

Operating performance financial summary

Operating performance

\$(000's)	FY 2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Net operating expenditure	6,299	6,674	375	12,614	10,998
Operating revenue	2,718	2,789	(71)	5,211	5,732
Community services	2,718	2,789	(71)	5,211	5,732
Operating expenditure	9,017	9,463	446	17,825	16,720
Community services	8,038	8,458	420	16,098	14,972
Environmental services	161	178	17	230	258
Governance	483	483	0	955	955
Planning	335	344	9	542	535

Note: Includes Asset Based Services and LDI

LDI by activity

\$(000's)	FY 2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating expenditure	935	915	(20)	1,526	1,441
Community services	776	739	(37)	1,292	1,215
Environmental services	158	175	17	225	225
Planning	1	0	(1)	9	1

Commentary

Net operating expenditure at the end of the second quarter was \$6.3m a variance below budget of \$375,000.

Operating revenue is tracking 2 per cent below budget. There has been an increase in roll numbers at all the early childhood centres when compared with the same period last year which has resulted in achieving higher than planned revenue. This has offset the impact of reduced recreation revenue due to the rock wall and gym being closed at Birkenhead Leisure Centre. This facility is scheduled to open in January following the repairs that were required. Swim school revenue has also increased when compared with the same period the previous year.

Operating expenditure overall was \$446,000 below budget. The variance is related lower expenditure on full facility maintenance contracts. The lower expenditure is due to lower reactive maintenance.

The boards LDI operational spend to date is on track with budget. The community volunteer awards are scheduled for the fourth quarter – the project is flagged as amber (some risks or issues) as the event has not been planned yet. The funding for the Birkenhead Christmas parade is yet to be released as the accountability document had not been submitted for the prior year. This has also been flagged as amber in the work programme update, the funding will be released once the documentation is received.

Due to the high number of grant applications the board received in the first two grant rounds the remaining budget for the third round is only \$36,000.

LDI Operating Expenditure – all projects

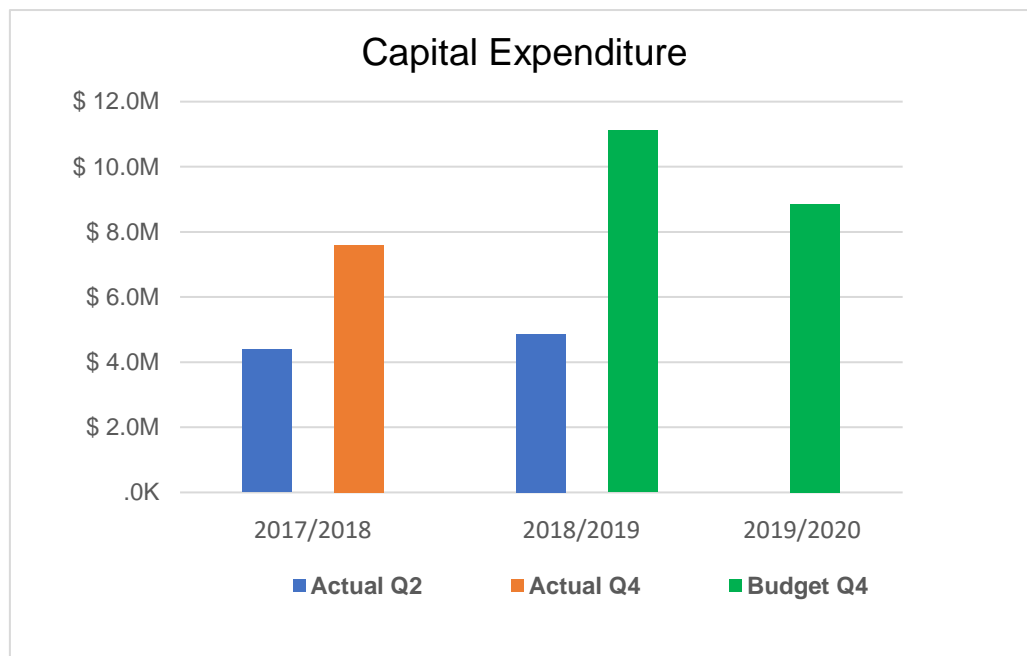
Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	49	49	0	98	98
ANZAC	1	0	(1)	30	30
Birkenhead War Memorial master plan	7	6	(1)	31	0
Christmas events	15	15	0	15	19
Community Arts Programmes	4	10	6	10	0
Community Partners Support	25	10	(15)	55	40
Community placemaking initiatives	0	25	25	50	50
Community volunteer awards	0	3	3	10	0
Creating a Maori identity	2	9	7	23	23
Event partnership	63	44	(19)	63	61
Extended library hours	7	6	(1)	13	13
Fernglen reserve development plan	0	5	5	20	0
KCFT Annual grant	228	228	0	228	216
KCFT events	135	135	0	135	150
LDI Volunteers parks	45	31	(14)	81	75
Local civic functions	0	2	2	4	4
Local community grants	174	90	(84)	210	199
Maori responsiveness	0	3	3	5	5
Naturalisation of parks service assessment	0	2	2	5	5

