

Operating performance financial summary

Operating Performance

\$('000's)	FY20 Quarter 2			FY20	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Net operating expenditure	12,251	10,525	(1,726)	19,976	18,214
Operating revenue	2,904	2,851	53	5,681	6,141
Community services	2,904	2,851	53	5,681	6,141
Operating expenditure	15,155	13,376	(1,779)	25,657	24,355
Community services	14,337	12,345	(1,992)	23,659	22,414
Environmental services	95	123	28	243	243
Governance	490	490	0	974	974
Planning	233	418	185	781	724

Note: Includes ABS and LDI

LDI by activity

Operating expenditure	1,109	1,236	127	2,021	1,889
Community services	1,017	1,058	41	1,720	1,645
Environmental services	66	97	31	194	194
Planning	26	81	55	107	50

Commentary

Net operating expenditure for the six months to 31 December 2019 was \$12.3 million over budget by \$1.7million (16.4 %).

Operating Revenue was \$2.9 million was marginally over budget by \$53,000 (1.9%) mainly due to higher membership fees at West Wave Aquatic centre than planned.

Operating expenditure of \$15.2 million is \$1.8 million (13.3%) over budget.

The asset-based services overspend component of \$1.9 million mainly relates to the full facility maintenance contract which is over budget by \$1.6 million. This is due to accrual miscodings which will be corrected next month.

LDI (locally driven initiatives) expenditure of \$1.1 million was under budget by \$127,000 (10.3 %). The majority of projects are progressing well the only exceptions at this stage being:

- Te Kete Rukuruku (Māori naming of parks and places) where workshops are planned in quarter three
- Te Rangi Hiroa Nursery/Birdwood Winery master plan implementation where project is on hold until consultation is complete and direction confirmed.
- \$22,000 balance of unallocated community response funds, and
- \$11,000 of filming revenue to be allocated.

Further details by project are available in the Work Programme.

LDI Operating Expenditure – all projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)		
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan	Annual Plan
ACE LDI Staff allocation	104	104	0	208	208	208
ANZAC	0	0	0	16	16	16
Arts Broker	50	50	0	50	50	50
Capacity building programme	238	238	0	238	238	238
Community placemaking initiatives	95	100	5	100	100	100
Community response operating fund	18	20	2	40	40	102
Community safety	7	15	8	37	37	30
Creating a Maori identity	(1)	12	13	43	43	23
Henderson Fairy Lights	0	5	5	11	11	11
Inclusion and diversity	5	0	(5)	25	25	0
Informal social recreation projects	9	9	0	40	40	40
LB Film income	0	0	0	11	11	0
LDI Volunteers parks	4	13	9	52	52	52
Local civic functions	5	5	0	10	10	10
Local community grants	72	62	(10)	124	124	124
Local events fund	137	92	(45)	284	284	262
Maori responsiveness	0	0	0	45	45	45
Neighbourhood development	148	148	0	148	148	148
Seniors forum	8	10	2	10	10	10
Te Atatu South Park	0	15	15	15	15	0
Te Atatu Waka Ama	12	12	0	12	12	0
Te Rangi Hiroa nursery site	0	20	20	20	20	0
Urban Forest (Ngahere) strategy	0	5	5	25	25	20
West Auckland riding for disabled	0	0	0	30	30	30
Youth development initiatives	107	122	15	127	127	127
Total Community services	1,017	1,058	41	1,720	1,720	1,645
Bike Hub	10	10	0	10	10	10
Community environmental services	0	0	0	10	10	10
Eco City activation	18	18	0	36	36	36

LDI Operating Expenditure – all projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)		
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan	
Ecowest Festival	5	5	0	9	9	
Industry Pollution Prevention Programme	5	5	0	10	10	
Low Carbon Action Plan Implementation Plan	0	0	0	20	20	
Nga Puna Manaaki Inanga project	0	12	12	23	23	
Northwest Wildlink	0	20	20	20	20	
Project homewise - sustainability & ecology initiatives	5	5	0	10	10	
Sustainability initiatives	18	18	0	36	36	
Weed Control Projects	4	4	0	8	8	
Total Environmental services	66	97	31	194	194	
Henderson BID establishment	25	55	30	55	0	
Henderson implementation plan initiatives	1	0	(1)	0	0	
Locally Driven Initiatives (ATEED)	0	1	1	2	0	
Youth connections across Auckland	0	25	25	50	50	
Total Planning	26	81	55	107	50	
Total	1,108	1,236	128	2,021	1,889	

Capital expenditure

\$('000's)	FY20 Quarter 2			FY20	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Capital expenditure	2,117	3,487	1,370	9,316	9,376
Community services	2,142	3,487	1,345	9,316	8,104
Planning	(25)	0	25	0	1,272

Note: Includes ABS and LDI

Commentary

The Henderson Massey Local Board invested \$2.1 million in capital expenditure in the six months ended 31 December 2019 which is \$1.4m under budget.

This underspend mainly relates to:

- Coastal asset renewals-physical works to start from late February 2020 and expected to be completed by July 2020.
- Deliver Park restoration SH16/20 -NZTA funding has been finalised for the identified projects in Te Atatu South. This will be discussed at a workshop with the board in quarter three.
- (OLJ) Henderson-Massey develop sports infrastructure-it is anticipated that a preferred size, configuration and location for a potential sports field acquisition will be agreed in principle in the first half of 2020.
- Westgate multipurpose facility(Te Manawa) and town square. Further signage and graphics are to be undertaken, installation of toi is also still outstanding but is being progressed.
- West Wave Aquatic Centre - renew chlorine generation system- A work schedule and a suitable timeframe for the installation to be completed.

Capital delivered (\$'000)



