

1. Warm Wellington

(a) Programme overview

The Warm Greater Wellington is experiencing unprecedented success. Applications are being processed efficiently by the Regional Council front staff. We have been receiving positive feedback by service providers, EECA and applicants. Many applicants have particularly commented on their ability to now heat their home to a comfortable and healthy level.

As the take up for the programme has been ahead of budget rates revenue is also ahead of budget with 132 properties being rated for in the first year for installations completed in April to June 2010.

New software has been locally sourced to enable more efficient administration of the scheme which we expect to be fully operational in quarter two.

(b) Key results for the year

3192 applications have been processed and approved since the programme began and 30 September 2011.

Including the 20th October payments, \$4.3 million dollars has been paid out to 2,437 homes since the programme began.

TA NAME	No of Apps Approved	GW \$ Approved	No of Apps Installed	GW\$ Installed	GW\$ not yet installed
Carterton District Council	39	\$75,331	28	\$54,695	\$20,636
Hutt City Council	1062	\$2,202,320	781	\$1,619,786	\$582,535
Kapiti Coast District Council	206	\$375,624	132	\$250,750	\$124,874
Masterton District Council	146	\$306,704	99	\$207,032	\$99,671
Porirua City Council	318	\$654,760	193	\$393,790	\$260,970
South Wairarapa District Council	38	\$77,349	31	\$61,689	\$15,660
Upper Hutt City Council	414	\$875,450	261	\$555,799	\$319,651
Wellington City Council	797	\$1,629,063	490	\$987,811	\$641,252
TOTALS	3020	\$6,196,601	2,015	\$4,131,352	\$2,065,250
Excluding GST		\$5,388,349		\$3,592,480	\$1,795,869
Rated for at 30 June 2011 excluding GST			1297	\$2,329,789	
Totals for Year to 30 June 2012			718	\$1,262,691	
Friday, 30 September 2011					

(c) Looking ahead

We are projecting funding requirements to exceed budget by 50%, reaching \$4,500k of installed and paid solutions by the end of the financial year. Council approval for this is being requested at the November Council Meeting.

(d) Financial reports

Last Year YTD Actual \$000	YTD Actual \$000	YTD Budget \$000	YTD Variance \$000	Warm Greater Wellington Income Statement For the 3 months ended 30 September 2011	Last Year FY Actual \$000	Full Year Forecast \$000	Full Year Budget \$000	Full Year Variance \$000
-	-	-	-	External Revenue	-	-	-	-
-	-	-	-	Investment Revenue	-	-	-	-
-	-	-	-	Internal Revenue	-	-	-	-
10	93	82	11	TOTAL INCOME	38	532	532	-
-	-	-	-	less:	-	-	-	-
-	-	-	-	Personnel Costs	-	-	-	-
333	1,226	752	(474)	Materials,Supplies & Services	(320)	4,518	3,010	(1,508)
-	-	-	-	Travel & Transport Costs	-	-	-	-
-	-	-	-	Contractor & Consultants	-	-	-	-
-	-	-	-	Grants and Subsidies Expenditure	-	-	-	-
-	-	-	-	Internal Charges	-	-	-	-
333	1,226	752	(474)	Total Direct Expenditure	(320)	4,518	3,010	(1,508)
6	54	81	27	Financial Costs	76	323	323	-
-	-	-	-	Bad Debts	-	-	-	-
-	-	-	-	Corporate & Department Overheads	-	-	-	-
-	-	-	-	Depreciation	-	-	-	-
-	-	-	-	Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
339	1,280	833	(447)	TOTAL EXPENDITURE	(244)	4,841	3,333	(1,508)
(329)	(1,187)	(751)	(436)	OPERATING SURPLUS / (DEFICIT)	282	(4,309)	(2,801)	(1,508)
-	-	-	-	Add Back Depreciation	-	-	-	-
-	-	-	-	Other Non Cash	(2,278)	-	-	-
-	-	-	-	Net Asset Acquisitions	-	-	-	-
-	-	-	-	Net External Investment Movements	-	-	-	-
(329)	(1,187)	(751)	(436)	NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(1,996)	(4,309)	(2,801)	(1,508)
336	1,244	807	437	Debt Additions / (decrease)	2,092	4,736	3,228	1,508
(7)	(55)	(107)	52	Debt Repaid	(96)	(427)	(427)	-
-	-	-	-	Net Reserves (Increase) / decrease	-	-	-	-
-	2	(51)	53	NET FUNDING SURPLUS (DEFICIT)	-	-	-	-

(e) Financial summary and variance analysis

Total direct expenditure of \$1.2 million is \$474,000 ahead of budget. This reflects the popularity of the scheme.

The popularity of the scheme is such that forecast actual payments for the year have increased to \$4,518,000. A report requesting an increase in budget is being made to council. If council do not approve an increase then applications would soon need to be place on hold until the next budget year.

At year end, 30 June 2011, the accounting treatment was changed to reflect the outstanding funds recoverable in the balance sheet. This was not how the programme was budgeted for, this will be amended in the long term plan.

(f) Risk analysis

Whilst only the participating ratepayers fund the costs of the scheme, the council will need to increase the funding to the programme to continue to meet the evident demand for this assistance.

If EECA obtain approval to continue to the Heat Smart: Warm up New Zealand programme beyond June 2013 council will need to consider its position on continuing to offer support.