

## 2.0 Group of Activities



*Mangapohue Natural Bridge*

## 2.1 Introduction

Council's current output activity structure reflects the alignment between the activities undertaken by Council and the four elements of community well-being - social, cultural, environmental and economic.

Council's activities have been grouped according to their contribution to the sustainable development of the community under the headings of Community and Cultural Sustainability, Environmental Sustainability and Economic Sustainability. The 11 significant activities under the three Groups of Activities are shown as follows:

COMMUNITY WELLBEING		
Community (Social) and Cultural Sustainability	Environmental Sustainability	Economic Sustainability
Leadership	Solid Waste Management	Water Supply
Community Facilities	Stormwater	Land Transport
Community Development	Resource Management	Investments
Regulation and Safety	Sewerage	

The Cost of Service Statements for each group of activities corresponds to the above structure.

Note: The Cost of Service Statements provided in this section utilise brackets (...) to portray a credit and no brackets ... to portray a debit.



*Rora Street, Te Kuiti*

## 2.2 Community and Cultural Sustainability

The Community and Cultural Sustainability group of activities promote outcomes that focus on building and developing cohesive and functional communities in the Waitomo District. Council provides a range of services and facilities to the various communities in the Waitomo District, in order to achieve this.

The significant activities contained within this group are:

- Leadership
- Community Facilities
- Community Development
- Regulation and Safety

## 2.3 Summary Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(220)	Leadership	(233)	(287)	(54)
(321)	Community Facilities	(340)	(340)	0
(305)	Community Development	(311)	(250)	61
(380)	Regulation and Safety	(349)	(392)	(43)
<b>(1,226)</b>	<b>Total Income</b>	<b>(1,233)</b>	<b>(1,269)</b>	<b>(36)</b>
	<b>Direct Operating Expenditure</b>			
1,710	Leadership	1,235	1,928	693
2,999	Community Facilities	3,344	3,090	(254)
982	Community Development	1,144	963	(181)
894	Regulation and Safety	993	930	(63)
<b>6,585</b>	<b>Total Direct Expenditure</b>	<b>6,716</b>	<b>6,911</b>	<b>195</b>
<b>5,359</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>5,483</b>	<b>5,642</b>	<b>159</b>
	<b>Capital Expenditure</b>			
478	Community Facilities	667	594	(73)
<b>478</b>	<b>Total Capital Expenditure</b>	<b>667</b>	<b>594</b>	<b>(73)</b>
<b>5,837</b>	<b>Total Expenditure</b>	<b>6,150</b>	<b>6,236</b>	<b>86</b>
	<b>Funded By</b>			
(200)	Loans	(309)	(222)	87
(222)	Reserves	(277)	(621)	(344)
(2,709)	General Rates	(2,808)	(2,720)	88
(2,432)	UAGC	(2,486)	(2,391)	95
(4)	Target Rates - Marokopa Hall	(4)	(4)	0
(81)	Target Rates - Rural	(80)	(84)	(4)
(189)	Target Rates - Urban	(186)	(194)	(8)
<b>(5,837)</b>	<b>Total Funding</b>	<b>(6,150)</b>	<b>(6,236)</b>	<b>(86)</b>

## 2.4 Leadership

### *Description*

The Leadership significant activity provides for:

- Council's representation and governance at a District level.
- Conduct of elections.
- Council's advocacy on issues that impact on the Waitomo District's Community Outcomes.
- Planning and policy development.
- Monitoring and reporting.

This activity includes the preparation of strategic direction guiding policy development and financial decision making, and engagement with the community on matters of high significance.

### *Activities*

There are three activities under this significant activity:

- Governance and Representation
- Strategic Planning and Policy Development
- Monitoring and Reporting

### *Governance and Representation*

The Governance Activity involves the provision of community leadership and "stewardship" of Council owned assets on behalf of the District through the Mayor's Office and the Council/Committee structure. The Mayor is elected "at large" by the District as a whole and chairs the meetings of full Council. The Mayor acts as the spokesperson for the decisions made by the elected Council and provides leadership.

The governance role entails setting of policy. Council policy is determined through a democratic decision making process, facilitated through a formal Council/committee structure. Composition of, representation on and delegations to Council committees is decided by the Council, usually after each triennial election.

In the interests of efficiency, and to provide separation between the Council's regulatory and non-regulatory roles, Council has established three committees for the current triennium, being the Hearings Committee, the Shareholder Representative Committee and the Investment Strategic Review Committee.

Communicating and consulting with the community is fundamental to Council's governance and representation role. Apart from the formal consultation required before certain decisions can be made, the trigger for the extent of consultation is determined by Council based on the extent to which the Council is already aware of the issues and interests of those affected by a particular proposal, having regard to the circumstances in which a decision is being made.

A fundamental role of the elected Council is to represent the views of its residents. Representation involves elected members being accessible to the community to receive, understand, and if need be, advocate the views or concerns of members of the public. Where appropriate, elected members may need to explain Council reasoning behind a particular decision or policy to those who might be interested or affected. Representation also includes representation of Council through membership on various Council and community organisations.

### *Strategic Planning and Policy Development*

This activity involves carrying out the long term and annual planning for the District and producing plans which reflect the Council's role and level of involvement in helping to achieve the Community Outcomes. Balancing the interconnected strands of affordability, sustainability and community well-being is at the heart of strategic planning and policy development.

Establishing a shared vision for the District starts with working with the community and community stakeholders to establish a set of outcomes for the future well-being. Council's strategy for its role in contributing towards achieving the vision, and its subsequent policies, are guided by this vision.

The activity also involves planning and developing strategy around urban and district growth to ensure growth is sustainable and infrastructural planning for the future can be carried out with certainty within clearly defined boundaries. Reviews of the Council's District Plan are included in this activity to ensure sustainable land use and development and to avoid, remedy or mitigate adverse effects on the environment.

## *Monitoring and Reporting*

Monitoring of Community Outcomes takes place on a three yearly cycle. The objective is to measure the impact of Councils role and programmes on achieving the outcomes, and to report on the progress made.

After each financial year the Council is also required to prepare an Annual Report setting out information on the level of achievement against the key financial and non-financial performance targets for the year ended 30 June. The Annual Plan identifies what the Council plans to do over the next 12 months. The Annual Report explains what actually took place and the financial position at year end.

### *2.4.1 Key Projects for 2011/12*

The following are key projects for the Leadership Activity for 2011/12:

- Preparation and adoption of the 2010/11 Annual Report.
- Draft, consult and adopt the 2012-2022 Long Term Plan.
- Undertake the 2011 Resident Satisfaction Survey.
- Complete the review of Electoral System and Maori Representation commenced in 2010/2011.
- Complete a Representation Review for the 2013 Triennial Election.



*The Clocktower, Rora Street Te Kuiti*

## 2.4.2 Statements of Service Performance

**Strategic Goal 1:** To exercise good stewardship and leadership in ensuring that community and stakeholder's views on key issues are considered as part of decision making processes.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Decision making in compliance with provisions of the Local Government Act 2002.	Number of challenges to the decision making process.	0 (No Challenges)	0 (No Challenges)	0 (No Challenges)
Consultation is in accordance with the Special Consultative Procedure outlined in LGA 2002.	Number of challenges to the decision making process.	0 (No Challenges)	0 (No Challenges)	0 (No Challenges)
Effective communication with the community.	Number of focus group surveys per year.	10	10	10
	Customer satisfaction rating of effectiveness and usefulness of Council communications "good or better".	>= 55%	>= 60%	>= 65%

**Strategic Goal 2:** Policies and plans are integrated and promote the principles of sustainable development.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Annual Plan published each year in accordance with the Local Government Act 2002.	Annual Plan adopted on or before 30 June each year.	100%	100%	100%
Long Term Plan published every 3 years in accordance with the Local Government Act 2002.	Long Term Plan adopted on or before 30 June every 3 years.		100%	



*Esplanade Te Kuiti*

## 2.4.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(220)	Representation	(233)	(287)	(54)
<b>(220)</b>	<b>Total Income</b>	<b>(233)</b>	<b>(287)</b>	<b>(54)</b>
	<b>Direct Operating Expenditure</b>			
709	Representation	682	683	1
638	Strategic Planning and Policy	771	883	112
369	Monitoring and Reporting	393	367	(26)
(6)	Treasury Management	(611)	(5)	606
<b>1,710</b>	<b>Total Direct Expenditure</b>	<b>1,235</b>	<b>1,928</b>	<b>693</b>
<b>1,490</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>1,002</b>	<b>1,641</b>	<b>639</b>
	<b>Funded By</b>			
(745)	General Rates	(501)	(814)	(313)
(745)	UAGC	(501)	(814)	(313)
0	Reserves	0	(13)	(13)
<b>(1,490)</b>	<b>Total Funding</b>	<b>(1,002)</b>	<b>(1,641)</b>	<b>(639)</b>

## 2.4.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

The material variations in the Leadership Activity for the 2011/12 financial year when compared to the LTP 2009-19 are:

### Operating Income

Representation - an increase of \$54,000 in the provision for rate penalties income

### Operating Expenditure

Strategic Planning and Policy - an increase of \$47,000 for the review and preparation of the 2012-2022 LTP and a \$43,000 increase in costs associated with the 1st stage of the District Plan review.

