

# 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>7,752</b>	<b>7,114</b>	<b>(638)</b>	<b>13,481</b>	<b>12,328</b>
<b>Operating revenue</b>	<b>125</b>	<b>115</b>	<b>10</b>	<b>224</b>	<b>224</b>
Community services	125	115	10	224	224
<b>Operating expenditure</b>	<b>7,877</b>	<b>7,229</b>	<b>(648)</b>	<b>13,705</b>	<b>12,552</b>
Community services	6,569	5,887	(682)	11,418	10,273
Environmental services	114	114	0	242	236
Governance	493	493	0	975	975
Planning	701	735	34	1,070	1,068

Note: Includes Asset Based and LDI

## LDI by activity

<b>Operating expenditure</b>	<b>845</b>	<b>831</b>	<b>(14)</b>	<b>1,520</b>	<b>1,452</b>
Community services	720	694	(26)	1,230	1,169
Environmental services	112	111	( 1)	237	231
Planning	13	26	13	54	52

## Commentary

Net operating expenditure for the six months to 31 December 2018 was \$7.752 million over budget by \$638,000 (9%).

Operating revenue of \$125,000 was over budget by \$10,000 (9%) mainly due to unbudgeted sales of printing/copying services at New Lynn, Avondale and Blockhouse Bay libraries.

Operating expenditure of \$7.877 million was over budget by \$648,000 (9%). The main driver for the overspend relates to the full facility maintenance contract where there has been a major focus on ensuring the contractors are meeting their service delivery outcomes, particularly in the open spaces. To cater for heavier than normal foot traffic through our assets, driven by the warmer season, the contractors have provided us with enhanced frequencies to meet these needs.

LDI(locally driven initiatives) expenditure of \$845,000 was over budget by \$14,000 (1.7%).

- Regional staff costs of \$47,000 coded to extended library hours in error was the main cause and this will be corrected in the next quarter.

- Taking this into account this would of resulted in a underspend of \$33k.
- This relates mainly to projects at planning stage , such as town centre revitalisation,youth initiatives and allocation of community grants offset by earlier payment for Community Arts programmes and partnership events than planned.

## 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	94	94	0	188	188
Additional support for volunteer libraries	1	3	2	7	7
ANZAC	0	0	0	18	18
Capacity building programme	50	50	0	50	50
Coastal walkway trust	20	8	(12)	20	20
Community Arts Programmes	85	43	(42)	85	85
Community facilities - support programme	10	10	0	10	10
Community placemaking initiatives	86	101	15	112	120
Creating a Maori identity	2	4	2	10	10
Ecological volunteers environmental programme	12	15	3	37	37
Extended Library hours	68	21	(47)	43	43
Kai Across the Whau	15	15	0	15	15
Local community grants	52	75	23	150	150
Local events fund	104	92	(12)	150	147
Local Park development programme opex	7	14	7	35	35
Maori responsiveness	0	8	8	15	15
Pacific and Ethnic voices	26	15	(11)	20	20

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Park community partnerships	32	26	(6)	65	65
Recreation programmes	10	10	0	40	40
Revitalisation of town centres	0	31	31	80	25
Urban Forest (Ngahere) strategy	0	2	2	5	5
Youth capacity building	47	43	(4)	43	35
Youth connections across Auckland	0	15	15	32	30
<b>Total Community services</b>	<b>720</b>	<b>694</b>	<b>(26)</b>	<b>1,230</b>	<b>1,169</b>
Bike Hub	5	5	0	10	10
Carbon reduction initiatives	4	2	(2)	8	8
Catchment Care	3	23	20	38	38
Eco City activation	8	8	0	15	15
Ecowest Festival	5	5	0	9	9
Ethnic Communities Engagement	5	3	(2)	5	5
Healthy homes project	8	8	0	31	25
Industry Pollution Prevention Programme	20	20	0	20	20
Manukau Harbour Forum	0	3	3	10	10
Project homewise - sustainability & ecology initiatives	24	5	(19)	30	30
Sustainability initiatives (PO2311615)	31	31	0	61	61
<b>Total Environmental services</b>	<b>112</b>	<b>111</b>	<b>(1)</b>	<b>237</b>	<b>231</b>
Heritage protection project	9	10	1	20	20
Locally Driven Initiatives (ATEED)	0	16	16	34	32
Migrant Business Support program	4	0	(4)	0	0
<b>Total Planning</b>	<b>13</b>	<b>26</b>	<b>13</b>	<b>54</b>	<b>52</b>
<b>Total</b>	<b>845</b>	<b>831</b>	<b>(14)</b>	<b>1,520</b>	<b>1,452</b>

