

## Appendix C – Ōtara-Papatoetoe Local Board Financial Performance

### Financial Summary

█ On Target  
 █ Under Review  
 █ Not Meeting Target

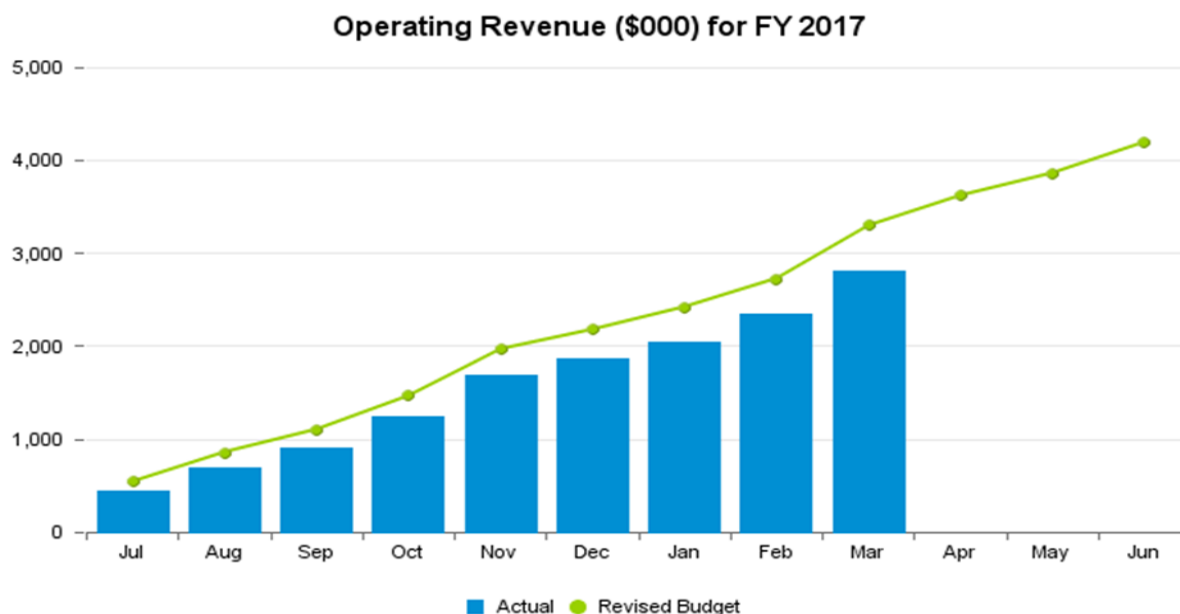
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	2,731	3,249	(518)	4,146	4,146
Operating revenue (LDI)	71	50	21	50	50
Operating expenditure (ABS)	11,121	11,449	328	15,023	14,987
Operating expenditure (LDI)	1,039	663	(376)	1,826	1,826
Operating expenditure (LGS)	785	785	0	1,047	1,047
<b>Net Cost of Service</b>	<b>10,143</b>	<b>9,598</b>	<b>(545)</b>	<b>13,700</b>	<b>13,664</b>
<b>Capital expenditure</b>	<b>1,578</b>	<b>2,922</b>	<b>1,344</b>	<b>4,135</b>	<b>3,926</b>

So far this year the Ōtara-Papatoetoe Local Board has invested \$10.1m in net operating costs and \$1.3m in capital expenditure to March 2017.

Net cost of service year to date ending March 2017 is \$545k over budget when compared with budget of \$9.6m. Operating expenditure is almost to budget, but as operating revenue is 15% below budget, particularly in recreation and leisure services, this affects overall cost of service.

Capital spend of \$1.3m is \$1.6m behind delivery achieving only 45% of the year to date budget of \$2.9m

