

Local Board Financial Performance - Otara-Papatoetoe as at December 2017

Financial Summary

█ On Target
 █ Under Review
 █ Not Meeting Target

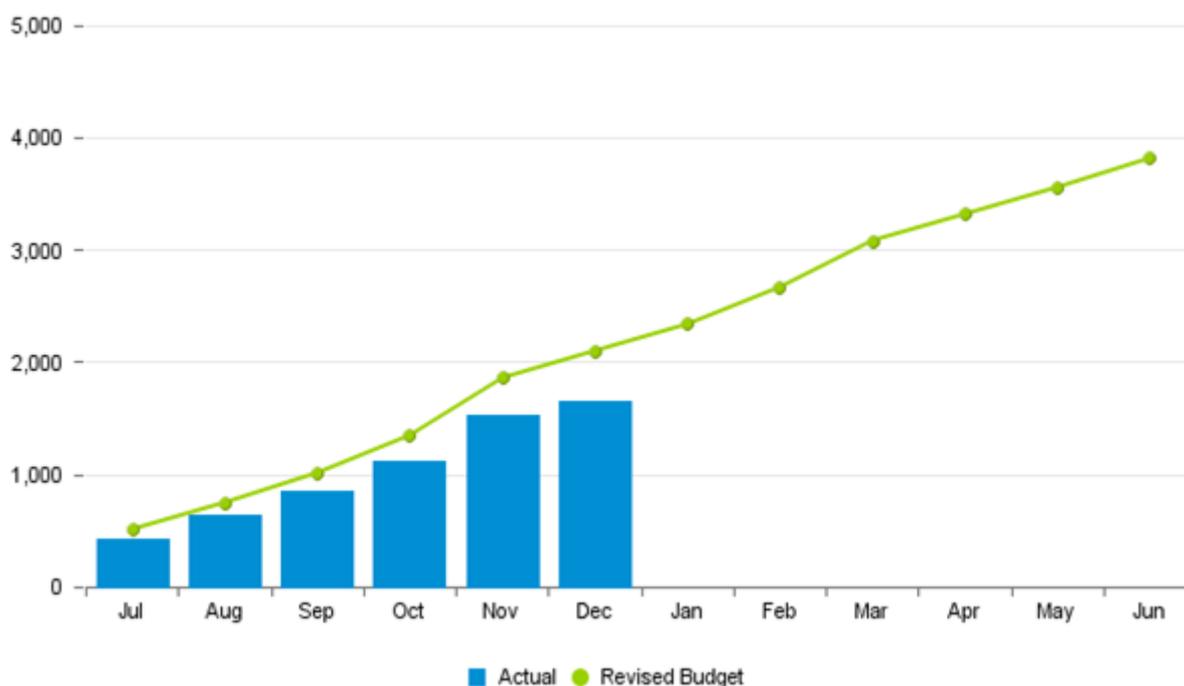
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,711	2,096	(385)	3,811	3,905
Operating revenue (LDI)	1	5	(4)	10	0
Operating expenditure (ABS)	7,986	7,885	(101)	15,208	14,177
Operating expenditure (LDI)	706	805	99	1,815	1,776
Operating expenditure (LGS)	704	706	2	1,412	1,412
Net Cost of Service	7,684	7,295	(389)	14,614	13,461
Capital expenditure	2,152	3,316	1,164	5,155	6,368

The Ōtara-Papatoetoe Local Board has invested \$7.68m in net operating costs and \$2.15m in capital expenditure for the six months ending December 2017.

Net cost of service is \$389k over budget of \$7.29m. Operating expenditure is balanced overall on budget; however, the RIMA facility contract was overspent by \$285k, therefore offsetting underspend in other activities. Operating revenue is unfavourable, particularly in recreation and leisure memberships and revenues which have continued to slide.

Capital spend of \$2.15m is \$1.16m behind budget with delivery against the budget for the full year of 42%. This quarter, \$1.1m spend is a continuation of renewals projects, particularly Te Puke Ōtara facility upgrade with a further spend of \$1m, and East Tāmaki Reserve renewals a further \$135k.