This Exceptions Annual Plan also provides for \$85,000 of audit fees associated with the LTP review – (this is a reallocation between budgets to ensure costs are correctly accounted for) and a change in the treatment for the calculation of internal loan interest. Whilst the treatment change is evident in the Leadership Activity (represented by an increase in cost), it is offset by a reduction in indirect cost (interest) in other output Activities.

## 2.5 Community Facilities

### *Description*

Council provides recreation and community facilities with the aim of ensuring that recreational activities are available to meet the present and future needs of the Community, and that Council meets its statutory obligations under such acts as the Reserves Act 1977 and Burials and Cremations Act 1964.

Public amenities are necessary to ensure that public health and safety is maintained.

### *Activities*

There are four Activity Management Plans comprising this significant activity as follows:

- Parks and Reserves
- Housing and Other Property
- Recreation and Culture
- Public Amenities

### *Parks and Reserves*

#### Active Reserves

The provision of areas for organised sporting activity and other recreational activity for residents and visitors to the District.

#### Passive Reserves

The provision of open space (including public gardens) to enhance the visual amenity of the locality and to provide informal and impromptu recreational activity spaces.

#### Esplanade Reserves

Esplanade reserves control/reduce the risk from natural hazards, protect conservation values and promote/improve recreational opportunities along the District's principal waterways and coastline.

#### Leased Reserves

Land held by Council but not currently used by Council as reserves, but is land-banked for future recreational purposes should the need arise.

#### Playgrounds

Provision of playground equipment to provide opportunities for recreation and physical development of children.

### *Housing and Other Property*

#### Elderly Persons Housing

Provision of affordable housing for the elderly. There are currently 20 pensioner units owned by Council, all located in Te Kuiti and on one site.

#### Community Halls

Provision and maintenance of rural halls through the support of Hall Committees throughout the District. It includes 11 rural halls owned by the Council, plus the hall in Piopio Township which is administered by Council in conjunction with the hall committee.

#### Other Land and Buildings

Maintenance and management of other miscellaneous Council owned properties, including:

- Three formal camping grounds at Te Kuiti, Marokopa and Piopio (Note: The informal camping areas at Mangaokewa Reserve and Brook Park are included in the Parks and Reserves activity).



- 20 buildings and structures.
- Six residential houses, located in Te Kuiti and Piopio.
- Four commercial buildings, all located in Te Kuiti and Piopio.
- The dog pound.

## ***Recreation and Culture***

### District Libraries

Provision of library services to support culture, education, economic and personal development in the District. The main library is located in Te Kuiti with assisted voluntary community libraries at Awakino, Mokau and Benneydale. Council also supports the Piopio Community Library through its Community Development Activity by way of an annual grant.

### District Swimming Pool

Provision and maintenance of aquatic facilities for leisure and competitive recreation opportunities for the community. Current swimming pool assets are limited to the public swimming pool in Te Kuiti.

### Arts, Culture and Heritage

Maintenance and management of Culture and Heritage Buildings in the District including the Waitomo Cultural and Arts Centre in Te Kuiti.

### Aerodrome

Provision of an aerodrome facility in Te Kuiti to provide leisure and recreational opportunities for residents and visitors to the District. Provision of a base for commercial aerial activities.

## ***Public Amenities***

### Public Toilets

Provision of public toilet facilities in the District to ensure visitors and residents have access to safe, clean and sanitary facilities. The Council presently owns and maintains 18 public toilets located throughout the District.

### Cemeteries

Provision and maintenance of cemeteries in the District as required under the provisions of the Burials and Cremations Act 1964. The Council is responsible for seven cemeteries, located at Te Kuiti, Piopio, Aria, Mokau and Te Waitere as well as the closed cemeteries at Mapiu and Kiritehere.

### Street Furniture

Provision and maintenance of street furniture, bins, town plantings and other structures to visually enhance the town environments and provide facilities for people to relax and enjoy the environment.

### Public Carparks

Provision and maintenance of carpark areas to ensure residents and visitors to the District can access conveniently located off street parking in our towns.

## 2.5.1 Key Projects for 2011/12

### *Parks and Reserves*

The following key projects for the Parks and Reserves Activity, were established by the LTP 2009-19 for the 2011/12 financial year:

- The ongoing renewal programme of assets in Passive Reserves.
- Renewals on reserve pedestrian bridges, pontoons and jetties. As part of the LTP 2009-19 and Activity Management Plan development, inspection of all pontoons, wharves and jetties on Council reserves was undertaken. This report identified essential renewal works that were required to preserve the integrity of these assets. An allowance has been included for this work spread evenly over the life of the LTP.
- The development of Coastal Reserve Areas including access and landscaping. Council is regularly queried regarding access and erosion / plantings associated with our many esplanade reserves. This monetary allowance is for the ongoing improvement to these assets.
- Continuation of the audit and upgrade of Playground Equipment to ensure compliance with New Zealand Safety Standards for all Council's play equipment.

### *Housing and Other Property*

The following key projects for the Housing and Other Property Activity were established by the LTP 2009-19 for the 2011/12 financial year:

- Continuation of the appliance renewal programme for Elderly Persons Housing (EPH).
- Renewals to ensure compliance with New Zealand Safety Standards for public buildings for Community Halls. Each Council owned hall was inspected and the resulting report identified compliance requirements that were not being met. This monetary allowance is for assisting local hall committees in making the Council asset meet the required safety and building act standards.
- Implementation of development requirements for Camp Grounds resulting from strategic review being undertaken in the 2010/11 year. This will assist in providing information relating to the renewal of commercial leases for these Council assets.
- Review of EPH provision. During the development of the LTP 2009-19, Council questioned its involvement / provision/ administration, economies of scale of EPH housing and requested this be investigated. Following negotiation with Housing New Zealand, this study was to be funded by Government agencies, but the funding source was subsequently withdrawn. The allowance in the EAP allows for the undertaking of this study.
- Continuation of upgrade of Piopio Public Toilets.

### *Recreation and Culture*

The following key projects for the Recreation and Culture Activity were established by the LTP 2009-19 for the 2011/12 financial year:

- Painting Te Kuiti Swimming Pool. Part of the regular renewals works associated with pools is the ongoing need to repaint the pool to protect the concrete surfaces and provide a surface to allow efficient cleaning. The Te Kuiti Swimming Pool painting is in very poor condition and is overdue for renewal.
- Annual renewal of Library Stock. To maintain a relevant service to the community there is a need to have up to date information resources and current titles. This is maintained through a resource renewal programme each year at the library, funded from depreciation for these assets.
- Planned for renewals to the Cultural Centre as part of a medium term asset renewal/ refurbishment project. Renewal of this facility is essential in maintaining existing service levels and to provide opportunities for an increase in patronage and customer satisfaction. Stage One of the renewal/ refurbishment process will be completed during 2010/11 year.
- The planned LTP 2009-19 upgrade works for the Library, due to commence in the 2011/12 year has been delayed for further consideration in the development of the 2012-2022 LTP. Council has recognised the need to have safe, compliant buildings for its community's use and as a result, Council staff have completed an investigation into the cost to obtain a Warrant of Fitness for the Library building and make provision for \$15,000 to undertake this project.

## Public Amenities

The following key projects for the Public Amenities Activity were established by the LTP 2009-19 for the 2011/12 financial year:

- Provision for the upgrade of Public Toilets. The Sanitary Assessment for toilets, undertaken by Council as part of its LTP 2009-19 development assessed Council's public toilets and identified areas where non-compliance with the NZ standard existed. Upgrade works are progressively being undertaken, over the life of the LTP, to meet the required standard.
- Re-design of street gardens in Rora Street Te Kuiti. The existing gardens and garden structures in Rora Street are coming to the end of their economic life and in parts are unsightly. The EAP has a monetary allowance for the redesign of these gardens so that a staged/ coordinated renewal programme can be undertaken over the following five years.
- Investigate options for land purchase at Te Kuiti Cemetery. Cemeteries are an essential service that Council is required to provide under the Burials and Cremation Act 1964. The Sanitary Assessment for cemeteries, undertaken as part of the LTP 2009-19 development, identified the need for additional land to be purchased for future expansion of the Te Kuiti Cemetery. There is a long lead in time for these types of strategic purchases and this purchase is funded over the financial years 2011/12 and 2012/13.

