

## Local Board Financial Performance - Otara-Papatoetoe as at September 2017

### Financial Summary

█ On Target   
 █ Under Review   
 █ Not Meeting Target

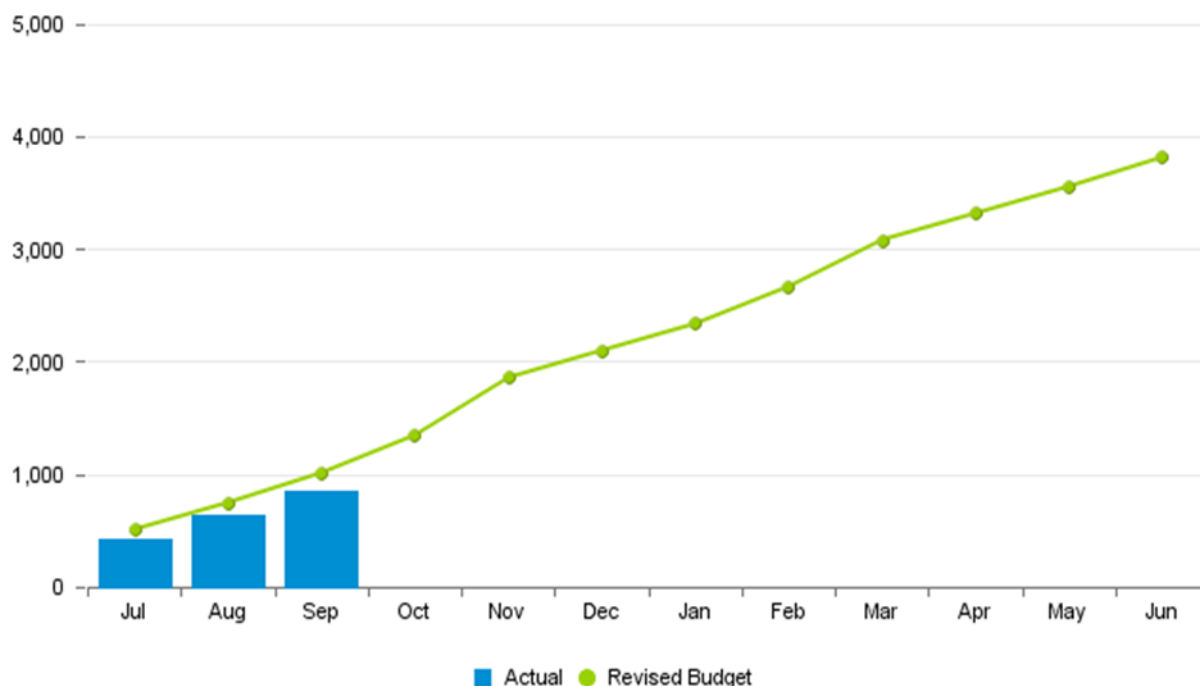
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	843	1,011	(168)	3,811	3,905
Operating revenue (LDI)	0	3	(3)	10	0
Operating expenditure (ABS)	4,601	3,978	(623)	14,391	14,177
Operating expenditure (LDI)	175	388	213	1,815	1,776
Operating expenditure (LGS)	352	353	1	1,412	1,412
<b>Net Cost of Service</b>	<b>4,285</b>	<b>3,706</b>	<b>(579)</b>	<b>13,797</b>	<b>13,461</b>
<b>Subsidies and grants for capital expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital expenditure</b>	<b>862</b>	<b>1,791</b>	<b>929</b>	<b>5,155</b>	<b>6,368</b>

The Ōtara-Papatoetoe Local Board has invested \$4.28m in net operating costs and \$862k in capital expenditure for the quarter ending September 2017.

**Net cost of service** is \$579k over budget of \$3.71m. Operating expenditure is overall \$410k over budget mostly in the Rima contract for the Ōtara-Papatoetoe local board area. Operating revenue is unfavourable, particularly in recreation and leisure memberships and revenues which have continued to slide backwards. Compared to this quarter last year there is a 9.2% decrease in attendance.