Operating Revenue (\$000) for FY 2018



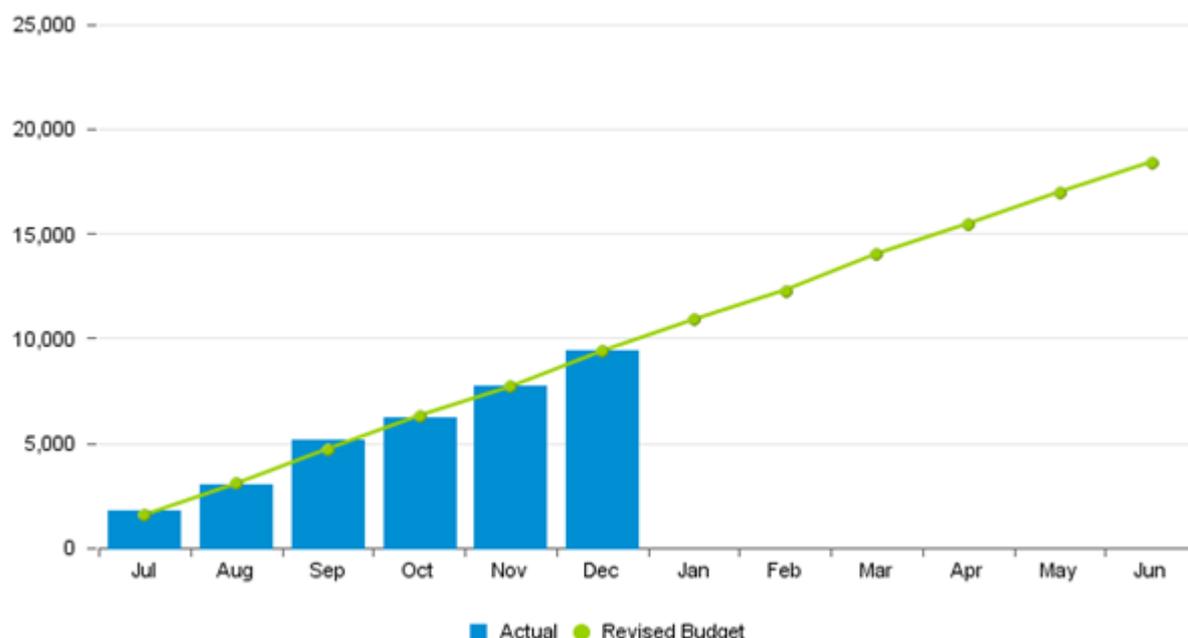
Operating Revenue					
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
	Local community services	170	183	(13)	366
Local parks, sport and recreation	1,541	1,918	(377)	3,455	3,549
Total Operating Revenue	1,711	2,101	(390)	3,821	3,905

Operating revenue was below budget by \$390k continuing to prove challenging.

Community services are only slightly below budget with Ōtara Music and Arts (OMAC) venue hire fees \$15k down year to date and the closure of Te Puke Ōtara affecting a \$22k loss in hire revenue. Citizenship subsidies have arrived before spend and affect a timing increase in revenue of \$18k.

Recreation and leisure revenue continues to struggle, with \$377k shortfall against budget. Decrease in visits for leisure and fitness of 12,000 compared to the same time last year, highlights how fitness and recreation are below budget by \$160k and aquatics by \$33k. ECE revenue subsidies were \$184k below budget as numbers continue to drop for this programme. This decline affects all pools and recreation centres and ECE programmes in the Ōtara-Papatoetoe area.

Operating Expenditure (\$000) for FY 2018



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	3,119	3,148	29	6,337	6,315
Local environmental management	16	36	20	128	110
Local governance	704	706	2	1,412	1,412
Local parks, sport and recreation	4,950	4,712	(238)	9,473	8,443
Local planning and development	607	794	187	1,085	1,085
Total Operating Expenditure	9,396	9,396	0	18,435	17,365

Operating expenditure for is on budget year to date.

In Locally Driven Initiatives (LDI Opex) community services, there is underspend of \$95k. Following financial analysis for half year accounts, there are no significant issues to report on delivery of LDI projects for this local board. However, discretionary grants funds will need to be monitored, as there is a balance of \$250k still to be allocated over the next six months

In Asset Based Services (ABS) budgets are \$95k overspent. The RIMA contract in both the scheduled and the response maintenance areas has overspent budget year to date by \$285k halving the last result for September quarter. ECE costs have reduced \$20k year to date as this programme faces a downturn. Payment of the BID grant to GETBA is yet to be coded \$187k.

Locally Driven Initiatives (Operating Expenditure)

