

Financial Performance

Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	606	520	86	1,312	1,312
Operating revenue (LDI)	6	0	6	0	0
Operating expenditure (ABS)	6,701	7,184	483	9,985	9,914
Operating expenditure (LDI)	471	348	(123)	886	886
Operating expenditure (LGS)	779	779	0	1,040	1,040
Net Cost of Service	7,339	7,790	451	10,599	10,528
Capital expenditure	14,347	14,318	(29)	14,914	14,746

Upper Harbour Local Board has invested \$14.3m in capital expenditure and \$7.3m net operating expenditure for the third quarter ended 31 March 2017.

The majority of the capital investment for the year has been in the local parks activity, \$11.4m (\$10.4 on Albany pool), with community services contributing \$1.1m and planning \$1.8m. In general capital expenditure has been delivered in advance of budget.

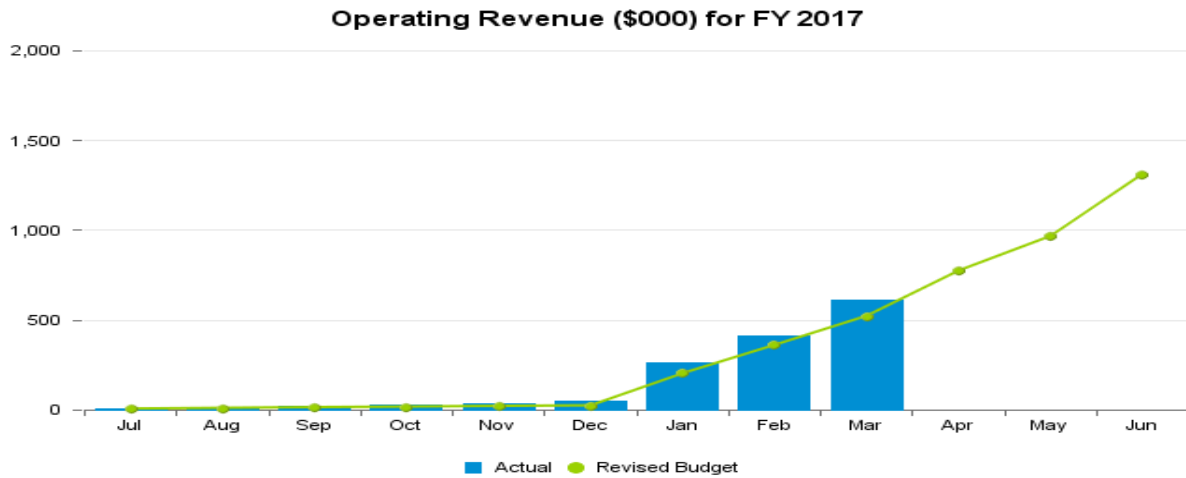
Overall, the operating net cost of service is tracking slightly under budget. Variances exist in the ABS Parks scheduled and response repairs and maintenance actual spend to budget.

The LDI Operational spend has been delivered in advance as the budget did not anticipate Albany Coco grant being paid in full until the final quarter of the year.

Increase in the ABS operational budget of \$51K relate to the redistribution of departmental ABS budget to accommodate extra operational costs surrounding Albany Hub. Delivery of capital expenditure is ahead of budget and some funding has been bought forward from 2022 to facilitate advance delivery.

Details are outlined in the capital projects and LDI operational tables.

