

# Operating performance financial summary

## Operating performance

\$(000's)	FY2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Net operating expenditure</b>	<b>7,832</b>	<b>6,575</b>	<b>(1,075)</b>	<b>13,423</b>	<b>11,848</b>
<b>Operating revenue</b>	<b>317</b>	<b>300</b>	<b>17</b>	<b>837</b>	<b>487</b>
Community services	317	300	17	837	487
<b>Operating expenditure</b>	<b>8,148</b>	<b>7,056</b>	<b>(1,092)</b>	<b>13,959</b>	<b>12,334</b>
Community services	7,177	5,992	(1,185)	11,949	10,413
Environmental services	26	59	33	168	158
Governance	566	566	0	1,124	1,124
Planning	379	439	60	718	639

Note: Includes Asset Based and LDI

## LDI by activity

Operating expenditure	<b>630</b>	<b>838</b>	<b>208</b>	<b>1,916</b>	<b>1,647</b>
Community services	586	718	132	1,547	1,368
Environmental services	23	56	33	163	153
Planning	20	63	43	206	126

## Commentary

The **net operating expenditure** at \$7.832 million is \$1.075 million above the budget for the first six months of the financial year.

**Operating revenue** is above the budget by \$17,000 mostly in copying services from the libraries.

**Operating expenditure** at \$8.148 million is above the budget by \$1.092 million. This is mainly in full facility parks contract and property costs on repairs and maintenance which is a timing issue. The year-end result is expected to be near target. Expenditure in Locally Driven Initiatives (LDI) is lower than budget by \$208,000.

Watching brief for projects that are behind budget

- Integrated ACE activity/Thriving Town Centre programme \$64,000. This is the first year of implementing a new programme and various parts of the programme are work in progress.
- Town centre revitalisation concept plan \$80,000 and Centre transformation programme \$50,000. The new Auckland Transport (AT) project in the area has an impact on the two LDI initiatives. Awaiting AT's presentation to the Board to ensure that all the projects are aligned.
- Community Response fund \$20,725 to be allocated to projects.
- Waititiko (Meola Creek) restoration initiative \$20,000 is in progress.

Consequential opex \$92,000 over the budget. From financial years 2016 to 2018, the Board had approval to convert part of their operational expenditure to fund capital projects and this is reflected under 'consequential opex'. The whole year's expenditure \$187,000 has been charged in December instead of June next year.

Further details by projects are in the Quarter 2 work programme update. Note that the 2017/2018 approved operating expenditure carry forward has now been included in the revised budget.

## LDI Operating Expenditure – all projects

Operating Expenditure	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 Services	0	0	0	15	15
Arts and Events Brokering Service – Integrated ACE activity.	100	68	(32)	135	135
Capacity building programme/Western Springs community recycling centre	0	5	5	5	5
Children learn to swim programme	0	0	0	20	20
Christmas events	1	18	17	18	18
Community engagement	3	0	(3)	0	0
Community event at Chamberlain Park	0	8	8	25	0
Community facility upgrades CDAC	1	15	14	44	0
Community Gardens	10	10	0	10	10
Community response operating fund	0	6	6	21	30
Community volunteer awards	0	0	0	15	0
Consequential opex	187	95	(92)	187	187
Creating a Maori identity/Māori naming of reserves and facilities	0	3	3	8	8
Ecological volunteers environmental programme	13	12	(1)	30	30
Empowered communities - increase diverse community participation & Youth initiatives	10	22	12	68	65
Empowered communities approach – connecting communities/community engagement	0	10	10	20	20
Enabling shared use of space - Integrated ACE activity.	1	5	4	10	10
Future giant tree programme	0	1	1	2	0
Heritage Plan	0	23	23	70	0
LDI Programme Events in local parks/Out & About programme	0	0	0	15	15
Local accommodation support fund	0	80	80	160	160

Operating Expenditure	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local civic functions	1	0	(1)	0	0
Local community grants	90	60	(30)	120	120
Local economic development project/ Award Ceremonies	0	0	0	0	15
Local events fund	55	52	(3)	59	59
Local events - new event advertising	0	2	2	4	4
Local Park development programme opex	9	22	13	65	40
Louis Adolphus Durrieu Reserve	0	11	11	22	22
Maori Cultural heritage study	0	3	3	10	0
Neighbours day events	5	0	(5)	5	5
Pa Harakeke planting and maintenance at Walmer Res	5	3	(2)	10	0
Sport and Active rec facility plan	0	15	15	30	30
Supporting Communities to Lead - Integrated ACE activity/Thriving Town Centre prog	0	64	64	128	128
Te Auaunga/ Oakley Creek Action plan planting	0	5	5	10	10
Urban Forest (Ngahere) strategy	0	6	6	15	15
<b>Total Community services</b>	<b>586</b>	<b>718</b>	<b>132</b>	<b>1,547</b>	<b>1,368</b>
Bike Hub	0	4	4	20	10
Industry Pollution Prevention Programme	6	13	7	20	20
Rock Forest Landowner assistance programme	0	0	0	10	10
Stream enhancement	0	0	0	13	13
Sustainability initiatives /EcoNeighbourhoods	17	15	(2)	40	40
Waititko (Meola Creek) restoration initiative	0	20	20	50	50
Weed and Pest management	0	4	4	10	10
<b>Total Environmental services</b>	<b>23</b>	<b>56</b>	<b>33</b>	<b>163</b>	<b>153</b>
Centre transformation programme	0	25	25	50	50
Locally Driven Initiatives (ATEED)	20	38	18	76	76
Town centre revitalisation concept plan	0	0	0	80	0
<b>Total Planning</b>	<b>20</b>	<b>63</b>	<b>43</b>	<b>206</b>	<b>126</b>
<b>Total</b>	<b>630</b>	<b>838</b>	<b>208</b>	<b>1,916</b>	<b>1,647</b>