## Operating Revenue

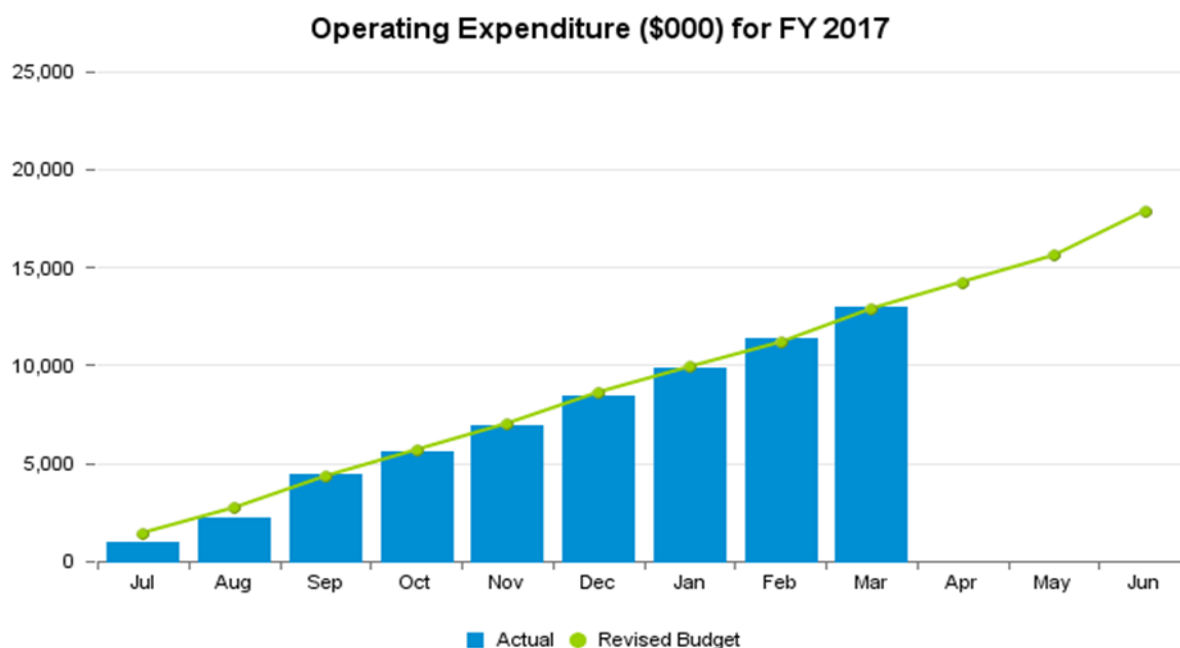


█ On Target   
 █ Under Review   
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	353	322	31	420	420
Local parks, sport and recreation	2,449	2,977	(528)	3,776	3,776
<b>Total Operating Revenue</b>	<b>2,802</b>	<b>3,299</b>	<b>(497)</b>	<b>4,196</b>	<b>4,196</b>

**Revenue** was below budget by \$497k overall. Budget has been exceeded in libraries for direct services. Hireage revenue for community facilities has improved with the implementation of the online booking system, but recreation and leisure revenue continues to be of concern as strong competition from commercial gyms and early childhood centres result in lower entrance and membership fees. This loss is similar this quarter to the previous quarter with slight improvements in Papatoetoe aquatics bringing them almost on budget. Financial departments are exploring options around leisure revenues and these budgets have been refreshed citywide for next year.

## Operating Expenditure



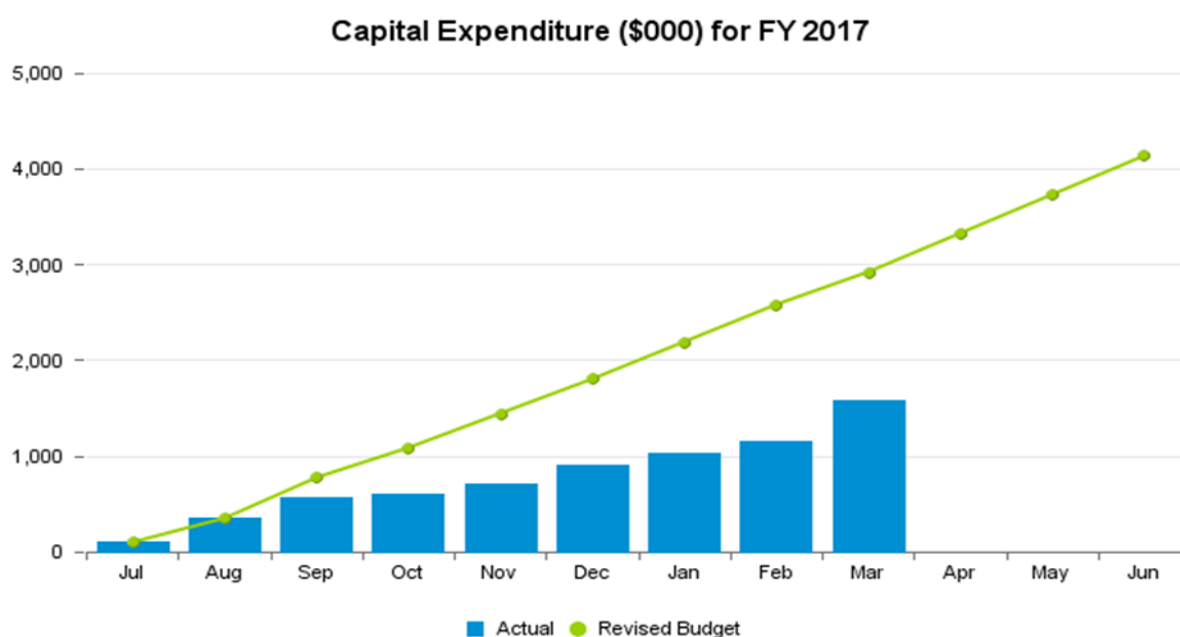
█ On Target   
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 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	4,598	4,421	(177)	6,370	6,050
Local environmental management	46	114	68	157	138
Local governance	785	785	0	1,047	1,047
Local parks, sport and recreation	6,700	6,754	54	9,483	9,426
Local planning and development	815	823	8	839	1,199
<b>Total Operating Expenditure</b>	<b>12,944</b>	<b>12,897</b>	<b>(47)</b>	<b>17,896</b>	<b>17,860</b>