### 2.5.2 Statements of Service Performance

**Strategic Goal 1:** To ensure that adequate parks and reserve facilities are provided (by either private or public means) for the residents within the District.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
High quality parks and reserves will be provided.	Percentage of community satisfied with the quality of parks and reserves in annual and research surveys.	= > 80%	= > 80%	= > 80%
Public enquiries will be responded to in a timely manner.	Number of service requests not actioned within three days.	= < 10	= < 10	= < 10
Play equipment and under surfacing will comply with NZSS 5828 (2004).	Percentage of play equipment compliant with NZSS5828.	100%	100%	100%
Playground equipment is safe to use for parks and reserves users.	Number of accidents directly attributable to poor design.	Nil accidents per year directly attributable to poor design	Nil accidents per year directly attributable to poor design	Nil accidents per year directly attributable to poor design

**Strategic Goal 2:** To provide community-agreed levels of service in the most cost effective way through the creation, operation, maintenance, renewal and disposal of assets to provide for existing and future users.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Elderly Person's Housing affordable to the community.	Variance of actual rental income against median market rentals.	20% below market rents	20% below market rents	20% below market rents
Council's rate input into Elderly Person's Housing (EPH) to be reducing.	Percentage of costs for Elderly Person's Housing from rate sources.	< 40%	< 40%	< 40%

**Strategic Goal 3:** To encourage community involvement in the future use of Council's parks and reserves.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Reserve Management Plans will be prepared and adopted in compliance with the Reserves Act requirements.	Completion of identified reserve management plans.		Completion of Passive Reserve Management Plan by 2014	Completion of Passive Reserve Management Plan by 2014

**Strategic Goal 4:** To ensure that an adequate Housing and Other Property portfolio is provided and maintained for the well-being of the user groups.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Provision and maintenance of Elderly Person's Housing that meets the needs of the tenants.	Percentage of users satisfied with the provision and maintenance of Elderly Person's Housing in the Customer Satisfaction Survey.	> 80%	> 80%	> 80%
Users of Council owned buildings are safe.	Number of accidents recorded in building/property accident register.	Nil	Nil	Nil

**Strategic Goal 5:** To ensure that the long-term operation and maintenance of the housing and other property asset portfolio is sustainable.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Council property meets standards of fitness for use.	Achievement of Building Warrant of Fitness signoff.	100% compliant	100% compliant	100% compliant

**Strategic Goal 6:** To demonstrate responsible management in the operation, maintenance, renewal of Council owned Recreation and Culture asset portfolio.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Seasonal pool facilities available to residents and visitors during warmer months.	Number of months per year pool is open to public.	7	7	7
Pool is safe for use of pool patrons at all times.	Percentage of staff holding Pool life guard certification.	100%	100%	100%
	Pool accreditation in place.	100% achieved	100% achieved	100% achieved
	Number of non-complying pool water quality readings per year.	< 5	< 5	< 5

**Strategic Goal 7:** To ensure that adequate recreation and culture facilities are provided for (by either private or public means) for the residents within the District.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Provision of comprehensive library facilities for the community.	Percentage of community satisfied with the library facilities and service in the annual satisfaction survey and research survey results.	>85%	>85%	>85%
Provision of effective pool facilities for the community.	Percentage of community satisfied with the quality of the pool facilities and service in the annual satisfaction survey and research survey results.	= > 75%	= > 75%	= > 75%
Provision of effective Arts and Culture facilities for the community.	Percentage of community satisfied with the quality of the Arts and Culture facilities and service in the annual satisfaction survey and research survey results.	= > 75%	= > 75%	= > 75%
Promote the use of the Cultural and Arts Centre for events, private functions and community benefit activities.	Number of bookings per year.	105	105	105
Promote the use of the library facilities.	Number of visitors per year.	40-41,000	40- 41,000	40- 41,000
	Number of borrowers using the library per year.	13,750 -14,250	13,750-14,250	13,750-14,250
	Number of issues per year.	66,000–68,000	66,000 –68,000	66,000 –68,000

**Strategic Goal 8:** To ensure that Council's public amenities are maintained to a high standard for the residents within and visitors to the District.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Compliance with maintenance standards and specifications for toilets.	Number of non-compliance notices per year issued for the Contract.	= < 5	= < 5	= < 5
High quality public amenities will be provided.	Percentage of community satisfied with the quality of public cemeteries and toilets.	>=80%	>=80%	>=80%
Compliance with the Burials and Cremations Act and Births, Deaths, Marriages Registration Act.	Compliance with legislative requirements.	100%	100%	100%
Public enquiries will be responded to in a timely manner.	Number of service requests not actioned within three days.	= < 10	= < 10	= < 10

## 2.5.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(8)	Parks and Reserves	(8)	(4)	4
(181)	Housing and Other Property	(191)	(190)	1
(98)	Recreation and Culture	(106)	(111)	(5)
(34)	Public Amenities	(35)	(35)	0
<b>(321)</b>	<b>Total Income</b>	<b>(340)</b>	<b>(340)</b>	<b>0</b>
	<b>Direct Operating Expenditure</b>			
556	Parks and Reserves	627	569	(58)
767	Housing and Other Property	809	800	(9)
1,019	Recreation and Culture	1,217	999	(218)
657	Public Amenities	691	722	31
<b>2,999</b>	<b>Total Direct Expenditure</b>	<b>3,344</b>	<b>3,090</b>	<b>(254)</b>
<b>2,678</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>3,004</b>	<b>2,750</b>	<b>(254)</b>
	<b>Capital Expenditure</b>			
129	Parks and Reserves	101	101	0
95	Housing and Other Property	175	169	(6)
223	Recreation and Culture	274	207	(67)
31	Public Amenities	117	117	0
<b>478</b>	<b>Total Capital Expenditure</b>	<b>667</b>	<b>594</b>	<b>(73)</b>
<b>3,156</b>	<b>Total Expenditure</b>	<b>3,671</b>	<b>3,344</b>	<b>(327)</b>
	<b>Funded By</b>			
(200)	Loans	(309)	(222)	87
(224)	Reserves	(279)	(478)	(199)
(1,288)	General Rates	(1,482)	(1,244)	238
(1,170)	UAGC	(1,331)	(1,118)	213
(4)	Target Rates - Marokopa Hall	(4)	(4)	0
(81)	Target Rates - Rural	(80)	(84)	(4)
(189)	Target Rates - Urban	(186)	(194)	(8)
<b>(3,156)</b>	<b>Total Funding</b>	<b>(3,671)</b>	<b>(3,344)</b>	<b>327</b>

## 2.5.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

Material variations in the Community Facilities Activity for the 2011/12 financial year, when compared to the LTP 2009-19, are as follows:

### *Operating Expenditure*

Parks and Reserves variance of (\$58,000) relates to a \$12,000 decrease in the garden maintenance activity where the contract has expired. The work has been undertaken internally by Council staff since 2009 and a reallocation of budgets between allocated (overhead costs) and the Significant Activity to ensure costs are correctly accounted for.

Recreation and Culture variance of (\$217,000) relates to a \$92,000 decrease in projected swimming pool operational costs, a \$24,000 decrease in Library re-branding and promotional expenditure and a \$101,000 reallocation of budgets between allocated (overhead costs) and the Significant Activity to ensure costs are correctly accounted for. The latter variance includes the effect of the proposed changes to the operating hours of the Library.

### *Capital Expenditure*

The Recreation and Culture variance of (\$82,000) relates to Council's decision to defer the planned upgrade of the Te Kuiti Library. It is intended however to proceed with the necessary Building Compliance and Building Warrant of Fitness work (\$15,000) in the 2011/12 financial year.



*Redwood Park, Te Kuiti*

## 2.6 Community Development

### *Description*

The Community Development Activity works to ensure that individuals living in the Waitomo District have access to a range of services and facilities to increase their quality of life and to promote community well-being.

### *Activities*

There are three main functions under the Community Development activity:

### *Community Support*

This function ensures Council is able to support and work closely with the community in a variety of areas. Typically these are in the areas of safety, youth, sport, Maori, health and welfare, community grants, community events and Sister City relations. Groups such as these contribute in different ways, and they also form a strong sense of identity as to who we are as a District. This ensures community issues and needs are noticed and that Council understands those needs.

### *District Promotion and Development*

This function supports the community through the provision of functions such as District promotion, regional promotion, cultural and environmental tourism, major event promotion and visitor information centres.