Operating Revenue

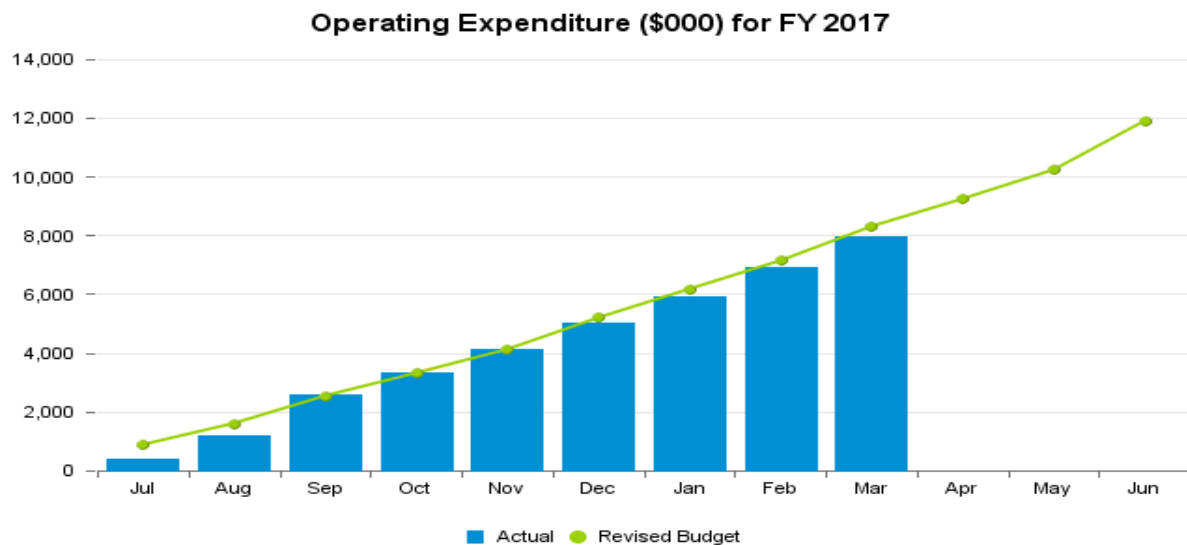


Operating Revenue

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	52	31	21	42	42
Local parks, sport and recreation	561	489	72	1,270	1,270
Total Operating Revenue	613	520	93	1,312	1,312

Revenue spiked with the opening of the Albany pool and actuals are ahead of the expected YTD budget. Community services revenue has exceeded the annual budget with three months still remaining.

Operating Expenditure



Operating Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,868	1,853	(15)	2,597	2,554
Local environmental management	114	84	(30)	145	145
Local governance	779	779	0	1,040	1,040
Local parks, sport and recreation	4,503	4,908	405	7,370	7,342
Local planning and development	687	687	0	759	759
Total Operating Expenditure	7,951	8,311	360	11,911	11,840

The overall expenditure is tracking close to budget at 96% delivery.

Within the Asset Based Services (ABS) Parks area, the full facility scheduled and response repairs and maintenance contract is significantly below budget (\$266K) due to incorrect allocation of existing budget by local board area. Other expenses in ABS are also less than anticipated by the budget due to the delayed opening of the Albany Pool.

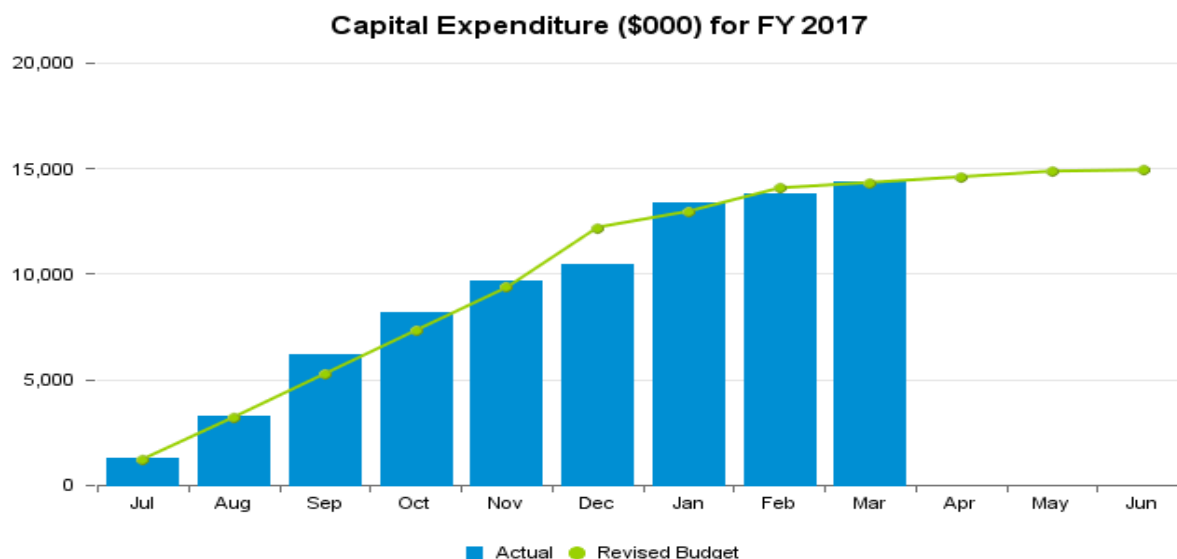
In Locally Driven Initiatives (LDI) community services, Albany Coco grant has been paid in advance of budget phasing and Local civic functions are not phased to be spent until the last quarter. The variance in Parks, Sports and Recreation relates to the grant for Tennis Northern. Payment has been made but was miscoded and will be corrected until April 2017

The LDI environment response fund has been fully delivered ahead of budget.

