

B. PROPERTY SERVICES TEAM & PROPERTY PROJECTS TEAM

Officers Responsible Property Services Manager Property Projects Manager	Authors Pam Ellis Angus Smith
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Business Unit	Property Management
Output Class	Property Consultancy
Output Class	Property Projects

Financial Performance - Summary

	Last Year 1998/99	Current Year 1999/2000		Variance
	Actual YTD	Actual YTD	Budget YTD	%
Expenditure (Operating)	\$	\$	\$	
Property Consultancy	329,106	313,562	330,669	5.17-
Projects Management	95,291	102,138	101,713	.42
Special Projects	12,492	32,265	44,308	27.18-
Information & Advice	49,855	73,840	91,755	19.52-
Holding (Surplus) Property	202,110	100,299	174,303	42.45-
Total Expenditure	688,854	622,104	742,748	16.24-

Revenue (Operating)				
Property Consultancy	275,550	276,162	330,711	16.49-
Projects Management	91,934	108,115	101,733	6.27
Special Projects	0	0	0	0
Information & Advice	0	0	0	0
Holding (Surplus) Property	14,681	10,213	13,264	23.0-
Total Revenue	382,165	394,490	445,708	11.49-

Net Cost Property Consultancy and Projects Management	306,690	227,614	297,040	23.37-
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Comments

1. Total expenditure is under budget by 16.24%.
2. Total revenue under recovery of 11.49% attributed to:
 - Property Consultancy staff internal cost recoveries do not include the month of December (\$48,807) which will bring revenue close to budget.

- Holding (Surplus) Property Operating Expenditure is 42.45% below budget. The issues regarding surplus property have been comprehensively reported to the Council in September and December 1999. Primarily the budget has not been met because of the market downturn, complexity of issues associated with remaining properties, lack of realism in budget.
- Holding (Surplus) Property Operating Revenue is 23.00% below budget. Although significant in percentage terms this is only \$3,051. The issues mentioned above have some relevance. However, more significantly with small budget amounts minor dollar variances transpire to be large percentage variations.

Service Delivery Performance

Property Consultancy

Performance Indicator	Target	Results Achieved
1. Client satisfaction demonstrated by customer survey. Balance of costs against revenue.	By 30/6/2000	Regular client liaison. Costs balanced against revenue with inclusion of December figures.
2. Acquisition of 85% of required properties within budget allocation and within time frame to enable planned works to proceed during the budget period.	By 30/6/2000 or earlier for programmed works	Progressing satisfactorily within financial and programme constraints.
3. Maintenance and management of lease portfolio to client units and lessee satisfaction and recovery of budgeted revenue.	By 30/6/2000	Ongoing.
4. Selection of appropriate property management computer programme as part of FAMIS implementation.	By 30/12/99	Achieved.
5.1 90% of all amendments/additions entered into CPMS within 4 weeks of transaction completion.		Achieved as requirement to update for transfer to new FAMIS database.
5.2 Provision of an accurate property database, balanced on a monthly basis with corporate assets register.	Monthly and annual balance	Achieved.

Property Projects

Performance Indicators	Target	Results Achieved
1. Acquisition of required properties within budget allocation and within a time frame to enable planned works to proceed during the budget period.	By 30 /6/2000	No acquisitions have been identified or programmed during the six months.

2.	Being available and responsive with provision of valuable advice to clients both internal and external. Council and client satisfaction demonstrated by results of customer survey. Development of unplanned project work to a logical conclusion.	By 30/6/2000	Survey not undertaken. Our self-assessment and informal feedback lead us to believe these objectives have been achieved on an ongoing basis.
3.	Balance of costs against revenue as at 30 June 2000.	By 30/6/2000	Refer previous financial performance summary achieved to 31/12/99.
4.	Continued involvement and liaison with professional property institutes and practice of continuing professional development.	By 30/6/2000	This has been pursued proactively and is ongoing.

Special Projects

Performance Indicator	Target	Results Achieved
<p>1. Acceptable progress on development of the following projects by 30/6/2000:</p> <ul style="list-style-type: none"> • New Brighton Pier Terminus Stage III • Ferrymead land use issues • Cathedral Terminus • Tuam Street Carpark • Historic buildings • New Art Gallery • City car parking developments • New Brighton Mainstreet • Central City Sustainability 	By 30/6/2000	<p>Space has been leased, a few tidy up issues remain outstanding.</p> <p>Work on this project is progressing on programme.</p> <p>Representation on Central City Bus Interchange Committee progressing slowly as expected.</p> <p>No action, some enquiry.</p> <p>Involvement as required, active to date.</p> <p>No involvement required to date.</p> <p>Significant involvement in Arthur Barnetts over last six months. Hospital and Farmers are complete.</p> <p>Minimal involvement to date.</p> <p>Moderate involvement as one of Council's interfaces with the new Board and their consultant.</p>

<ul style="list-style-type: none"> Other special projects as required 		Extensive involvement in Bus Interchange Development.
2. Provision of services to the Council and client units to a level which assists and promotes the decision making process and progress on approved developments.	By 30/6/2000	There have been a number of projects of this nature. Further ongoing involvement is anticipated.

Information and Advice

Comments

This section incorporates the costs which are not directly recoverable from Units of the Council, and provides for information and advice on requests from the Council, members of the public, community organisations and other external sources. It also includes officer representation at Committee, Community Board and Council meetings to advise on issues arising from reports presented.

Service Delivery Performance

Performance Indicator	Target	Results Achieved
Response within specified time frame.	As required	Generally achieved.

Business Unit	Property
Output Class	Holding Property Services (Capital) Surplus Property

Financial Performance

	Last Year 1997/98	Current Year 1998/99		Variance
	Actual YTD	Actual YTD	Budget YTD	%
	\$	\$	\$	
Net (Cost) Holding Property	501,568	101,420	1,001,466	110.12-

Comments:

Primarily due to the sales of surplus properties not meeting budget predictions the main contributing factors being; overly optimistic budget targets; down turn in property market; complexity of properties remaining on the list gives rise to delays and difficulties in disposing of them. These issues have been independently and comprehensively reported to the Council in September and December 1999. New programmes and budgets have been developed as a result, which are being incorporated in this year's budgeting.

Service Delivery Performance

Performance Indicator	Target	Results Achieved
1. Complete review of all Council property holdings	By 30/6/2000	Needs to be progressed. This is a large task and will need to be carried over into 2000/01. Other projects have taken priority in the last six months.
2. Subject to prevailing market conditions, dispose of defined surplus properties to estimated net value of \$2,275,000.	By 30/6/2000	Refer comment accompanying Financial Performance above.

3. Commence the special development projects:	By 30/6/2000	
<ul style="list-style-type: none"> • Owles Terrace 		Results of planning hearings received. A project to identify highest and best use has commenced.
<ul style="list-style-type: none"> • Kennedys Bush Rd 		Revised programme contained in surplus property review mentioned above.
<ul style="list-style-type: none"> • 109A Bexley Rd 		Revised programme contained in surplus property review mentioned above.
<ul style="list-style-type: none"> • (Old) New Brighton Library 		Reported to Council and resolved to sell. This process is under way.

Business Unit	Property Projects
Output Class	Capital Output (New Assets)

Addington (Old Showgrounds)

Canterbury Rugby League Capital Contribution:

The final \$100,000 contribution from CRFL is budgeted in this output and is due for receipt in May 2000. It is unlikely that this revenue will be forthcoming. This matter has been flagged in the six month review and a report on the activities of CRFL and the future of the Addington site will be submitted in due course.