Promotion initiatives help foster and assist in growing the economy for the District. Waitomo is renowned worldwide, and its recognition is still growing. It is important that both the international and the domestic traveller are exposed to what this unique District can provide by way of a unique visitor experience - both commercially and through free attractions.

### *Economic Development*

This function looks to support the community through the provision of international relations, urban infrastructure, employment initiatives, new business development and business programmes.

Ultimately economic growth should be achieved through the support and development of existing businesses, development and enhancement of infrastructure and the encouragement and assistance of establishing and developing sustainable new businesses.



*The Great New Zealand Muster*



## 2.6.1 Key Projects for 2011/12

The key area of focus for the Community Development Activity for the 2011/12 financial year is on maintaining existing levels of service.

Council took a step back from Community Development during the 2009/10 financial year due to other funding pressures largely outside of its control. As indicated in the LTP 2009-19, the 2011/12 financial year was planned to be utilised for restoring capacity in the areas of District Promotion and Development. However, these funding pressures still remain for the 2011/12 financial year and Council has reconsidered the affordability of restoring this capacity. Any future capacity considerations will form part of the development of the 2012-2022 LTP.

### *Community Support*

The following key projects for the Community Support function were established by the 2009-19 Long Term Plan for the 2011/12 financial year:

- Develop community liaison channels for youth development. The 2009-19 Long Term Plan and the Reviewed Community Development Strategy adopted by Council in 2010 outlined Council's intention to establish a Youth Forum. This Forum is scheduled for establishment in 2011 and will require further development of channels for the liaison with this group during the 2011/12 year.
- Development of the Te Kuiti Visitor Information Centre i-SITE web pages, to include a community events calendar. In the 2009-19 Long Term Plan and the Reviewed Community Development Strategy adopted by Council in 2010, Council outlined its intention to further develop a community events calendar linked to Council's website. This will allow the promotion of community events and activities to our wider community and beyond.
- Ongoing administration of the Community Development Fund, including the provision of Discretionary, Service and Triennial grants.

### *District Promotion and Development*

The following key projects for the District Promotion and Development function were established by the 2009-19 Long Term Plan for the 2011/12 financial year:

- Undertake new relationships with other Waikato Territorial Authorities to support the proposed Waikato Regional Tourism Organisation (WRTO). Development of the WRTO has progressed to the stage of a formal proposal to Council to join the organisation and support the organisation through funding. A funding allowance has been included in the EAP document for this activity.
- Promote and coordinate two Council managed events. The Great NZ Muster and Waitomo District Christmas Parade. The 2009-19 Long Term Plan and the Reviewed Community Development Strategy identifies that Council will promote two key community activities and these are identified as the Great NZ Muster and Christmas Parade. Funding for these two events is included within the events budget.

### *Economic Development*

The following key projects for the Economic Development function were established by the 2009-19 Long Term Plan for the 2011/12 financial year:

- Liaise with other key stakeholders to promote the newly established Central North Island Rail Cycleway within our District with the emphasis on business opportunities.
- The 2009-19 Long Term Plan identifies the need for Council to facilitate and advocate sustainable economic development within the District. The 2010 reviewed Community Development Strategy also highlighted the importance of this but due to Council's funding restraints it has been deferred till later years in the LTP.

## 2.6.2 Statement of Service Performance

**Strategic Goal 1:** To support and foster a District that is caring and inclusive and provides a safe, healthy and friendly place to live, work or visit.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Provide assistance for community support activities.	Availability of discretionary grant funding advertised quarterly.	100% compliance	100% compliance	100% compliance
	Grants for Community Halls will be distributed by 31 December each financial year.	100% compliance	100% compliance	100% compliance
	Review service level agreements for provision of annual grants in excess of \$10,000 by 31 December, every three years.	-	100% compliance	100% compliance
Development of youth within the District.	Number of Youth forum established and held within the school year.	3 per annum	3 per annum	3 per annum
Council will continue to foster and promote Sister City Relationships.	The Relationship Committee will meet not less than four times per annum to ensure the relationship remains strong and active.	100% compliance	100% compliance	100% compliance
Enhance community safety.	Frequency of routine maintenance checks carried out on CCTV system.	Quarterly	Quarterly	Quarterly
	Number of reported outages of CCTV system.	<4 per annum	<4 per annum	<4 per annum

**Strategic Goal 2:** To support the growth of the economy through the effective promotion of District attractions to domestic and international markets.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
i-SITE will deliver effective and efficient services to visitors.	Accurate volume and statistical trends on visitor usage are recorded and reported at management level.	Monthly	Monthly	Monthly
	Number of co-ordinated meetings per annum with other information centres in the District.	Min 2 per annum	Min 2 per annum	Min 2 per annum
Council will support major District events that build community pride and raise the District's profile.	Number of major District events held on time and to budget.	One major event (The Muster) and one minor event (Christmas Parade).	One major event (The Muster) and one minor event (Christmas Parade).	One major event (The Muster) and one minor event (Christmas Parade).
Council will ensure enhanced presence in the national and international markets for the District.	Number of District promotion opportunities taken in key publications.	>4	>4	>4
Regular communications established with tourism operators.	Number of District wide communications to all tourism operators, commencing 31 December 2009.	4 per annum (quarterly)	4 per annum (quarterly)	4 per annum (quarterly)

**Strategic Goal 3:** To facilitate and advocate sustainable economic development in the District that is well supported and promoted.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Council will support business expansion and diversification, and encourage the development of work based skills.	Programme developed to create stimulating environment for existing and new businesses.	50% deployment of program	100% deployment of program (by 31 Dec 2012)	100% deployment of program (by 31 Dec 2012)



*Waitomo Caves*

## 2.6.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
<b>Operating Income</b>				
0	Economic Development	0	0	0
(280)	Region Promotion	(286)	(230)	56
(25)	Agencies	(25)	(20)	5
<b>(305)</b>	<b>Total Income</b>	<b>(311)</b>	<b>(250)</b>	<b>61</b>
<b>Direct Operating Expenditure</b>				
361	Community Support	285	368	83
42	Economic Development	23	45	22
535	Regional Promotion	810	515	(295)
44	Agencies	26	35	9
<b>982</b>	<b>Total Direct Expenditure</b>	<b>1,144</b>	<b>963</b>	<b>(181)</b>
<b>677</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>833</b>	<b>713</b>	<b>(120)</b>
<b>Funded By</b>				
0	Reserves	0	(145)	(145)
(334)	General Rates	(413)	(282)	131
(343)	UAGC	(420)	(286)	134
<b>(677)</b>	<b>Total Funding</b>	<b>(833)</b>	<b>(713)</b>	<b>120</b>

## 2.6.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

The level of operating income provided in the Community Development Activity has reduced in the 2011/12 financial year when compared to 2009-19 Long Term Plan. This is largely due to a reduction in the revenue from the Visitor Information Centre. The revenue budgets have been impacted by a reduction in tourist activity and reflect a revision of budgets taking account of current market conditions.

There are some proposed reductions in operating expenditure in the 2011/12 year when compared to 2009-19 Long Term Plan. The EAP includes reduced expenditure in relation to District and Regional promotion in the Regional Promotion account. In addition to this, the level of tourist products and services expenditure at the Visitor Information Centre has been reduced to reflect current market conditions. The indirect costs in this Activity are also proposed to decrease when compared to the 2009-19 Long Term Plan. This largely reflects a re-organisation of internal resources and utilisation of staff time in regard to the delivery of services.

It is proposed that some of the expenditure in the 2011/12 year will be funded from reserves to utilise reserves that have surplus balances from prior years. This has the effect of reducing the rates requirement in the 2011/12 year.

## 2.7 Regulation and Safety

### *Description*

The Regulation and Safety Activity works towards the goal of effectively and efficiently providing a safe and sustainable environment through the administration and enforcement of Central Government Legislation.

### *Activities*

The activities include:

- Regulation
- Safety

### *Regulation*

There are three functions making up the Regulation activity, namely:

#### Environmental Health

Provision of environmental health services, including food premises licensing, liquor licensing and noise control. The Council has specific statutory responsibilities under each of these functions.

#### Animal Control

Provision of an animal control service for the District, including wandering livestock, dog registration and control.

#### Building Control Services

Provision of building control services, including issuing and monitoring of building consents.

### *Safety*

The Safety activity comprises:

#### Emergency Management

Provision of emergency response capability, including public education and administration of the Civil Defence and Emergency Management Act 2002.

#### Rural Fire

Provision of rural fire fighting capability and support for the Tainui Rural Fire Party.