**Operating Expenditure** year to date of \$12.94m is just \$47k over budget.

Notably Locally Driven Initiative expenditure is ahead of budget for some Parks and Town Centre Safety initiatives originally phased for completion in June, but in practicality have already progressed. In Asset Based Services savings have been attained in wages, utilities, materials and outsourced services. Notably Full Facility Contract and other parks services are also slightly below budget.

## Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	357	1,058	701	1,604	2,242
Local governance	0	29	29	41	0
Local parks, sport and recreation	971	1,835	864	2,490	1,684
<b>Total Capital Expenditure</b>	<b>1,328</b>	<b>2,922</b>	<b>1,594</b>	<b>4,135</b>	<b>3,926</b>

**Capital Expenditure** of \$1.33m is \$1.59m behind budget year to date.

Spend so far this year is only 45% of budget, mainly in renewals projects. Citywide delivery issues related to materials, site conditions and environmental constraints are being actively managed. Redevelopment of Papatoetoe Mall has commenced with a total budget of \$4.8million. Funds transferred to Pānuku from the local board as part of the Manukau Transformation, should see the Streetscape Upgrade project at Manukau commence in the next quarter.

There is \$502k of Locally Driven Initiative Capex funding still to be allocated by the local board. Options are under consideration for the Y18 work programme.

## 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	146	145	(1)	194	194
ANZAC	0	0	0	25	25
CCTV and town centre safety initiatives	342	0	(342)	360	0
Community Places programme LDI top up	0	0	0	0	30
Community response operating fund	(16)	0	16	9	37
Community safety	31	23	(8)	30	30
Inclusion and equity - diversity and inclusion	11	8	(3)	15	15
Liquor licensing objections	7	0	(7)	10	10
Local Arts Grants	13	34	21	34	34
Local civic functions	1	6	5	8	8
Local community grants	78	102	24	225	160
Local events fund	71	66	(5)	90	137
Otara Papatoetoe community advice	1	2	1	2	2
Papatoetoe Historical Society	20	0	(20)	20	20
Senior assistance groups	15	15	0	15	15
Skills Sheds operations	22	59	37	79	79
Youth connections across Auckland	50	25	(25)	50	50
Youth Development Effectiveness	19	15	(4)	20	20
<b>Total Local community services</b>	<b>809</b>	<b>499</b>	<b>(310)</b>	<b>1,186</b>	<b>866</b>
Develop Industry Pollution Programme (continuation)	20	32	12	41	20
Environmental project (LDI)	3	0	(3)	5	5
Manukau Harbour forum contribution	1	4	3	8	8
Otara Lake and waterways vision	27	66	39	88	89
Southern recycling centre options development	0	12	12	15	16
Waste minimisation and recycling programmes study	(6)	0	6	0	0
<b>Total Local environmental management</b>	<b>46</b>	<b>114</b>	<b>68</b>	<b>157</b>	<b>138</b>
Colin Dale Park	19	0	(19)	301	280
Facility Partnership Programme	8	0	(8)	0	0
Green assets - LDI	0	0	0	10	10
LDI Programme Events in local parks	39	0	(39)	60	60
LDI Volunteers parks	6	0	(6)	10	10
Papatoetoe Bowling Club greens	40	0	(40)	40	40
Puhinui stream and walkway volunteers	0	0	0	10	10
<b>Total Local parks, sport and recreation</b>	<b>113</b>	<b>0</b>	<b>(113)</b>	<b>431</b>	<b>410</b>
Local economic development planning - BID top up	0	0	0	0	360
Young Enterprise Scheme	0	0	0	2	2
<b>Total Local planning and development</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>362</b>
<b>Total</b>	<b>968</b>	<b>613</b>	<b>(355)</b>	<b>1,776</b>	<b>1,776</b>

## Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community Facility Upgrade	176	556	380	898	1,628
ACE - Leases renewals	11	368	357	526	526
Local library renewals	85	68	(17)	97	30
Library furniture and fitting renewals	35	41	6	58	58
Public art (Otarā Town Centre)	29	25	(4)	25	0
ACE - Community house and centre renewals	22	0	(22)	0	0
<b>Community services (GoA)</b>	<b>358</b>	<b>1,058</b>	<b>700</b>	<b>1,604</b>	<b>2,242</b>
Community response fund	0	29	29	41	0
<b>Governance (GoA)</b>	<b>0</b>	<b>29</b>	<b>29</b>	<b>41</b>	<b>0</b>
Parks - Asset renewals	418	935	522	1,243	1,149
General park development	176	259	83	396	0
Sport development	168	195	27	276	0
Parks - Sports fields renewals	1	172	171	245	183
Multi-sport Facility (Ngati Otara Park)	0	133	133	190	190
Locally driven initiatives (LDI Capex)	47	131	84	131	164
Leisure facility building renewals	33	8	(25)	8	0
Leisure facility equipment renewals	127	0	(127)	0	0
<b>Parks sport and recreation (GoA)</b>	<b>970</b>	<b>1,833</b>	<b>868</b>	<b>2,489</b>	<b>1,686</b>
<b>Total</b>	<b>1,328</b>	<b>2,920</b>	<b>1,597</b>	<b>4,134</b>	<b>3,928</b>



**Funding Impact Statement**  
**Otara-Papatoetoe**  
**For the year ended 31 March 2017**

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
<b>Sources of operating funding:</b>					
General rates, UAGC, rates penalties		15,229	15,080	15,080	14,668
Targeted rates		1,315	1,319	1,319	1,032
Subsidies and grants for operating purposes		976	1,024	1,108	1,957
Fees and charges		1,662	1,860	2,491	1,541
Local authorities fuel tax, fines, infringement fees and other receipts		164	415	598	568
<b>Total operating funding</b>		<b>19,346</b>	<b>19,698</b>	<b>20,596</b>	<b>19,766</b>
<b>Applications of operating funding:</b>					
Payment to staff and suppliers		11,965	11,952	16,563	15,676
Finance costs		808	808	1,116	968
Internal charges and overheads applied		2,104	2,104	2,805	2,819
Other operating funding applications		-	-	-	-
<b>Total applications of operating funding</b>		<b>14,877</b>	<b>14,864</b>	<b>20,484</b>	<b>19,463</b>
<b>Surplus (deficit) of operating funding</b>		<b>4,469</b>	<b>4,834</b>	<b>112</b>	<b>303</b>
<b>Sources of capital funding:</b>					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(2,891)	(1,865)	3,814	4,573
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
<b>Total sources of capital funding</b>		<b>(2,891)</b>	<b>(1,865)</b>	<b>3,814</b>	<b>4,573</b>
<b>Applications of capital funding:</b>					
Capital expenditure:					
- to meet additional demand		391	592	426	1,366
- to improve the level of service		370	420	985	1,586
- to replace existing assets		817	1,957	2,515	1,924
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
<b>Total applications of capital funding</b>	<b>1</b>	<b>1,578</b>	<b>2,969</b>	<b>3,926</b>	<b>4,876</b>
<b>Surplus (deficit) of capital funding</b>		<b>(4,469)</b>	<b>(4,834)</b>	<b>(112)</b>	<b>(303)</b>
<b>Funding balance</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>