

# Operating performance financial summary

## Operating performance

\$(000's)	FY19 Quarter 3			FY 19	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Net direct expenditure</b>	<b>7,902</b>	<b>8,522</b>	<b>620</b>	<b>11,244</b>	<b>10,041</b>
<b>Operating revenue</b>	<b>689</b>	<b>865</b>	<b>(176)</b>	<b>1,077</b>	<b>1,077</b>
Community services	689	865	(176)	1,077	1,077
<b>Operating expenditure</b>	<b>8,591</b>	<b>9,387</b>	<b>796</b>	<b>12,321</b>	<b>11,119</b>
Community services	7,346	8,003	657	10,624	9,422
Environmental services	72	205	133	300	300
Governance	622	622	0	832	832
Planning	551	557	6	565	565

Note: Includes Asset Based and LDI

## LDI by activity

<b>Operating expenditure</b>	<b>607</b>	<b>1,275</b>	<b>668</b>	<b>1,830</b>	<b>1,366</b>
Community services	520	1,050	530	1,504	1,040
Environmental services	69	201	132	295	295
Planning	18	24	6	32	32

## Commentary

The overall operating results (**net direct expenditure**) at \$7.902 million is 7 percent (\$620,000) below budget as at 31 March 2019.

**Operating revenue** is below budget by \$176,000 and mainly from the Landing operations. There is a revenue shortfall on car parking due to an inability to enforce car parking fee payments. Also, current community rates for boat haulage and storage does not provide the revenue generation to meet the forecasted budgets.

**Operating expenditure** at \$8.591 million is below budget by \$796,000. Most of this variance is related to the slower than expected delivery of the board's Locally Driven Initiatives (LDI) programme which is under budget by \$668,000.

Projects that are delayed include:

- Mangrove removal at Hobson Bay (\$124,000) is delayed as the tender will take place in April. In Tahuna Tourea (\$85,000), stage one work of removing mangrove was completed in mid-December and an updated monitoring report will be provided to the board in April.
- Ecological restoration projects (\$108,000) are under way now and expected to be completed in June 2019.
- Enhancing council-owned heritage features (\$86,000), still awaiting approval of the traffic management plan prior to works commencing.
- Sport and recreation facility planning (\$50,000) – project isn't expected to begin till May as the tender is yet to be awarded.

## 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	142	142	0	189	189
ANZAC	0	3	3	16	16
Christmas events	17	22	5	22	22
Churchill Park planning	0	7	7	10	10
Coastal ecological restoration (mangrove removal at Tahuna Tourea)	0	85	85	120	62
Coastal ecological restoration (mangrove removal Hobson Bay)	63	187	124	262	150
Colin Maiden Park planning and prog	20	23	3	30	30
Community Arts Programmes	0	22	22	22	22
Community Library programs	1	1	0	2	2
Consequential opex	96	73	(23)	96	96
Ecological volunteers environmental programme	21	42	21	60	60
Enhancing council-owned heritage features in the area	0	86	86	129	0
Hakumau planning	11	7	(4)	10	10
Inclusion and diversity	6	7	1	10	10
Landing planning	0	20	20	30	0
Local civic functions	0	3	3	4	4
Local community grants	100	109	9	219	219
Movies in parks local	14	14	0	14	14
OBAG state of the basin/management plan revision	0	29	29	40	20
Parks response fund	10	30	20	40	0
Parks Sports and Rec svc provision	17	14	(3)	20	20
Sport and Active rec facility plan	0	50	50	50	50

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Tinana Walkway planning	0	30	30	45	0
Urban Forest (Ngahere) strategy	0	11	11	15	15
Waiatarua Reserve development plan	1	14	13	20	20
Weed management prog parks and walkways	0	20	20	30	0
<b>Total Community services</b>	<b>520</b>	<b>1,050</b>	<b>530</b>	<b>1,504</b>	<b>1,040</b>
Hobson Catchment Care	20	17	(3)	28	28
Ecological projects - Restoration of SEA & local parks & reserves	2	110	108	169	169
Ecological restoration in partnership with community/Eastern Bays Songbird initiatives	40	40	0	40	40
Environment Enhancement	0	10	10	10	10
Local streams restoration - Madills Farm Stream restoration & Steam side Assistance Remuera	4	21	17	43	43
Tamaki Estuary environmental forum	4	3	(1)	5	5
<b>Total Environmental services</b>	<b>69</b>	<b>201</b>	<b>132</b>	<b>295</b>	<b>295</b>
Locally Driven Initiatives (ATEED)	18	24	6	32	32
<b>Total Planning</b>	<b>18</b>	<b>24</b>	<b>6</b>	<b>32</b>	<b>32</b>
<b>Total</b>	<b>607</b>	<b>1,275</b>	<b>668</b>	<b>1,830</b>	<b>1,366</b>