### *2.7.1 Key Projects for 2011/12*

The proposed key area of focus for the Regulation and Safety Activity for the 2011/12 financial year is on maintaining existing levels of service and compliance with legislation.

### *Rural Fire*

- Investigation into establishing a Rural Fire Authority for Waikato Valley Operational area. This project is in partnership with the Department of Conservation, New Zealand Forest, Waipa, Otorohanga, Waikato and New Zealand Rural Fire Authorities.

## 2.7.2 Statement of Service Performance

**Strategic Goal 1:** To ensure health and safety is protected by effectively and efficiently administering statutes regulations and bylaws including environmental health, liquor control and noise control.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
All food and liquor retail premises will be inspected and appropriately registered and licensed.	Percentage of registration or licensing of food and liquor retail premises completed.	100%	100%	100%
Provision of an after hours noise control service using experienced and competent contractor personnel.	Noise complaints to be responded to by contractor within one hour.	100%	100%	100%
Provision of an effective environmental health service for the community.	Customer satisfaction survey rating on Environmental Health Service.	>35%	>35%	>35%

**Strategic Goal 2:** To protect the health and safety of building users by effectively and efficiently administering the provisions of the Building Act 2004.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Building consents and project information memoranda issued within 15 working days.	Percentage of building consents and project information memoranda issued within 15 working days.	90%	90%	90%
Provision of an effective building control service to the community.	Customer satisfaction survey rating on Building Control.	>35%	>35%	>35%
Recovery of administration costs from applicants.	Percentage of total administration cost recovered from applicants.	>50%	>50%	>50%

**Strategic Goal 3:** To ensure that animals, particularly dogs are controlled so that people can enjoy the benefits of dog ownership without adversely affecting other members of the community.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Dog owners' properties will be inspected to ensure compliance with the Dog Control Act 1996 and Council's bylaws.	Percentage of dog owners' properties inspected per year.	Urban -100% Rural 10%	Urban -100% Rural 10%	Urban -100% Rural 10%
Immediate response by Dog Control Contractor to public safety complaints.	Time of contractors' response to the incident.	<1 hour for more than 30% of complaints	<1 hour for more than 30% of complaints	<1 hour for more than 30% of complaints
High level of customer satisfaction with animal control service.	Customer satisfaction survey rating on Animal Control.	>35% good or above	>35% good or above	>35% good or above
Animal Control Services within budget.	Variance of actual Cost of Service Statement Operating Surplus/(Deficit) for the activity from the annual budget.	<5%	<5%	<5%

**Strategic Goal 4:** To ensure that Council and the community is adequately prepared in the case of an emergency event or a rural fire.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Council will ensure that staff are equipped and trained to efficiently man the Civil Defence headquarters during an emergency.	One major training exercise involving Civil Defence HQ staff will be held a year.	Exercise conducted	Exercise conducted	Exercise conducted
Educational visits to schools and community groups will take place to prepare the community for emergency events.	Number of educational visits carried out.	6 per year	6 per year	6 per year
Council will be represented at any Civil Defence Emergency Management meetings in the Waikato Region.	Percentage of Emergency Management meetings with Council representation.	100%	100%	100%
Tainui Rural Fire Party will be resourced and trained in accordance with the Rural Fire Management Code of Practice.	Training provided and fire equipment assessed once per year to ensure compliance with Rural Fire Management Code of Practice.	100% compliance with Code	100% compliance with Code	100% compliance with Code



*Limestone rocks, Mangapohue*

## 2.7.3 Cost of Service Statement

	EAP 2010/11 \$000's	LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
<b>Operating Income</b>				
(379)	Regulation	(348)	(392)	(44)
(1)	Safety	(1)	0	1
<b>(380)</b>	<b>Total Income</b>	<b>(349)</b>	<b>(392)</b>	<b>(43)</b>
<b>Direct Operating Expenditure</b>				
800	Regulation	904	799	(105)
94	Safety	89	131	42
<b>894</b>	<b>Total Direct Expenditure</b>	<b>993</b>	<b>930</b>	<b>(63)</b>
<b>514</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>644</b>	<b>538</b>	<b>(106)</b>
<b>Funded By</b>				
2	Reserve Repayment	2	15	13
(342)	General Rates	(412)	(380)	32
(174)	UAGC	(234)	(173)	61
<b>(514)</b>	<b>Total Funding</b>	<b>(644)</b>	<b>(538)</b>	<b>106</b>

## 2.7.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

There are no material variations for the Regulation and Safety Activity for the 2011/12 financial year when compared to the 2009-19 Long Term Plan. The increase in Operating Income for Regulation is related to an increase in Fees and Charges Revenue to recover the costs associated with the processing of Building Consent Applications.

There are some proposed reductions in indirect expenditure for the Regulation activity when compared to the 2009-19 Long Term Plan. These largely reflect a reorganisation of internal resources and utilisation of staff time in regard to the delivery of services. These reductions have been partially offset by additional costs associated with the introduction of a more co-ordinated shared service approach with the Waikato Valley Emergency Management and Rural Fire Groups.



## 2.8 Environmental Sustainability

The Environmental Sustainability group of activities promotes Community Outcomes that target environmental well-being. These activities aim to minimise the impact of community's lifestyles and growth on the natural environment. Although the broad issues relating to the environment are primarily managed by Regional Councils, it is the responsibility of every local authority to carry out activities that promote sustainable management and protection of the environment.

### Activities Comprised in this Group:

- Solid Waste Management
- Stormwater
- Resource Management
- Sewerage

## 2.9 Summary Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(1,221)	Solid Waste Management	(887)	(933)	(46)
(2)	Stormwater	0	(2)	(2)
(83)	Resource Management	(85)	(85)	0
(3,190)	Sewerage	(936)	(5,221)	(4,285)
<b>(4,496)</b>	<b>Total Income</b>	<b>(1,908)</b>	<b>(6,241)</b>	<b>(4,333)</b>
	<b>Direct Operating Expenditure</b>			
2,233	Solid Waste Management	2,132	2,040	(92)
362	Stormwater	307	392	85
189	Resource Management	181	210	29
2,020	Sewerage	2,727	2,413	(314)
<b>4,804</b>	<b>Total Direct Expenditure</b>	<b>5,347</b>	<b>5,055</b>	<b>(292)</b>
<b>308</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>3,439</b>	<b>(1,186)</b>	<b>(4,625)</b>
	<b>Capital Expenditure</b>			
127	Solid Waste Management	148	147	(1)
99	Stormwater	121	24	(97)
5,965	Sewerage	899	7,418	6,519
<b>6,191</b>	<b>Total Capital Expenditure</b>	<b>1,168</b>	<b>7,589</b>	<b>6,421</b>
<b>6,499</b>	<b>Total Expenditure</b>	<b>4,607</b>	<b>6,403</b>	<b>1,796</b>
	<b>Funded By</b>			
(3,515)	Loans	(905)	(2,968)	(2,063)
(132)	Reserves	(209)	(252)	(43)
(88)	General Rates	(75)	(94)	(19)
(88)	UAGC	(75)	(94)	(19)
(2,676)	Targeted Rates	(3,343)	(2,995)	348
<b>(6,499)</b>	<b>Total Funding</b>	<b>(4,607)</b>	<b>(6,403)</b>	<b>(1,796)</b>

## 2.10 Solid Waste Management

### *Description*

The Solid Waste Activity manages the refuse collection of residual wastes, disposal and recycling services for the Waitomo District. The solid waste network involves a series of recycling and transfer stations throughout the District. Residual waste is deposited at the Waitomo District Landfill in Te Kuiti.

The community generates non-recyclable waste each day and the current trend of increasing amounts of packaging and waste material results in an ongoing challenge for waste management. If waste is not managed in an appropriate manner it may result in serious public and environmental health concerns.

### *Activities*

The Solid Waste Activity comprises the collection and management with disposal and minimisation being subsets of management.

### *Collection*

Collection includes kerbside collection of residual waste for the residents of Te Kuiti, Piopio, Mokau and Waitomo Ward (part only) and the provision of a kerbside recycling collection service for the residents of Te Kuiti, Piopio, Mokau and Waitomo Village.

Transfer and Recycling stations are located at Marokopa, Benneydale, Kinohaku, Piopio, Awakino and at the Waitomo District Landfill in Te Kuiti.

### *Management*

#### Disposal

Disposal includes management, maintenance and operation of the Waitomo District Landfill at Te Kuiti for residual waste and the orderly disposal of recyclables optimising any opportunity to generate income.

#### Minimisation

Waste minimisation activities are managed and facilitated to help preserve the environment and minimise potentially negative effects of solid waste disposal. It includes education programmes aimed at drawing attention to the benefits of waste minimisation and recovery.

