


9. COUNCIL MONITORING REPORT



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PURPOSE OF REPORT

1. This paper is to provide information regarding the financial performance of the Council and progress towards achievement of the KPI's for the 2005/06 financial year.

EXECUTIVE SUMMARY

2. Attached for the Council's information is:
 - (a) The operating result as at 28 February 2006.
 - (b) The capital result as at 28 February 2006.
 - (c) A progress report on the KPI's to be reported against in the 2005/06 Annual Report.

STAFF RECOMMENDATION

It is recommended that the Council receive the report.

BACKGROUND ON COUNCIL MONITORING REPORT

Operating Result

3. At the net cost to serve level, we are currently \$18m year to date (YTD) ahead of budget. The prime drivers for the position at this point in time are:
 - (a) significantly better interest revenue through a combination of both price and volume impacts – the main driver being our capital programme being behind budget.
 - (b) under-expenditure in personnel costs, contracts and maintenance expenditure.
 - (c) depreciation costs are well ahead of budget owing to the impact of the revaluation of land and buildings in July 2005 (but not budgeted for).
 - (d) development contributions are significantly ahead of budget.
4. Adjusting for items that need to be in the surplus (ie not available for rates), the “cash” surplus is \$14.4m. There are a number of items of under-expenditure that are a timing issue (eg grant payments and some consultancy costs around the UDS) and therefore the year end position is still difficult to forecast at this stage. However, with the trends today, I would anticipate an adjusted year end position of between \$15-\$18m.

CAPEX

5. At the 15 December 2005 Council meeting, we advised that we were confident of delivering \$111m of the budgeted \$165m programme. That report also advised that we would be incorporating into the 2006/16 LTCCP the impact of the 2005/06 capital projects that were to be reprogrammed.
6. The projections at 15 December and now are detailed below:

	\$000's		
	15 December		Now
	Certain	Possible	
Transport and City Streets	28,914	43,914	38,000-43,000
Greenspace	11,507	16,939	14,000-17,000
CWW	39,264	42,264	36,000-38,000
CS	13,909	13,909	10,000-12,000
Corp	16,189	19,189	16,000
Planning and Strategy	1,202	1,202	1,200
	110,985	137,417	115,000-127,000

7. The attached graph for the infrastructure asset group show us ahead of last year but still behind budget.