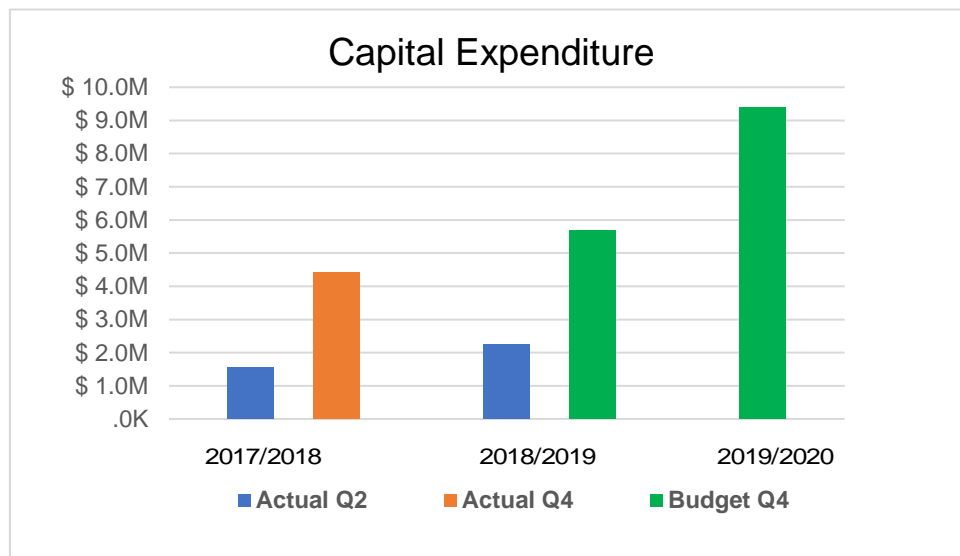
# Capital expenditure summary

## Capital expenditure

\$(000,s)	FY19 Quarter 2			FY 19	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Capital expenditure</b>	<b>2,254</b>	<b>2,315</b>	<b>61</b>	<b>5,667</b>	<b>8,347</b>
Community services	2,243	2,309	66	5,655	5,797
Planning	11	6	(5)	12	2,250

Note: Includes Asset Based and LDI

## Capital delivered



## Commentary

Capital expenditure to date is \$2.254 million an under spend of \$61,000.

This is mainly a result of;

- General park restoration -\$459,000 underspend to date. Archibald Park - design and construction of waka ama storage shed-still at consultation phase with stakeholders and development of Sandy Lane Reserve still at planning stage being the two main projects.
- Sport development-\$175,000 under budget. This refers mainly to Sister Rene Shadbolt Park where physical works are underway and expected completion date is May 2019.

- Local asset renewal programme- over budget by \$794,000.

Olympic Park sportsfield renewal being the largest contributor where physical work progressed despite a lot of unforeseen contaminated material found on site which was not budgeted.

- Greenway and walkway development – over budget by \$189,000.

Te Whau Pathway -consultancy costs for resource consents and costs incurred for technical reports being main driver.

- LDI capex of \$116,000 is under budget by \$375,000 to date.

The underspend being a result of LDI projects either undergoing strategic assessments or in design phase. This result highlights that approximately 92% of the total year revised budget needs to be completed in the next six months.

## 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	1,382	588	(794)	1,576	1,114
Locally driven initiatives (LDI Capex)	116	491	375	1,399	1,877
General park restoration (SH16/20)	10	469	459	580	320
Sport development	270	445	175	763	1,386
Greenway and walkway development	457	268	(189)	687	500
Recreation centre development	0	44	44	350	350
Community centre replacement (Avondale)	4	4	0	250	200
Play space, walkway and landscaping (Crown Lynn)	4	0	(4)	50	50
<b>Total Community services</b>	<b>2,243</b>	<b>2,309</b>	<b>66</b>	<b>5,655</b>	<b>5,797</b>
Stormwater pond (Crown Lynn precinct)	11	6	(5)	12	2,550
<b>Total Planning</b>	<b>11</b>	<b>6</b>	<b>(5)</b>	<b>12</b>	<b>2,550</b>
<b>Total</b>	<b>2,254</b>	<b>2,315</b>	<b>61</b>	<b>5,667</b>	<b>8,347</b>
<b>Subsidies and grants for capital expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>