## *2.10.1 Key Projects for 2011/12*

The focus for the 2011/12 financial year is the continued implementation of the Solid Waste Asset Management and Minimisation Plan (SWaMMP) as outlined in the 2009-19 Long Term Plan.

### *Collection*

The focus for the Collection Activity is the consolidation and refinement of the new collection service introduced during the 2009/10 financial year. The refinement process will include the monitoring of refuse versus recycling volumes and monitoring customer satisfaction to inform any changes to the service configuration or service levels that may be required.

### *Management*

The focus for the management function is the ongoing enhancement of the Waitomo District Landfill and associated Network of Transfer Station Facilities to ensure operational efficiency and in support of Waste Minimisation targets established by the SWaMMP.

- The level of investment for development of the Waitomo District Landfill is less than that established by the LTP for the 2011/12 financial year. Funding is made available for further shaping of the Landfill Highwall for safety purposes (an ongoing project) and for the asphaltting of the trafficable area of the new transfer station.

- The total level of investment for the development of Transfer Stations is established by the 2009-19 Long Term Plan for the financial year. However it is now intended that the investment will be primarily utilised for completing upgrades that originally commenced in the 2009/10 and 2010/11 financial years, such as improved signage at all transfer stations and fencing at Kinohaku, Piopio and Awakino Transfer stations.

## 2.10.2 Statement of Service Performance

**Strategic Goal 1:** Ensure environmentally safe disposal of waste.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
The kerbside collection of bagged refuse and recyclables is efficient and effective.	Number of service complaints in any one month regarding the quality of the kerbside refuse/recycling collection service.	<3	<3	<3
Kerbside collection available to all premises in Te Kuiti, Piopio, Mokau and Waitomo Village.	Percentage of residential premises in collection areas that have access to kerbside collection.	>90%	>90%	>90%
Kerbside bagged refuse collection service is 45% self funding.	Percentage of expenditure budget for bagged refuse collection service, including bags, collection and disposal costs, is recovered from user fees.	45%	45%	45%
The network's recycling facilities are in good condition and 'fit for purpose'.	Number of complaints per month regarding the condition of Council's recycling facilities.	<2	<2	<2
Users find the recycling facilities safe to use.	Percentage of users rate the safety of Council's recycling facilities as good or better.	75%	75%	75%
Provision of effective waste service for the community.	Customer satisfaction rating of waste transfer stations good or better.	60%	60%	60%
The solid waste management facilities are open and accessible to users at advertised times.	Number of complaints per month due to facilities not being open at advertised times.	<1	<1	<1
The solid waste management facilities feel safe to the user.	Percentage of users rating the District's waste transfer stations and landfill safe to use.	70%	70%	70%
Comply with the Resource Management Act 1991 (RMA) for closed and operating landfills.	Percentage compliance with resource consent conditions at Waitomo District Landfill and closed landfills.	100%	100%	100%

**Strategic Goal 2:** Minimise the creation of waste within the District.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Waste minimisation education reduces household waste.	Reduction in quantity of recyclables contained in kerbside refuse bags.	5%	5%	5%
Sufficient recycling facilities are provided.	Percentage of residents are satisfied with the number of recycling facilities provided.	70%	70%	70%

## 2.10.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(139)	Collection	0	(95)	(95)
(1,082)	Management	(887)	(838)	49
<b>(1,221)</b>	<b>Total Income</b>	<b>(887)</b>	<b>(933)</b>	<b>(46)</b>
	<b>Direct Operating Expenditure</b>			
381	Collection	338	368	30
1,852	Management	1,794	1,672	(122)
<b>2,233</b>	<b>Total Direct Expenditure</b>	<b>2,132</b>	<b>2,040</b>	<b>(92)</b>
<b>1,012</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>1,245</b>	<b>1,107</b>	<b>(138)</b>
	<b>Capital Expenditure</b>			
127	Management	148	147	(1)
<b>127</b>	<b>Total Capital Expenditure</b>	<b>148</b>	<b>147</b>	<b>(1)</b>
<b>1,139</b>	<b>Total Expenditure</b>	<b>1,393</b>	<b>1,254</b>	<b>(139)</b>
	<b>Funded By</b>			
(127)	Loans	(148)	(147)	1
59	Reserves	53	46	(7)
(35)	General Rates	(27)	(26)	1
(35)	UAGC	(27)	(26)	1
(760)	Target Rate - District	(906)	(811)	95
(60)	Target Rate - Mokau	(66)	(74)	(8)
(14)	Target Rate - Piopio	(24)	(17)	7
(123)	Target Rate - Te Kuiti	(187)	(146)	41
(44)	Target Rate - Waitomo	(61)	(53)	8
<b>(1,139)</b>	<b>Total Funding</b>	<b>(1,393)</b>	<b>(1,254)</b>	<b>139</b>

## 2.10.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

The level of operating income associated with the Collection and Management Activities will increase for the 2011/12 year when compared to the 2009-19 Long Term Plan. This is largely due to Council receiving more waste at the Waitomo District Landfill and collecting appropriate waste disposal fees from those users. This increase in revenue has been offset by a decrease in the level of waste minimisation levy and rebate revenue that was anticipated to be received at the time the 2009-19 Long Term Plan was prepared. The cost of purchasing and supplying Council provided refuse bags and the associated revenue from the sale of the bags has been transferred from the Management Activity to the Collection Activity.

It is proposed that direct costs for the Solid Waste activity are reduced from the 2009-19 Long Term Plan with the removal of the derelict and inorganic collection service in the 2011/12 year. In addition to this, the cost of servicing litter bins has been transferred to the subsidised roads activity as subsidy is available to fund a portion of these costs.

Indirect costs associated with the management and operation of this Activity have increased to reflect Council resuming the direct management and operation of the Waitomo District Landfill and increased the service levels provided by the network of Transfer Stations across the District as provided for in SWaMMP. This increase in allocated overhead expenditure has been offset by reductions in the internal loan interest which has decreased due to reduced costs of external borrowing.



*Waitomo District Landfill*

## 2.11 Stormwater

### Description

Stormwater runoff occurs after rainfall. Rain that does not soak into the ground flows downhill until it reaches a natural water course or is collected by a pipe system. Where there is development, runoff from properties and roads flows into stormwater systems. The greater the level of development in a catchment, the greater the conversion of rainfall into runoff. If this runoff is not managed well, it can cause flooding. Generally stormwater is channelled onto roads or into open watercourses, then down streams and rivers to lakes and the sea.

The stormwater drainage system manages runoff by collecting and removing the runoff, eventually disposing of it into natural streams, lakes or the sea. The Stormwater Activity involves providing, maintaining and expanding the capacity of the existing drainage systems and advocating for the appropriate management of rivers and streams within the Waitomo District.

### Activities

#### Stormwater Reticulation and Disposal

This involves providing, maintaining and expanding Council's urban stormwater disposal systems.

#### 2.11.1 Key Projects for 2011/12

The key area of focus for Stormwater Reticulation and Disposal for the 2011/12 financial year is on maintaining existing levels of service.

- Begin the development of the Stormwater Asset Management Plans (AMP) and the identification and possible preventative maintenance of some open drains.
- An additional \$15,000 has been added to the Stormwater Capital Programme to provide for grills to be installed at stormwater exit and entry points where Health and Safety concerns exist.

#### 2.11.2 Statement of Service Performance

**Strategic Goal 1:** To protect public health and property.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
The urban stormwater activity is managed to protect people and property from the impacts of flooding.	Annual incidence of inundation of habitable buildings in urban areas from a 10% or less Annual Exceedance Policy event.	0	0	0
	Number of complaints per event per year regarding surface water flooding in urban areas.	<10	<10	<10
A reliable service is provided.	Failure of drainage system due to poor condition or lack of maintenance.	Nil	Nil	Nil
	Length of disruption to individual properties due to surface flooding.	<24 hours	<24 hours	<24 hours

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Service requests and complaints are processed as they come in.	Completion time (working days following receipt) for customer follow up on outstanding requests/complaints.	<5 days	<5 days	<5 days
	Urgent requests - Percentage dealt with within one working day.	90%	90%	90%
	Preparation of a 10 year Urban Stormwater Catchment Assessment Plan for Te Kuiti by 2015.	75%	100%	100%
Services do not cause a hazard to people.	Number of health nuisances associated with land drainage or stormwater assets (vermin, etc).	Nil	Nil	Nil
	Response time for investigation of complaints relating to lack of maintenance of the urban stormwater system.	5 working days	5 working days	5 working days
Services provide social, economic and environmental benefits to the whole community.	Percentage of residents in urban areas rating the standard of urban stormwater drainage as meeting or exceeding their expectations.	75%	75%	75%

