

Operating performance financial summary

Operating performance

\$(000's)	FY2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Net operating expenditure	7,816	7,942	126	15,367	14,001
Operating revenue	768	747	21	1,401	1,485
Community services	768	747	21	1,401	1,485
Operating expenditure	8,585	8,689	104	16,769	15,487
Community services	7,029	7,034	5	13,852	12,707
Environmental services	50	105	55	261	219
Governance	482	487	5	963	963
Planning	1,024	1,063	39	1,693	1,598

Note: Includes Asset Based and LDI

LDI by activity

Operating expenditure	816	1,062	246	2,310	2,054
Community services	763	933	170	1,956	1,786
Environmental services	48	102	54	256	214
Planning	6	27	21	98	53

Commentary

The **net operating expenditure** at \$7.816 million is 2 percent (\$126,000) below the budget.

Operating revenue has exceeded the budget by \$21,000 and is mainly from miscellaneous income from libraries. Higher revenue from Community halls and community centres help offset lower revenue from leisure facilities and learn to swim programmes.

Operating expenditure is near to budget with just 1% variation (lower). Full facility maintenance contract is 2 percent above budget

Locally Driven Initiatives (LDI) is lower than budget by \$246,000. Several projects including mangrove management and removal, Pest management and waste reduction programmes are in progress with delivery in the next six months.

Watching brief for projects that require allocation decisions

- Community response operating fund \$193,000 to be allocated
- CAB services in Otahuhu \$26,000 – funding to be allocated since it is now centrally funded
- Youth Connections \$50,000 – programmes to be confirmed since project delivery is now with The Southern Initiative team.
- Mara Kai \$20,000 – this project no longer forms part of the Mangere Mountain Education Trust's education programme for FY 2019.
- Local civic functions \$7,000 – events to be confirmed.

Note that the 2017/2018 approved operating expenditure has now been included in the revised budget.

LDI Operating Expenditure – all projects

Net Operating Expenditure	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
3rd Party facility S and R service assessment	0	0	0	0	30
ACE LDI Staff allocation	90	90	0	181	181
ANZAC	0	0	0	25	25
Art in public places	0	0	0	20	20
CAB Service in Otahuhu - Toia	0	26	26	26	26
Capacity building programme - BID & Alcohol Licensing & Advertising	254	150	(104)	272	272
CCTV and town centre safety initiatives	13	20	7	20	0
Christmas events	12	12	0	12	12
Community Arts Programmes	100	100	0	100	100
Community Library programs	0	0	0	1	1
Community placemaking initiatives/Activation of community spaces	17	20	3	20	20
Community response operating fund	0	124	124	207	147
Community volunteer awards	0	0	0	15	15
Creating a Maori identity / Maori naming of reserves & facilities	2	9	7	23	23
Ecological volunteers environmental programme	4	14	10	35	35
Environment initiatives including Manukau Harbour and Tamaki Estuary	0	6	6	15	15
Extended Library hours	36	36	0	71	71
Facility Partnership Programme	0	0	0	150	150
Green assets (Mangere-Otahuhu)	0	1	1	2	0
LDI Programme Events in local parks - Tree planting & Out & About programme	6	22	16	50	50
Local civic functions	0	3	3	7	7
Local community grants	126	148	22	285	202

Net Operating Expenditure	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local events fund	55	48	(7)	69	69
Mangere Arts Centre business plan initiatives delivery	7	20	13	40	40
Mangere Mountain Education Trust-Mara Kai Community Outreach Prog	0	0	0	20	20
Mangrove management and removal	0	50	50	150	0
Maori responsiveness	0	0	0	5	0
Otuataua Stonefields assessment	0	8	8	20	20
Signature Arts and cultural event	40	30	(10)	60	60
Sport and Active rec facility plan	0	0	0	0	40
Teaching Gardens Trust Grant	0	(18)	(18)	0	30
Urban Forest (Ngahere) strategy	0	6	6	15	15
Walter Massey Park concept finalisation	0	8	8	20	20
Youth connections across Auckland	0	0	0	0	50
Youth programmes community development	1	0	(1)	20	20
Total Community services	763	933	170	1,956	1,786
Crater Environmental restoration/Pukaki Crater Restoration	14	20	6	45	30
Environment initiatives including Manukau Harbour and Tamaki Estuary	1	0	(1)	5	0
Healthy homes project	11	9	(2)	37	30
Manukau Harbour Forum	0	3	3	10	10
Pest management	0	20	20	35	35
Restoring Mauri of Creeks	0	0	0	24	24
Tamaki Estuary environmental forum	1	2	1	5	5
Wai Care	0	3	3	35	35
Waste reduction education and awareness	20	45	25	60	45
Total Environmental services	48	102	54	256	214
LDI Heritage Survey	0	0	0	45	0
Locally Driven Initiatives (ATEED)	6	27	21	53	53
Total Planning	6	27	21	98	53
Total	816	1,062	246	2,310	2,054