Locally Driven Initiatives (Operating Expenditure)

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	132	132	0	176	176
Albany Coco	75	38	(37)	75	75
ANZAC	1	0	(1)	10	10
Community Arts Programmes	0	0	0	0	11
Community Led Development and Partnering	9	0	(9)	0	0
Community placemaking initiatives	61	37	(24)	70	67
Community response operating fund	33	0	(33)	0	0
Event partnership	24	0	(24)	24	27
Inclusion and diversity	6	11	5	22	22
Local civic functions	19	0	(19)	50	50
Local community grants	36	77	41	118	115
Local events discretionary fund	3	0	(3)	0	0
Movies in parks local	0	36	36	36	36
Youth programmes community development	20	13	(7)	25	25
Total Local community services	420	343	(77)	606	614
Environment response fund	39	5	(34)	39	39
Total Local environmental management	39	5	(34)	39	39
LDI Volunteers parks	24	0	(24)	30	20
Local parks art work maintenance	0	0	0	8	8
Parks maintenance - street garden maintenance	0	0	0	20	20
Parks response fund	(12)	0	12	103	105
Tennis Northern operational grant	0	0	0	30	30
Total Local parks, sport and recreation	12	0	(12)	191	183
Local board discretionary fund	0	0	0	50	50
Total Local planning and development	0	0	0	50	50
Total	470	348	(122)	886	886

Capital Expenditure



Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,088	693	(395)	1,006	1,713
Local parks, sport and recreation	11,449	12,239	790	12,704	11,862
Local planning and development	1,810	1,386	(424)	1,204	1,171
Total Capital Expenditure	14,347	14,318	(29)	14,914	14,746

As expected, the main capital expenditure to date is associated with the Albany Stadium Pool (\$10.4m). Investment in the renewal of Albany leisure equipment (\$0.6m) in Albany, in development of the Hub (\$0.8m) and in Hobsonville Corridor planning (\$1.8m) make up the bulk of the remaining spend.

Albany Hub project has significantly progressed during the quarter with an anticipated completion and soft opening in June 2017 and fully operational by 1 July 2017. Budget restraints in relation to Sunderland lounge have been resolved by using a phased delivery approach currently over the next three years.

The capital expenditure in Asset Based Services surrounding reserves in the Hobsonville Corridor are in advance of budget and relate to land acquisitions. These will be funded by bringing forward budget from 2022.

Locally Driven Initiative (LDI) capital expenditure projects only account for \$8k of spend, being predominantly consultancy costs for the Hugh Green Drive playground upgrade and have yet to be progressed past the approval stage. The bulk of the LDI capital expenditure budget will be carried forward to the next financial year.

Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community hub (Albany)	823	423	(400)	597	597
ACE - Community house and centre renewals	103	148	45	211	205
Community house development (Hobsonville Point)	147	122	(25)	198	911
Local library renewals	14	0	(14)	0	0
Community services	1,088	693	(395)	1,006	1,713
Stadium Pool (Albany)	10,405	10,386	(19)	10,401	10,283
Stadium Pool (Albany) - Equipment	33	819	786	819	0
Locally driven initiatives (LDI Capex)	8	342	334	554	617
Sport development	159	252	93	310	720
General park development	81	229	148	325	0
Parks - Asset renewals	122	137	15	193	192
Parks - Sports fields renewals	17	38	21	50	50
Playscape development	0	37	37	52	0
Artificial sportsfields (Upper Harbour)	25	0	(25)	0	0
Leisure facility equipment renewals	553	0	(553)	0	0
Parks - Coastal asset renewals	47	0	(47)	0	0
Parks sport and recreation	11,449	12,239	790	12,704	11,862
Reserves one two and three PC14 (Hobsonville Corridor)	1,810	1,386	(424)	1,204	1,171
Planning	1,810	1,386	(424)	1,204	1,171
Total	14,347	14,319	(28)	14,914	14,746

Funding Impact Statement
Upper Harbour
For the year ended 31 March 2017

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		11,982	11,865	11,865	9,732
Targeted rates		626	626	626	523
Subsidies and grants for operating purposes		15	497	1,281	11
Fees and charges		579	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts		18	23	31	114
Total operating funding		13,220	13,011	13,803	10,380
Applications of operating funding:					
Payment to staff and suppliers		6,909	7,311	10,460	7,994
Finance costs		990	990	1,367	1,025
Internal charges and overheads applied		1,488	1,488	1,984	1,278
Other operating funding applications		-	-	-	-
Total applications of operating funding		9,387	9,789	13,811	10,297
Surplus (deficit) of operating funding		3,833	3,222	(8)	83
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		10,514	11,096	14,754	14,722
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		10,514	11,096	14,754	14,722
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		5,922	6,049	5,696	4,811
- to improve the level of service		7,561	7,605	7,986	9,257
- to replace existing assets		864	664	1,064	737
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		14,347	14,318	14,746	14,805
Surplus (deficit) of capital funding		(3,833)	(3,222)	8	(83)
Funding balance		-	-	-	-