**Strategic Goal 2:** To Protect the environment from the adverse effects of stormwater.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Stormwater quality will be managed effectively.	Percentage of stormwater pollution incidents are corrected within time frames agreed with Environment Waikato.	100%	100%	100%
	Response time for investigation of all reported pollution incidents associated with stormwater discharge following notification.	<12 hours	<12 hours	<12 hours
	Percentage compliance with stormwater discharge consents.	100%	100%	100%
	Number of stormwater abatement notices issued.	Nil	Nil	Nil

**Strategic Goal 3:** To enable economic development.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Connection of stormwater drainage network available to all urban properties.	Percentage of customers within defined urban stormwater drainage areas can connect to the network.	90%	100%	100%

## 2.11.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(2)	Te Kuiti Stormwater	0	(2)	(2)
<b>(2)</b>	<b>Total Income</b>	<b>0</b>	<b>(2)</b>	<b>(2)</b>
	<b>Direct Operating Expenditure</b>			
280	Te Kuiti Stormwater	234	329	95
82	Rural Stormwater	73	63	(10)
<b>362</b>	<b>Total Direct Expenditure</b>	<b>307</b>	<b>392</b>	<b>85</b>
<b>360</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>307</b>	<b>390</b>	<b>83</b>
	<b>Capital Expenditure</b>			
81	Te Kuiti Stormwater	113	16	(97)
18	Rural Stormwater	8	8	0
<b>99</b>	<b>Total Capital Expenditure</b>	<b>121</b>	<b>24</b>	<b>(97)</b>
<b>459</b>	<b>Total Expenditure</b>	<b>428</b>	<b>414</b>	<b>(14)</b>
	<b>Funded By</b>			
(13)	Loans	0	0	0
(86)	Reserves	(120)	(22)	98
(278)	Target Rate - Urban	(235)	(320)	(85)
(82)	Target Rate - Rural	(73)	(72)	1
<b>(459)</b>	<b>Total Funding</b>	<b>(428)</b>	<b>(414)</b>	<b>14</b>

## 2.11.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

There are no material variations for the Stormwater Activity for the 2011/12 year when compared to the 2009-19 Long Term Plan. The EAP provides for an increase in direct expenditure related to the insurance cover for underground stormwater assets and preparation of asset management plans (as part of the LTP 2012-22). There has also been a transfer of expenditure to the Stormwater activity for the rates paid on stormwater services. This expenditure was previously included in the Parks and Property activity.



## 2.12 Resource Management

### Description

The Resource Management Activity works towards the goal of effectively and efficiently providing a safe and sustainable environment through the administration and enforcement of the Resource Management Act and District Plan.

### Activities

#### Resource Management

Administration and application of the District Plan, including the issue of resource consents for land use and subdivisional consents and monitoring consents for compliance with conditions.

### 2.12.1 Key Projects for 2011/12

The key area of focus for the Resource Management Activity for the 2011/12 financial year is on maintaining existing levels of service, compliance with legislation and;

- Commence a staged review of the Waitomo District Plan so as to develop a second generation plan which incorporates amendments to the Resource Management Act 1991 and addresses recognised shortcomings with the existing Plan.

### 2.12.2 Statement of Service Performance

**Strategic Goal 1:** To provide a safe and sustainable environment by effectively and efficiently administering and enforcing the provisions of the Resource Management Act 1991 and the Waitomo District Plan.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Council will ensure that resource consents are processed in a timely and customer friendly manner so as to facilitate District wide development.	Percentage of notified consents processed within 80 working days of receipt.	90%	90%	90%
	Percentage of non-notified consents processed within 20 working days.	90%	90%	90%



Awakino Coast

## 2.12.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(83)	District Plan Administration	(85)	(85)	0
<b>(83)</b>	<b>Total Income</b>	<b>(85)</b>	<b>(85)</b>	<b>0</b>
	<b>Direct Operating Expenditure</b>			
189	District Plan Administration	181	210	29
<b>189</b>	<b>Total Direct Expenditure</b>	<b>181</b>	<b>210</b>	<b>29</b>
<b>106</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>96</b>	<b>125</b>	<b>29</b>
	<b>Funded By</b>			
0	Reserves	0	11	11
(53)	General Rate	(48)	(68)	(20)
(53)	UAGC	(48)	(68)	(20)
<b>(106)</b>	<b>Total Funding</b>	<b>(96)</b>	<b>(125)</b>	<b>(29)</b>

## 2.12.4 Variations Between LTP 2009-19 and Exceptions Annual Plan

There are no material variations for the Resource Management Activity for the 2011/12 financial year when compared to the 2009-19 Long Term Plan. The EAP provides for a reallocation of internal staff resources and utilisation of staff time in regard to the delivery of services which has resulted in a minor increase in indirect costs for this activity.

## 2.13 Sewerage

### Description

The purpose of the Wastewater (Sewerage) Activity is to collect and dispose of wastewater in an effective and environmentally acceptable manner. Effective and efficient wastewater collection and disposal is essential to protect the environment, maintain public health and to facilitate economic development.

### Activities

In order to ensure the effective disposal of sewage in an environmentally sustainable manner and to promote and protect public health, the Council provides sewerage schemes at Te Kuiti, Te Waitere and Benneydale. A new scheme is also planned for Piopio.

### 2.13.1 Key Projects for 2011/12

#### Te Kuiti

The upgrade of the Te Kuiti Wastewater Treatment Plan was established for commencement in the 2009/10 financial year by the 2009-19 Long Term Plan. A range of complexities involved with design, resource consent and funding has meant that this significant project has not yet been started. The EAP plans for construction to begin in the 2011/12 financial year. Provision has been made to undertake certain aspects of the upgrade that will be required irrespective of the MoH subsidy.

The table below provides a summary of the forecast level of investment in the upgrade of the Te Kuiti Wastewater Treatment Plant over the next few years:

Te Kuiti Sewerage Capital Expenditure	EAP 2011/12 \$000's	EAP 2012/13 \$000's	2013/14 \$000's	Total Capital Expenditure \$000's
<b>Forecast Capital Expenditure</b>				
Instrumentation and controls.	348,462			348,462
UV Disinfection Filter and Filtration Units, pipe work and related instrumentation and controls.	1,849,176			1,849,176
Aeration System, pipe work and related instrumentation and controls.	1,489,796			1,489,796
Modified reactor.	2,707,100			2,707,100
Sludge Management.		1,238,830		
<b>Total Capital Expenditure</b>	<b>6,394,534</b>	<b>1,238,830</b>		<b>7,633,364</b>

This is not considered to be the end of upgrade to the Te Kuiti Waste Water Treatment Plant. The variation represents Council's best estimate of what can be achieved over the next few years. It in no way represents a total solution for the next 20 to 30 years. Environmental well-being is and will continue to be a key consideration at all levels of Government. It is envisaged that there will be continued upward pressure on environmental standards and such pressure will have implications for wastewater treatment processes over time. The continued upward pressure on environmental standards combined with the fact that large industrial users (in particular the meat processing companies) of Council's wastewater network will need time to consider and develop on-site treatment options, means that further investment in the Te Kuiti Wastewater Treatment Plant will be required beyond 2011/12. This will be a matter for further consideration in the development of the 2012-22 LTP.

The Discharge Consent application is in process and will be notified followed by a Hearing. Environment Waikato (EW) expect discharge to land of at least a part of the discharge for at least the summer months. If land discharge goes forward it will add cost to the upgrade budget. Council is working with EW to find an equitable solution.

## *Te Waitere*

The following key projects for Te Waitere Sewerage were established by the 2009–19 LTP for the 2011/12 financial year:

- Renewal and extension of the soakage field: this project has been deferred to 2012–22 LTP because land for development is required. The land where the existing field is located has proved to be unstable and public consultation is needed about the future development of the Te Waitere.
- Replacement of the existing pump line to the soakage field as the pump line is at the end of its useful life.

## *Benneydale*

The following key projects for Benneydale Sewerage were established by the 2009–19 LTP for the 2011/12 financial year:

- Obtaining a wastewater discharge consent for the Benneydale Sewerage Scheme.
- General wastewater reticulation renewals.
- Wastewater reticulation extension.

Of these, the following key projects are to go ahead in the 2011/12 year:

- A discharge consent for Benneydale Sewerage Scheme has been obtained.
- Major reticulation extension works in the Benneydale Village has received Ministry of Health Subsidy and therefore construction will go ahead.
- Establishment of a soakage field has received Ministry of Health Subsidy and will be undertaken.

The following key projects that were originally established by the 2009–19 LTP for the 2011/12 year, are now cancelled, deferred or altered by the EAP:

- Earlier proposed reticulation renewal work has been deferred to the 2012–22 LTP.