**Capital spend** of \$862k is \$929k behind budget delivery. Spend so far is a continuance of projects, particularly Te Puke Ōtara facility upgrade, Colin Dale Park development and the East Tāmaki Reserve renewals.

### Operating Revenue (\$000) for FY 2018



### Operating Revenue

█ On Target   
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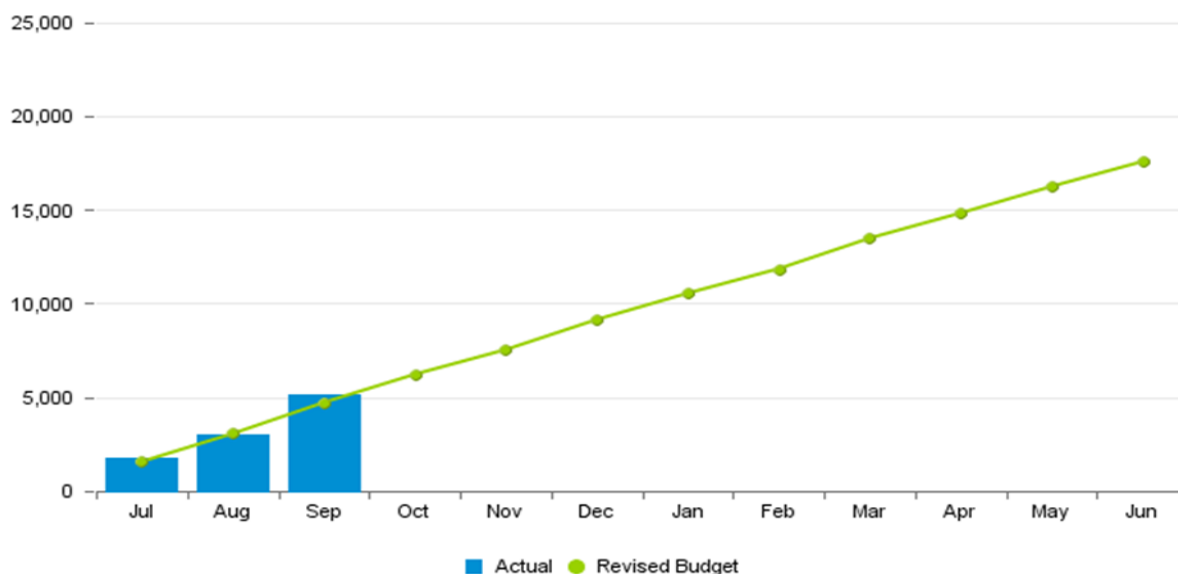
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	85	91	(6)	366	356
Local parks, sport and recreation	758	922	(164)	3,455	3,549
<b>Total Operating Revenue</b>	<b>843</b>	<b>1,013</b>	<b>(170)</b>	<b>3,821</b>	<b>3,905</b>

**Operating revenue** was below budget by \$170k.

Community services are only slightly below budget with Ōtara Music and Arts (OMAC) venue hire fees \$5k down this quarter and the closure of Te Puke Ōtara affecting a \$12k loss in hire revenue.

However recreation and leisure revenue continues to struggle, and accounts for \$164k shortfall against budget. With a 9.2% decrease in attendance compared to the same time last year, this highlights how fitness and recreation are below budget by \$50k and aquatics by \$20k. ECE revenue subsidies were \$94k below budget as numbers continue to drop for this programme

### Operating Expenditure (\$000) for FY 2018



█ 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	1,416	1,630	214	6,337	6,315
Local environmental management	9	7	(2)	128	110
Local governance	352	353	1	1,412	1,412
Local parks, sport and recreation	2,952	2,201	(751)	8,656	8,443
Local planning and development	400	528	128	1,085	1,085
<b>Total Operating Expenditure</b>	<b>5,129</b>	<b>4,719</b>	<b>(410)</b>	<b>17,618</b>	<b>17,365</b>

**Operating expenditure** for this quarter is \$410k over budget.

In Locally Driven Initiatives (LDI Opex) community services, there is underspend of \$210k overall with no current issues and some projects are yet to commence. Spend progress will be evaluated before the half year financial report, for any early indications of potential underspend or non-delivery.