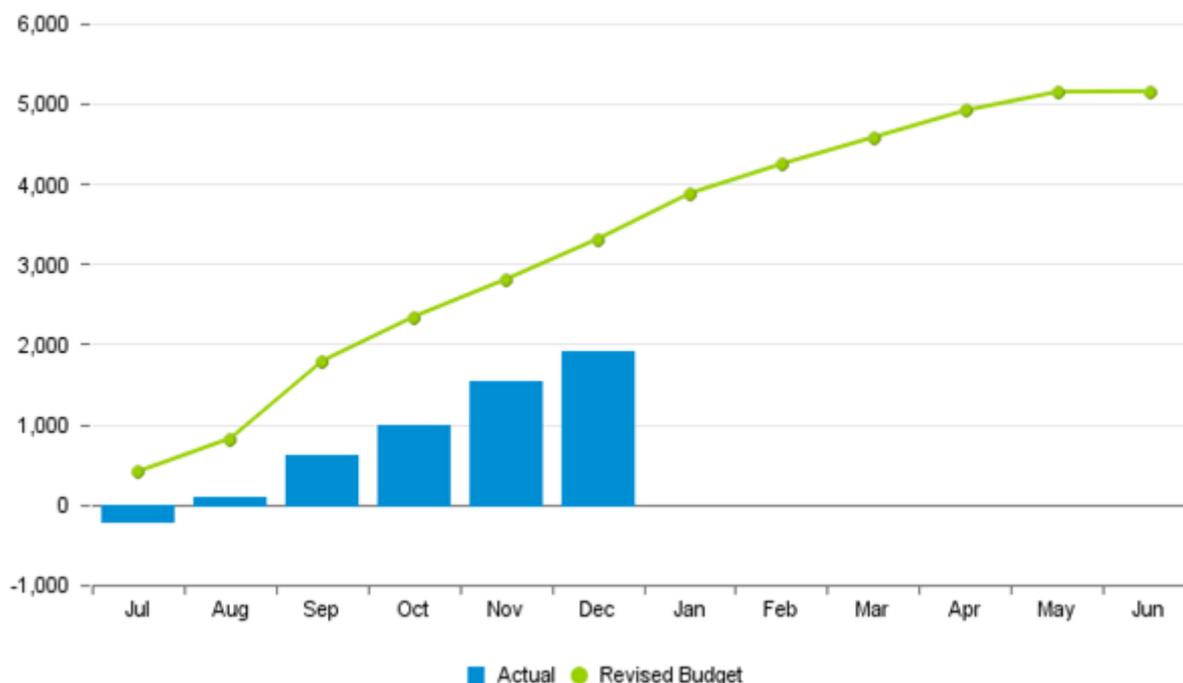
Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	97	97	0	194	194
ANZAC	0	0	0	25	25
Capacity building programme	37	33	(4)	66	66
CCTV and town centre safety initiatives	251	180	(71)	360	360
Community response operating fund	0	72	72	144	161
Liquor licensing objections	0	5	5	10	10
Local Arts Grants	11	9	(2)	34	19
Local civic functions	0	4	4	8	8
Local community grants	162	102	(60)	204	204
Local events fund	0	24	24	61	47
Maori responsiveness	0	3	3	5	5
Papatoetoe Historical Society	20	10	(10)	20	20
Senior assistance groups	15	8	(7)	15	15
Skills Sheds operations	0	24	24	49	49
Youth connections across Auckland	39	30	(9)	60	60
Youth Development Effectiveness	30	15	(15)	30	30
Total Local community services	663	615	(48)	1,284	1,273

Develop Industry Pollution Programme (continuation)	0	8	8	36	36
Environmental project (LDI)	16	25	9	79	41
Manukau Harbour forum contribution	0	3	3	13	8
Otara Lake and waterways vision	0	0	0	0	25
Total Local environmental management	16	36	20	128	110
Colin Dale Park	0	112	112	280	280
Green assets - LDI	0	4	4	10	10
LDI Programme Events in local parks	11	24	13	60	60
LDI Volunteers parks	2	4	2	10	10
Puhinui stream and walkway volunteers	5	4	(1)	10	10
Total Local parks, sport and recreation	18	148	130	370	370
Local Business Support initiatives	7	0	(7)	20	20
Young Enterprise Scheme	0	0	0	3	3
Total Local planning and development	7	0	(7)	23	23
Total	705	800	95	1,805	1,776

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
Grand Total		28,698

Capital Expenditure (\$000) for FY 2018



Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,354	1,870	516	2,931	1,999
Local governance	30	21	(9)	41	0
Local parks, sport and recreation	768	1,425	657	2,183	4,369
Total Capital Expenditure	2,152	3,316	1,164	5,155	6,368

Capital expenditure of \$2.15m is \$1.16m behind budget with delivery against the full year budget at 42%

This quarter, spend is a continuation of renewals projects, particularly Te Puke Ōtara facility upgrade with a further spend of \$1m, and the East Tāmaki Reserve renewals a further \$135k.

Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community Facility Upgrade	1,309	1,718	409	2,632	1,064
ACE - Leases renewals	42	97	55	214	210
Local library renewals	1	33	32	50	100
ACE - Art facility renewals	2	23	21	35	85
ACE - Community house and centre renewals	0	0	0	0	500
Library furniture and fitting renewals	1	0	(1)	0	40
Community services (GoA)	1,354	1,870	516	2,931	1,999
Community response fund	30	21	(9)	41	0
Governance (GoA)	30	21	(9)	41	0
Parks - Asset renewals	564	1,051	487	1,610	1,697
Leisure facility building renewals	9	121	112	186	265
Sport development	101	74	(27)	114	0
General park development	30	65	35	100	1,000
Locally driven initiatives (LDI Capex)	32	63	31	96	1,039
Multi-sport Facility (Ngati Otara Park)	27	50	23	77	367
Leisure facility equipment renewals	4	0	(4)	0	0
Parks sport and recreation (GoA)	768	1,425	657	2,183	4,369
Total	2,152	3,316	1,164	5,155	6,368