75	(25)	100	100
Community Gardens	12	8	(4)	15	15
Community Places programme LDI top up	4	7	3	9	9
Community response operating fund	0	21	21	40	40
Community safety	11	30	19	40	40
Community volunteer awards	0	15	15	15	15
Extended Library hours	56	0	(56)	75	75
Local civic functions	1	7	6	10	10
Local community grants	80	141	61	210	207
Local events fund	46	56	10	76	78
Mangere Arts Centre business plan initiatives delivery	17	53	36	70	70
Signature Arts and cultural event	60	60	0	60	60
Teaching Gardens Otahuhu	0	9	9	12	12
Youth connections across Auckland	60	45	(15)	60	60
Youth programmes community development	4	7	3	10	10
Total Local community services	860	892	32	1,424	1,225
Develop Industry Pollution Programme (continuation)	5	21	16	25	25
Environment initiatives including Manukau Harbour and Tamaki Estuary	29	60	31	135	135
Manukau Harbour forum contribution	0	4	4	8	8
Southern recycling centre options development	10	17	7	20	20
Total Local environmental management	44	102	58	188	188
Facility Partnership Programme	0	0	0	150	150
Green assets (Mangere-Otahuhu)	1	0	(1)	20	20
LDI Programme Events in local parks	16	0	(16)	50	50
LDI Volunteers parks	2	0	(2)	30	30
Mangrove management and removal	1	78	77	160	160
Total Local parks, sport and recreation	19	78	59	410	410
LDI Heritage Survey	6	0	(6)	40	40
Local economic development planning - BID top up	0	0	0	0	120
Local Economic Development Program	38	0	(38)	50	50
World Masters Games	0	0	0	20	20
Young Enterprise Scheme	0	0	0	1	1
Total Local planning and development	43	0	(43)	111	231
Total	967	1,072	105	2,133	2,054

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	170	270	100	370	333
Local parks, sport and recreation	1,305	1,828	523	2,693	1,575
Local planning and development	644	1,219	575	1,758	1,707
Total Capital Expenditure	2,119	3,317	1,198	4,821	3,615

Capital delivery performance is below by \$1.1m. Projects are at various construction phases from design, consent and tender to commencement of physical works or delayed.

Development projects:

- Otahuhu pools & leisure capital works has been placed on hold for further planning and approval.
- Town centre revitalisation in Otahuhu is delayed due to issues which emerged during construction. The design for stage 3 is currently being prepared.
- growth funded projects in greenway and walkway development and general park development are in the planning stage.
- Otahuhu swimming pool development project is above phased budget due to Watercare infrastructure growth charges for the increase in water demand.

Locally driven initiatives capex

- Walter Massey walkway and fitness equipment project scope is being reviewed.
- In Mangere town centre square offices renewals, building consent application is being prepared.
- Otahuhu ex library building renewal is complete.

There is a balance of \$671k to be allocated.

Schroffs Reserve coastal renewals project is being investigated. Work will commence in the next financial year.

Capital projects - Details

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	68	158	90	223	203
ACE - Art facility renewals	71	90	19	116	106
Local library renewals	20	16	(4)	23	23
ACE - Community house and centre renewals	11	6	(5)	9	0
Community services (GoA)	170	270	100	370	333
Parks - Asset renewals	539	605	66	860	675
Swimming Pool Development (Otahuhu)	576	296	(280)	413	0
Greenway and walkway development	28	234	206	363	0
Locally driven initiatives (LDI Capex)	1	218	217	362	456
Leisure facility building renewals	70	177	107	252	194
Parks - Coastal asset renewals	0	141	141	201	201
General park development	19	125	106	200	0
Playscape development	0	16	16	25	0
Parks - Sports fields renewals	44	14	(30)	17	17
Sport development	13	2	(11)	0	31
Leisure facility equipment renewals	15	0	(15)	0	0
Recreational facilities equipment renewals	(1)	0	1	0	0
Parks sport and recreation (GoA)	1,305	1,828	523	2,693	1,575
Town Centre Revitalisation	644	1,219	575	1,758	1,707
Planning (GoA)	644	1,219	575	1,758	1,707
Total	2,118	3,317	1,199	4,820	3,614

Funding Impact Statement
Mangere-Otahuhu
For the year ended 31 March 2017

\$000	Notes	Actual	Revised	Annual Plan	Long Term
		2017	Budget 2017	2017	Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		18,308	18,129	18,129	18,001
Targeted rates		1,503	1,506	1,506	1,467
Subsidies and grants for operating purposes		66	58	71	38
Fees and charges		974	1,014	1,359	1,299
Local authorities fuel tax, fines, infringement fees and other receipts		67	103	128	262
Total operating funding		20,918	20,810	21,193	21,067
Applications of operating funding:					
Payment to staff and suppliers		12,483	12,852	17,385	16,576
Finance costs		781	781	1,078	1,208
Internal charges and overheads applied		2,023	2,023	2,697	2,766
Other operating funding applications		-	-	-	-
Total applications of operating funding		15,287	15,656	21,160	20,550
Surplus (deficit) of operating funding		5,631	5,154	33	517
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(3,512)	(1,837)	3,581	1,495
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(3,512)	(1,837)	3,581	1,495
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		348	525	31	248
- to improve the level of service		288	148	-	422
- to replace existing assets		1,483	2,644	3,583	1,342
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		2,119	3,317	3,614	2,012
Surplus (deficit) of capital funding		(5,631)	(5,154)	(33)	(517)
Funding balance		-	-	-	-