

1. Warm Wellington

1.1 Programme overview

The Warm Greater Wellington is experiencing unprecedented success. Applications are being processed efficiently by the Regional Council Centre 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.

Council approved a doubling of the annual budget to \$6 million which is likely to be met. With many service providers actively marketing the scheme and the ability to access the Greater Wellington's scheme there has been no drop off in applications over summer.

New software has been locally sourced and installed and is in the process of bedding down. As the scheme has been so popular, and therefore more time consuming than expected, approval has been agreed to employ a part time resource. This process is continuing and will be fully funded from the scheme.

1.2 Key results for the year

3,637 applications have been processed and approved since the programme began around February 2010, with 2,937 of these completed.

TA NAME	No of Apps Approved	GW \$ Approved	No of Apps Installed	GW\$ Installed	GW\$ not installed
Carterton District Council	45	\$86,568	39	\$74,161	\$12,407
Hutt City Council	1224	\$2,517,835	1,009	\$2,076,033	\$441,802
Kapiti Coast District Council	294	\$532,939	215	\$387,346	\$145,593
Masterton District Council	168	\$355,321	131	\$282,234	\$73,087
Porirua City Council	415	\$848,777	328	\$672,252	\$176,525
South Wairarapa District Council	46	\$93,966	39	\$81,302	\$12,664
Upper Hutt City Council	515	\$1,065,388	424	\$872,615	\$192,774
Wellington City Council	930	\$1,879,514	752	\$1,523,474	\$356,040
TOTALS	3637	\$7,380,308	2,937	\$5,969,417	\$1,410,891
Excluding GST		\$6,417,660		\$5,190,798	\$1,226,862
Rated for at 30 June 2011 excluding GST	2,205		1,297	\$2,681,620	
Totals YTD for 30 June 2012	1,432		1,640	\$2,509,178	
Saturday, 31 December 2011					

1.3 Looking ahead

We are projecting funding requirements to exceed budget by 50%, reaching \$4,500k by the end of the financial year. Council approved an increase to \$6 million in November, we expect this will be close to being met in terms of total approved by 30 June, but all of these will not be installed and paid for at that date.

1.4 Financial reports

Last Year YTD Actual \$000	YTD Actual \$000	YTD Budget \$000	YTD Variance \$000	Warm Greater Wellington Income Statement For the 6 months ended 31 December 2011	Last Year FY Actual \$000	Full Year Forecast \$000	Full Year Budget \$000	Full Year Variance \$000
19	185	164	21	Rates & Levies	38	532	532	-
-	-	-	-	External Revenue	-	-	-	-
-	-	-	-	Investment Revenue	-	-	-	-
-	-	-	-	Internal Revenue	-	-	-	-
19	185	164	21	TOTAL INCOME	38	532	532	-
-	-	-	-	less:	-	-	-	-
-	1	-	(1)	Personnel Costs	-	-	-	-
994	2,802	1,505	(1,297)	Materials, Supplies & Services	(320)	4,518	3,010	(1,508)
-	-	-	-	Travel & Transport Costs	-	-	-	-
-	-	-	-	Contractor & Consultants	-	-	-	-
-	-	-	-	Grants and Subsidies Expenditure	-	-	-	-
-	-	-	-	Internal Charges	-	-	-	-
994	2,803	1,505	(1,298)	Total Direct Expenditure	(320)	4,518	3,010	(1,508)
22	137	161	24	Financial Costs	76	323	323	-
-	-	-	-	Bad Debts	-	-	-	-
-	-	-	-	Corporate & Department Overheads	-	-	-	-
-	2	-	(2)	Depreciation	-	-	-	-
-	-	-	-	Loss / (Gain) on Sale of Assets / Investments	-	-	-	-
1,016	2,942	1,666	(1,276)	TOTAL EXPENDITURE	(244)	4,841	3,333	(1,508)
(997)	(2,757)	(1,502)	(1,255)	OPERATING SURPLUS / (DEFICIT)	282	(4,309)	(2,801)	(1,508)
-	2	-	2	Add Back Depreciation	-	-	-	-
-	-	-	-	Other Non Cash	(2,278)	-	-	-
-	(21)	-	(21)	Net Asset Acquisitions	-	-	-	-
-	-	-	-	Net External Investment Movements	-	-	-	-
(997)	(2,776)	(1,502)	(1,274)	NET FUNDING BEFORE DEBT & RESERVE MOVEMENTS	(1,996)	(4,309)	(2,801)	(1,508)
1,010	2,887	1,614	1,273	Debt Additions / (decrease)	2,092	4,736	3,228	1,508
(14)	(111)	(213)	102	Debt Repaid	(96)	(427)	(427)	-
-	-	-	-	Net Reserves (Increase) / decrease	-	-	-	-
(1)	-	(101)	101	NET FUNDING SURPLUS (DEFICIT)	-	-	-	-

1.5 Financial summary and variance analysis

Total direct expenditure of \$2.8 million is \$1.3 million 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.

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 and will be amended in the long term plan. The accounts will be adjusted to reflect this prior to year end.

1.6 Risk analysis

If EECA obtains 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. Council will need to determine the level of debt it is comfortable with for this programme and any resources required for the continued support of the scheme.