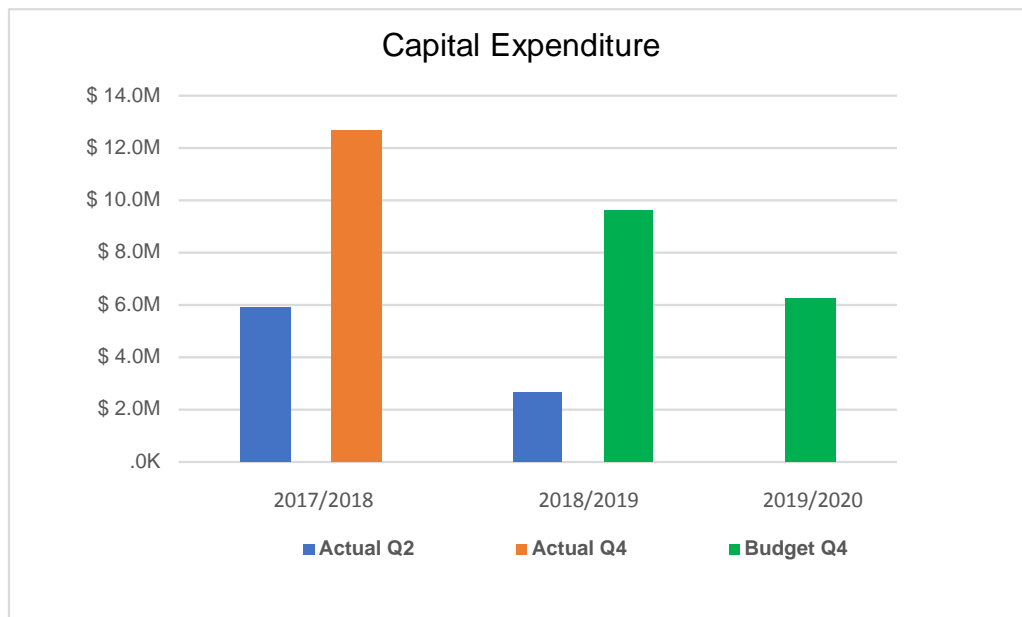
# Capital expenditure summary

## Capital expenditure

\$(000's)	FY2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Capital expenditure</b>	<b>2,611</b>	<b>3,691</b>	<b>1,080</b>	<b>9,580</b>	<b>4,648</b>
Community services	2,913	4,003	1,090	9,759	4,648
Planning	(302)	(312)	(10)	(179)	0

Note: Includes Asset Based and LDI

## Capital delivered



## Commentary

Capital expenditure at \$2.611 million is 29 per cent (\$1.080 million) below the budget and mainly in:

- General park restoration \$435,000 – State highway 16 projects range from Phyllis Reserve improvements; Oakley Creek physical works and Anderson Park improvements which will be delivered this year.
- Development of Phyllis Reserve \$363,000 – the developed design will be discussed in a workshop with the local board in March 2019.
- LDI funded capex \$363,000
  - Coyle Park path and development – stage two, three and four will take place in 2019.
  - Rocket Park – install drainage and paving – physical works contract is being finalised.
  - Gribblehirst Park Bowling Green investigate reuse – on hold waiting landowners’ approval from local board of projects to be undertaken by community groups.

Watching brief for capital projects – revised full year budget

- Alba Road parking upgrade \$85,000. Project estimate exceeded budget. A decision is required on identifying an alternative parking project.
- Town Centre transformation \$432,000 is on hold. A new Auckland Transport (AT) project in the area will have an impact on Sandringham, Manukau and Pah Roads. Awaiting AT’s plan to ensure that the proposed development reflect the intentions of the Centres Transformation project.
- Greenway and walkway/Motu Manawa Marine Reserve \$166,000 is on hold until the long-term growth funding is resolved.

The full year’s revised budget for LDI capex is \$9.580 million and includes the 2017/2018 approved capital expenditure brought forward for asset renewal (\$1.449 million), LDI funded capex (\$2.400 million) and sports development (\$661,000). Details by projects are available in Quarter 2 Work Programme update.

## Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local asset renewals programme	1,058	1,041	(17)	2,792	1,532
Locally driven initiatives (LDI Capex)	608	974	366	3,130	743
Development Phyllis Reserve (SH16/20)	346	713	359	761	1,067
Sport development	708	574	(134)	1,391	730
General park restoration (SH16/20)	1	436	435	620	15
Parks - Coastal asset renewals	167	177	10	379	130
Greenway and walkway development	0	59	59	166	0
Alba Road parking upgrades (RF)	0	28	28	85	0
Toilets (Fowlds Park)	16	1	(15)	3	0
Various parks projects - AT funded	7	0	(7)	0	0
Town centre transformation	1	0	(1)	432	432
<b>Total Community services</b>	<b>2,913</b>	<b>4,003</b>	<b>1,090</b>	<b>9,759</b>	<b>4,648</b>
Town centre renewal (Mt Albert)	(302)	(312)	(10)	(179)	0
<b>Total Planning</b>	<b>(302)</b>	<b>(312)</b>	<b>(10)</b>	<b>(179)</b>	<b>0</b>
<b>Total</b>	<b>2,609</b>	<b>3,691</b>	<b>1,082</b>	<b>9,579</b>	<b>4,648</b>