

## C. PROPERTY ASSET MANAGEMENT TEAM

<b>Officer Responsible</b> Property Asset Manager	<b>Author</b> Peter Wills
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<b>Business Unit</b>	<b>Property</b>
<b>Output Class</b>	<b>Commercial Property – Operational Budget</b>

### Financial Performance – Operational Budget

	Actual 1998/99	Current Year 1999/2000		Variance
	Actual	Actual	Budget	%
<i>Expenditure</i>	\$3,277,563	\$5,172,298	\$5,424,336	4.64-
<i>Revenue</i>	\$6,825,161-	\$7,390,021-	\$7,481,418-	1.22-
<i>Net Cost of Commercial Property</i>	\$3,547,598-	\$2,217,722-	\$2,057,082-	7.80

### Comment

Expenditure and revenue for the four Outputs in the Commercial Property Output Class [Management, Service Delivery Properties (Internal tenants), Commercial Properties (external tenants) and Restricted Assets] is generally in accordance with the Corporate Plan. Some minor variations to individual cost centres has occurred, however, these have balanced out overall.

The overall operational budget is **\$160,640 underspent** (7.8%).

The planned maintenance programme is progressing in terms of the plan. However, some of the tasks were either put on hold after inspections were carried out or deferred as a consequence of other capital improvements under way ie:

- Chokebore Lodge – (interior / exterior) – deferred until Conservation Plan completed.
- Sign of the Takaha – deferred until Conservation Plan completed.
- Old Municipal Chambers – deferred until Conservation Plan completed.
- Spreydon Library minor repairs – deferred due to proposed alterations.
- Sockburn Yard Buildings held pending options report on future use.

### Service Delivery Performance

Performance Indicator	Results Achieved
1. Complete the planned maintenance programme for the commercial Property portfolio within budget by 30 June 2000.	The planned maintenance programme is generally in accordance with the Corporate Plan thus far.

<b>Business Unit</b>	<b>Property</b>
<b>Output Class</b>	<b>Capital Assets – Commercial Property</b>

### Financial Performances – Capital Asset Budget

	1998/99 YTD	Current Year YTD 1999/2000		Variance
	Actual	Actual	Budget	%
<i>Net Cost - Commercial Property</i>	\$1,547,209	\$1,652,018	\$4,001,474	58.71-
<i>Restricted Assets</i>	\$159,740	\$234,070	\$421,686	44.49-

### Comment

There are currently 24 fixed asset projects within the Commercial Property budget this year. Sixteen projects have started or been completed. Four have been put on hold pending further review. The balance will be commenced over the next six months.

However, the Capital budget is significantly underspent (**\$2,537,072**) due to the new Fendalton Library, Art Gallery and Spreydon Library projects. The cashflows have been revised and a request has been lodged with the Financial Services Unit to have the funds reprogrammed to reflect the amended cashflows, as part of the Six Month Review of Expenditure and Revenue.

### Specific Comments

1. The Spreydon Library alteration and proposed land purchase for St Martins Library – both projects (the development and proposed land purchase) were put on hold pending further review of library services in the east of the city by the Libraries Manager. As requested, the majority of the funding (\$2 million) to be reprogrammed to 00/01 will be included in the Six Month Review of Expenditure and Revenue.
2. The new Fendalton Library and Art Gallery are being managed by the Major Projects Team. Both projects are progressing in terms of the agreed programme. However, a funding request has been put forward as part of the Six Month Review of Expenditure and Revenue to reprogramme the funding to suit the revised cashflow predictions.
3. The proposed structural strengthening for the Civic Offices (\$107,700) has been put on hold pending a further study by the University of Canterbury and a review of central city accommodation for the Council.
4. Canterbury Provincial Council Building – the fitout of Bellamys has been completed. However, final accounts still need to be settled. The programme has been revised and the reprogramming of funding (\$300,000) reflects the anticipated cashflow.

<b>Performance Indicator</b>	<b>Results Achieved</b>
2. Performance in relation to the individual projects managed being completed to specification, within the required time frames.	The majority of projects have either been completed or commenced, in accordance with the Corporate Plan.