In Local parks budgets are \$751k overspent. A late correction in October will bring this variance down to \$550k over budget. The RIMA contract in both the scheduled and the response maintenance areas has overspent budget by \$560k. This is the first set of accounts for this project and it is expected that it will take at least a full year to collect stable and more predictable costings for budgets for the Long Term Plan. Over the 21 local boards there are variances both under and over budget for the parks contracts, with an overall saving of 6%. The aquatics and leisure services expenditure overall is \$10k below budget.

### Locally Driven Initiatives (Operating Expenditure)

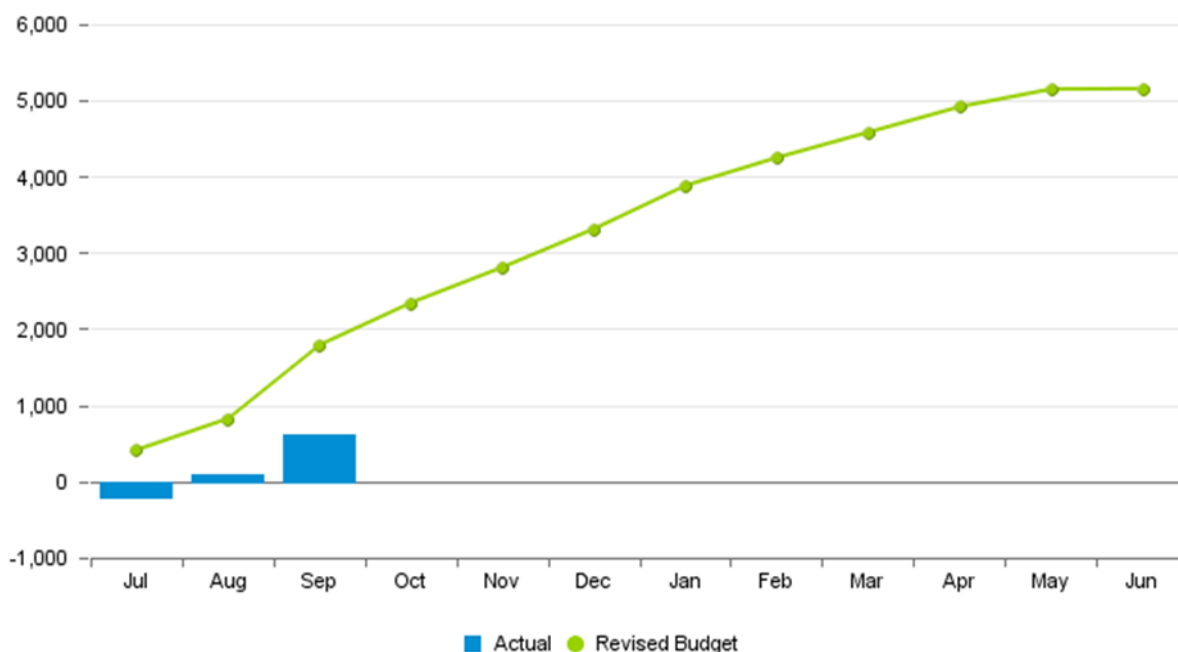
Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	49	49	0	194	194
ANZAC	0	0	0	25	25
Capacity building programme	25	17	(8)	66	66
CCTV and town centre safety initiatives	5	90	85	360	360
Community response operating fund	0	36	36	144	161
Liquor licensing objections	0	2	2	10	10
Local Arts Grants	11	5	(6)	34	19
Local civic functions	0	2	2	8	8
Local community grants	28	61	33	204	204
Local events fund	0	14	14	61	47
Maori responsiveness	0	1	1	5	5
Papatoetoe Historical Society	20	5	(15)	20	20
Senior assistance groups	0	4	4	15	15
Skills Sheds operations	0	15	15	49	49
Youth connections across Auckland	23	15	(8)	60	60
Youth Development Effectiveness	0	8	8	30	30
<b>Total Local community services</b>	<b>161</b>	<b>323</b>	<b>162</b>	<b>1,284</b>	<b>1,273</b>