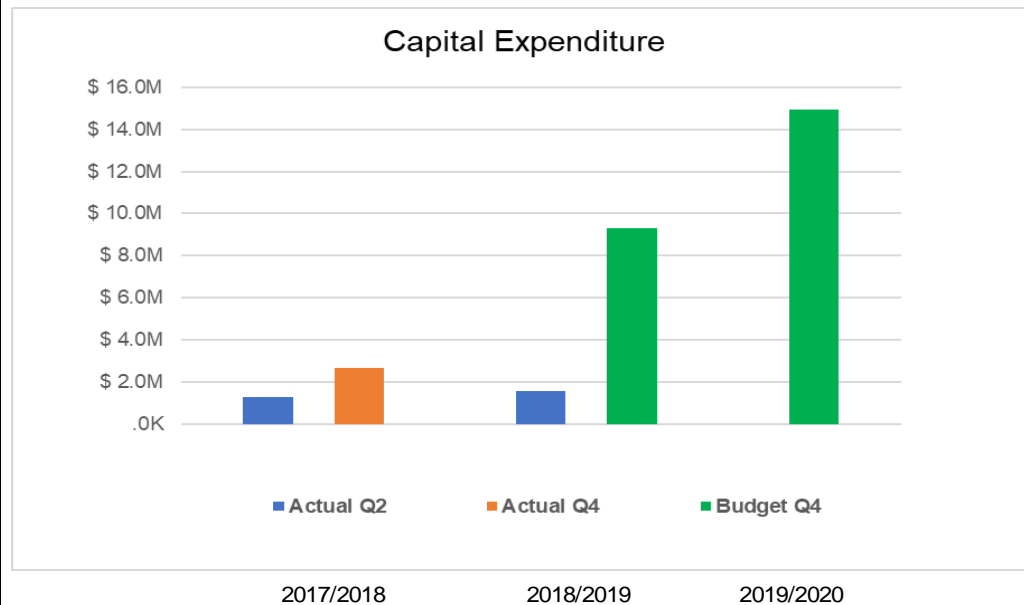
Capital expenditure summary

Capital expenditure

\$(000's)	FY2019 Quarter 2			FY 2019	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Capital expenditure	1,574	2,555	981	9,304	12,094
Community services	782	1,928	1,146	5,477	4,687
Planning	792	627	(65)	3,827	7,407

Note: Includes Asset Based and LDI

Capital delivered



Commentary

Actual capital expenditure is \$1.574 million and is below the budget by 38 percent (\$983,000).

The following expenditures are behind budget:

- Local asset renewals programme
 - Libraries and Community centre & community renewals including Mangere Art Centre, Mangere Community House & Old School Hall are in progress.
- LDI funded capex
 - Walter Massey Park walkway and fitness equipment renewal is on hold pending the completion of concept plan.
 - Surges Park is at detailed design stage.
 - Boggust Park is in progress with mana whenua engagement and resource consent.
 - Flagpole at Piki Thompson way – an update will be provided to the board in January 2019.
- Greenway and walkway development - Norana Park and Otahuhu Portage are in progress. In Norana Park, proposals have been received for a contract management consultant. In Otahuhu Portage, community design process is being developed to take to project steering group for approval to proceed in February/March 2019.
- Sports development – Moyle Park and Williams Park - professional services scope has been completed and tender will be issued in January 2019.
- Otahuhu Town Centre Revitalisation project - There were delays in the early stages of the design and the construction was delayed. \$3.827 million of the budget has been deferred into financial year 2020.

Note that the revised budget (\$9.304 million) included the 2017/2018 approved capital expenditure brought forward (\$790,000) and deferrals (\$3.827 million). Further details are in Quarter 2 Work Programme.

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	670	1,152	482	3,193	2,512
Locally driven initiatives (LDI Capex)	44	418	374	1,272	1,286
Greenway and walkway development	60	242	182	620	550
Sport development	5	95	90	200	200
Local improvement projects (LIPS)	0	13	13	38	100
General park development	0	7	7	21	0
Town centre canopy (Mangere)	0	2	2	16	20
One Local Board Initiative (OLI)	2	0	(2)	100	0
CCTV cameras	0	0	0	18	18
Total Community services	782	1,928	1,146	5,477	4,687
Town Centre Revitalisation	792	627	(165)	3,827	7,407
Total Planning	792	627	(165)	3,827	7,407
Total	1,573	2,556	983	9,304	12,093