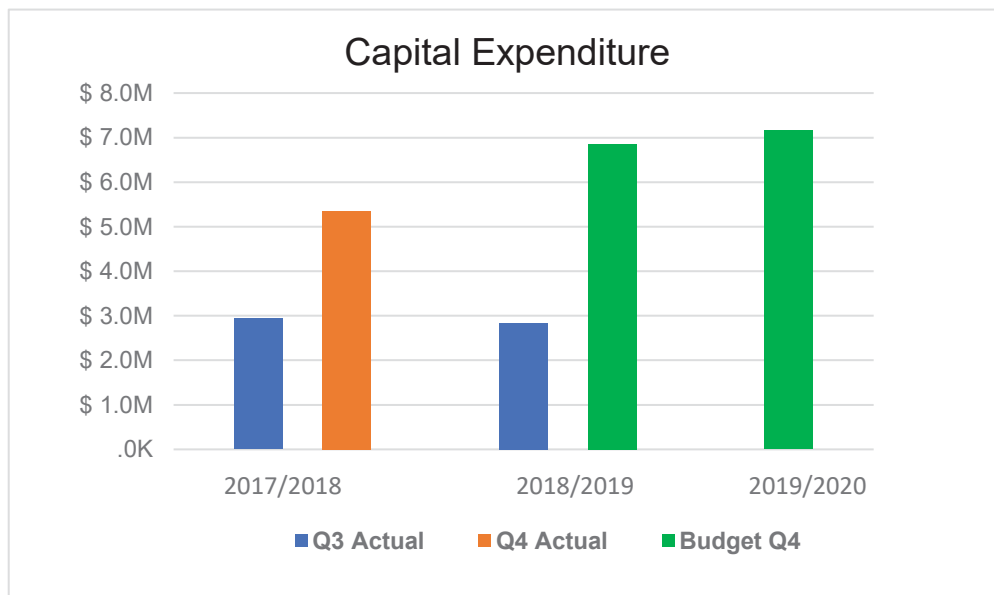
# Capital expenditure summary

## Capital expenditure

\$(000's)	FY19 Quarter 3			FY 19	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Capital expenditure</b>	<b>2,845</b>	<b>4,944</b>	<b>2,099</b>	<b>6,859</b>	<b>6,754</b>
Community services	2,845	4,944	2,099	6,859	6,754

Note: Includes Asset Based and LDI

## Capital delivered



## Commentary

Capital expenditure at \$2.845 million is 48 percent (\$2.099 million) below the budget in all projects except for Waiatarua Reserve and Shore Road Reserve carpark development which were completed in the previous quarter.

Capital projects are at various stages of delivery. Projects completed in the quarter include:

- Renewal of changing rooms at Ellerslie Recreation Centre (\$66,000).
- Renewal of the kitchen and toilet at Leicester Hall (\$93,000).

Key projects that are currently in progress and tracking well below budget include:

- Greenway and walkway development - Orakei Spine shared path and Tahapa Reserve East improvements – physical works to begin in April 2019.
- Sports development Michaels Avenue Reserve - toilets and changing rooms, the project is awaiting a decision about ownership/lease arrangement and confirmation from the club as to the extent of the facility and funding.
- Open space redevelopment in Stonefields – the tender has been awarded with works starting in April 2019.
- Coastal asset renewals – Anderson Beach renewal of retaining seawall – the tender has been awarded with physical works to commence in June 2019.

Further details by project are in the Quarter 3 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	1,078	1,509	431	2,253	0
Greenway and walkway development	74	1,129	1,055	1,658	1,585
Locally driven initiatives (LDI Capex)	60	683	623	1,098	536
Parks - Coastal asset renewals	185	511	326	644	657
Sport development	504	459	(45)	552	1,260
Open space redevelopment (Stonefields)	61	292	231	292	200
Orakei Open Space development	(79)	200	279	200	270
Waiatarua Reserve carpark development	605	70	(535)	70	70
General park development	38	62	24	62	0
Shore Road Reserve eastern carpark development	177	29	(148)	29	0
Various parks projects - AT funded	140	0	(140)	0	0
Wilson's Beach Reserve	2	0	(2)	0	0
<b>Total Community services</b>	<b>2,845</b>	<b>4,944</b>	<b>2,099</b>	<b>6,859</b>	<b>6,754</b>
<b>Total</b>	<b>2,845</b>	<b>4,944</b>	<b>2,099</b>	<b>6,859</b>	<b>6,754</b>