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Open Space management	0	32	32	80	80
Parks response fund	(9)	0	9	0	0
Secondary schools scholarship grant	6	6	0	6	6
Top up ABS: Community houses	0	0	0	66	86
Urban Forest (Ngahere) strategy	0	6	6	15	15
Youth programmes community development	25	20	(5)	40	40
Total Community services	776	739	(37)	1,292	1,215
Environmental Project Ambassador	0	0	0	20	20
Industry Pollution Prevention Programme	26	0	(26)	30	30
Kaipatiki project - environmental programmes	23	45	22	45	45
Kauri Dieback Strategy	0	10	10	10	10
Pest Free Kaipatiki	100	100	0	100	100
Water quality monitoring	10	20	10	20	20
Total Environmental services	158	175	17	225	225
Locally Driven Initiatives (ATEED)	1	0	(1)	1	1
Sunnynook Centre Plan contribution	0	0	0	8	0
Total Planning	1	0	(1)	9	1
Total	935	915	(20)	1,526	1,441

Capital expenditure

\$(000's)	FY 2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Capital expenditure	4,851	4,664	(187)	11,118	7,557
Community services	3,091	3,547	456	9,691	7,557
Planning	1,760	1,117	(643)	1,427	0

Capital delivered



Commentary

Expenditure on capital projects is tracking ahead of budget.

Birkenhead's main street upgrade (\$1.8m) project was completed in December. The funding allocated from the transport capital fund is not reflected in the local board budget and therefore showing a large variance when actual spend it compared with budget.

The renewal of the sauna and steam room at Glenfield Leisure Centre was completed in the quarter. The spend (\$495,000) on the project is in line with forecasts which indicated higher than budget cost would be incurred to complete the project.

Two play space renewals were completed at Lockett Reserve and Lancelot Reserve in the quarter. The deconstruction of the grandstand at Birkenhead War Memorial Park (part of the local board's one local initiative project) was also completed.

Track renewals underway at Verrans Road Reserve/ Castleton Reid/ Ridgewood Reserve (\$462,000) is due for completion in January 2019. Stage one of the Eskdale Reserve track network renewal was completed in the quarter.

Budgets have been revised since adoption of the annual plan for renewals, Rewi Alley Reserve toilet development and the upgrade of Highbury Mainstreet to align with delivery of projects. The \$200,000 approved for the one local initiative has also been allocated to the local board.

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	1,649	2,983	1,334	7,998	6,260
Parks - Coastal asset renewals	29	161	132	204	465
ACE - Leases renewals	95	0	(95)	0	0
Leisure facility building renewals	852	0	(852)	0	0
Library furniture and fitting renewals	115	0	(115)	0	0
Parks - Sports fields renewals	77	0	(77)	0	0
Total renewals	2,817	3,144	327	8,202	6,725
General park development	2	0	(2)	0	0
One Local Board Initiative (OLI)	104	66	(38)	200	0
Locally driven initiatives (LDI Capex)	95	337	242	1,189	818
Network plan connections	4	0	(4)	0	0
Rewi Alley reserve toilet development	69	0	(69)	100	14
Total Community services	3,091	3,547	456	9,691	7,557
Street upgrade (Highbury Mainstreet)	1,760	1,117	(643)	1,427	0
Total Planning	1,760	1,117	(643)	1,427	0
Total	4,851	4,664	(187)	11,118	7,557