Develop Industry Pollution Programme (continuation)	0	0	0	36	36
Environmental project (LDI)	9	7	(2)	79	41
Manukau Harbour forum contribution	0	0	0	13	8
Otara Lake and waterways vision	0	0	0	0	25
<b>Total Local environmental management</b>	<b>9</b>	<b>7</b>	<b>(2)</b>	<b>128</b>	<b>110</b>
Colin Dale Park	0	42	42	280	280
Green assets - LDI	0	2	2	10	10
LDI Programme Events in local parks	5	9	4	60	60
LDI Volunteers parks	0	2	2	10	10
Puhinui stream and walkway volunteers	0	2	2	10	10
<b>Total Local parks, sport and recreation</b>	<b>5</b>	<b>56</b>	<b>51</b>	<b>370</b>	<b>370</b>
Local Business Support initiatives	0	0	0	20	20
Young Enterprise Scheme	0	0	0	3	3
<b>Total Local planning and development</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>23</b>
<b>Total</b>	<b>175</b>	<b>385</b>	<b>210</b>	<b>1,805</b>	<b>1,776</b>

**Budget has increased by \$29k due to Y17 Opex deferrals listed below**

Activity	Specific project or programme	Deferred to FY18
ACE	Local Arts Grants	14,996
	Pursuit of Excellence Award	13,702
<b>Grand Total</b>		<b>28,698</b>

### Capital Expenditure (\$000) for FY 2018



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	301	993	692	2,931	1,999
Local governance	0	10	10	41	0
Local parks, sport and recreation	561	788	227	2,183	4,369
<b>Total Capital Expenditure</b>	<b>862</b>	<b>1,791</b>	<b>929</b>	<b>5,155</b>	<b>6,368</b>

**Capital expenditure** of \$862k is \$929k behind budget delivery for the year.

Overall net deferral of projects at the end of Y17 has reduced the capex programme for Y18 by \$1.2m to \$5.2m. Major items deferred into Y19 were \$900k for Hayman Park development leaving \$100k to be spent this year, \$290k for Ngati Ōtara Park to align better with the project progress, and the deferral of most of the LDI Capex funding of \$943k into Y19. However, \$1.6m for TPOT was brought forward into this year

Renewals and upgrades budgets for this year now total \$4.7m and development and growth totals \$500k.

Spend so far is a continuance of projects, particularly Te Puke Ōtara facility upgrade, Colin Dale Park development and the East Tāmaki Reserve renewals.

## Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community Facility Upgrade	275	949	674	2,632	1,064
Local library renewals	0	18	18	50	100
ACE - Art facility renewals	0	13	13	35	85
ACE - Leases renewals	25	13	(12)	214	210
ACE - Community house and centre renewals	0	0	0	0	500
Library furniture and fitting renewals	0	0	0	0	40
<b>Community services (GoA)</b>	<b>301</b>	<b>993</b>	<b>692</b>	<b>2,931</b>	<b>1,999</b>
Community response fund	0	10	10	41	0
<b>Governance (GoA)</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>41</b>	<b>0</b>
Parks - Asset renewals	392	581	189	1,610	1,697
Leisure facility building renewals	5	67	62	186	265
Sport development	100	41	(59)	114	0
General park development	21	36	15	100	1,000
Locally driven initiatives (LDI Capex)	32	35	3	96	1,039
Multi-sport Facility (Ngati Otara Park)	7	28	21	77	367
Leisure facility equipment renewals	4	0	(4)	0	0
<b>Parks sport and recreation (GoA)</b>	<b>561</b>	<b>788</b>	<b>227</b>	<b>2,183</b>	<b>4,369</b>
<b>Total</b>	<b>862</b>	<b>1,791</b>	<b>929</b>	<b>5,155</b>	<b>6,368</b>