## *Piopio*

The following key projects for Piopio Sewerage were established by the 2009–19 LTP for the 2011/12 financial year:

- Completion of the construction of the new sewerage scheme (this project is anticipated to be completed and fully operational in the 2012/13 year).

## 2.13.2 Statement of Service Performance

**Strategic Goal 1:** To protect public health and property from sewage overflows.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
A reliable removal and treatment service is provided.	Number of sewage overflow events per year at any one wastewater scheme.	<5	<5	<5
	Length of disruption of service to individual properties: - less than 4 hours.	95%	95%	95%
	- less than 12 hours.	100%	100%	100%
Service requests and failures are responded to as they come in.	Response time for feed back to customer on what is being done following receipt of service request/complaint.	1 working day	1 working day	1 working day
	Response time for urgent requests for service.	90% within 4 hours	90% within 4 hours	90% within 4 hours
	Response time for non-urgent requests.	90% within 10 working days	90% within 10 working days	90% within 10 working days
	Time to restore service restored within 24 hours.	24 hours	24 hours	24 hours
	Percentage of customers who rate responsiveness of customer services as good or better.	75%	75%	75%
Sewage is managed without risk to public health.	Number of sewage overflows into habitable buildings due to faults in the wastewater system.	Nil	Nil	Nil
	Time to complete clean up and sanitising of overflows.	within 24 hours of notification	within 24 hours of notification	within 24 hours of notification
Service provides social benefits to the whole of the community.	Percentage of residents at each WW scheme who are satisfied with the quality of the wastewater disposal system in their community.	90%	90%	90%

**Strategic Goal 2:** To Enable economic growth.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Wastewater connections are available.	Percentage of ratepayers within each defined sewerage area who can connect to the network.	100%	100%	100%

**Strategic Goal 3:** To Protect the environment from the adverse effects of wastewater.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
The quality of effluent leaving the treatment plant is of a standard required by consents.	Percentage of test results that meet consent conditions.	100%	100%	100%
Sewage treatment is managed without adversely affecting the quality of the receiving environment.	Number of complaints regarding receiving water quality as a result of effluent discharge.	Nil	Nil	Nil
	Percentage compliance with consent conditions.	100%	100%	100%
	Percentage of risk management plans in place for pumping stations and treatment plants.	95%	100%	100%
	Number of odour complaints recorded per year at each scheme.	< 5	< 5	< 5



*Te Kuiti Pump Station*

## 2.13.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(705)	Te Kuiti Sewerage	(934)	(4,499)	(3,565)
(914)	Benneydale Sewerage	(2)	0	2
(1,571)	Piopio Sewerage	0	(722)	(722)
<b>(3,190)</b>	<b>Total Income</b>	<b>(936)</b>	<b>(5,221)</b>	<b>(4,285)</b>
	<b>Direct Operating Expenditure</b>			
1,752	Te Kuiti Sewerage	2,240	1,959	(281)
55	Te Waitere Sewerage	76	40	(36)
91	Benneydale Sewerage	126	156	29
122	Piopio Sewerage	285	258	(27)
<b>2,020</b>	<b>Total Direct Expenditure</b>	<b>2,727</b>	<b>2,413</b>	<b>(314)</b>
<b>(1,170)</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>1,791</b>	<b>(2,808)</b>	<b>(4,599)</b>
	<b>Capital Expenditure</b>			
2,641	Te Kuiti Sewerage	876	6,106	5,230
388	Te Waitere Sewerage	2	185	183
1,076	Benneydale Sewerage	21	23	2
1,860	Piopio Sewerage	0	1,104	1,104
<b>5,965</b>	<b>Total Capital Expenditure</b>	<b>899</b>	<b>7,418</b>	<b>6,519</b>
<b>4,795</b>	<b>Total Expenditure</b>	<b>2,690</b>	<b>4,610</b>	<b>1,920</b>
	<b>Funded By</b>			
(3,375)	Loans	(757)	(2,821)	(2,064)
(105)	Reserves	(142)	(287)	(145)
(1,047)	Target Rate - Te Kuiti	(1,306)	(1,179)	127
(55)	Target Rate - Te Waitere	(76)	(40)	36
(91)	Target Rate - Benneydale	(124)	(113)	11
(122)	Target Rate - Piopio	(285)	(170)	115
<b>(4,795)</b>	<b>Total Funding</b>	<b>(2,690)</b>	<b>(4,610)</b>	<b>(1,920)</b>

Included in operating revenue is subsidy revenue that is to fund proposed capital expenditure projects as detailed below.

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
(705)	Operating Income	(936)	(849)	87
(2,485)	Subsidy Revenue for Capital Expenditure	(0)	(4,372)	(4,372)
<b>(3,190)</b>	<b>Total Operating Income</b>	<b>(936)</b>	<b>(5,221)</b>	<b>(4,285)</b>

## ***2.13.4 Variations Between LTP 2009-19 and Exceptions Annual Plan***

### ***Operating Income for Te Kuiti Sewerage***

It is assumed that subsidy revenue from the Ministry of Health will be received to fund the capital expenditure for the upgrade of the Te Kuiti Waste Water Treatment Plant.

If subsidy is not received, work on this project will be undertaken on a staged basis over a period of five to seven years and only on the basis of available rate funding.

### ***Operating Income for Piopio Sewerage***

It is assumed that subsidy revenue from the Ministry of Health will be received to fund the capital expenditure for the completion of the Piopio Sewerage Reticulation and Treatment Plant.

### ***Operations and Maintenance Expenditure for All Schemes***

Operational and maintenance expenditure is assumed to have increased for all the schemes due to additional operating expenditure being provided for mechanical and electrical maintenance, mains power maintenance and servicing, licensing of instrumentation, rates and insurance. These costs have been partially offset by a reduction in the operations and maintenance costs with Council's main service provider, through Council assuming more risk for maintenance repairs to faults in each of the systems.

### ***Piopio Sewerage***

The upgrade of the Piopio Wastewater Treatment Plant is not yet complete meaning that direct costs are not budgeted to be spent as anticipated in the 2009–19 LTP. Now that the resource consent for the project has been granted it is anticipated that the scheme will be completed and fully operational by the 2012/13 financial year.



## 2.14 Economic Sustainability

The Economic Sustainability group of activities promotes outcomes which focus on providing the necessary infrastructure to enable communities throughout the urban environment to prosper and to ensure that the District as a whole is able to transport its produce and necessities to and from the marketplace. The growth and maintenance of tourism, farming and other commerce and industry is dependent on the provision of a reliable transport network. The provision of Council services throughout the District requires considerable financial resources and hence, in order to relieve the burden on the ratepayers, Council undertakes various investment activities.

### Activities Comprised in this Group:

- Water Supply
- Land Transport
- Investments

## 2.15 Summary Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(1,451)	Water Supply	(618)	(1,266)	(648)
(5,262)	Land Transport	(6,383)	(5,566)	817
(80)	Investments	(513)	(82)	431
<b>(6,793)</b>	<b>Total Income</b>	<b>(7,514)</b>	<b>(6,914)</b>	<b>600</b>
	<b>Direct Operating Expenditure</b>			
1,920	Water Supply	2,085	1,910	(175)
8,831	Land Transport	10,107	8,703	(1,404)
666	Investments	574	577	3
<b>11,417</b>	<b>Total Direct Expenditure</b>	<b>12,766</b>	<b>11,190</b>	<b>(1,576)</b>
<b>4,624</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>5,252</b>	<b>4,276</b>	<b>(976)</b>
	<b>Capital Expenditure</b>			
1,534	Water Supply	1,120	1,193	73
4,996	Land Transport	6,459	4,786	(1,673)
<b>6,530</b>	<b>Total Capital Expenditure</b>	<b>7,579</b>	<b>5,979</b>	<b>(1,600)</b>
<b>11,154</b>	<b>Total Expenditure</b>	<b>12,831</b>	<b>10,255</b>	<b>(2,576)</b>
	<b>Funded By</b>			
(2,673)	Loans	(1,536)	(1,084)	(452)
(2,297)	Reserves	(2,508)	(2,258)	250
(291)	General Rates	(7)	(179)	(172)
(493)	UAGC	(399)	(514)	(115)
(5,400)	Service Charges	(8,381)	(6,220)	2,161
<b>(11,154)</b>	<b>Total Funding</b>	<b>(12,831)</b>	<b>(10,255)</b>	<b>(2,576)</b>

## 2.16 Water Supply

### Description

The purpose of the Water Supply Activity is to supply safe water to the communities in the Waitomo District. Water supply is essential for maintaining public health, provides fire fighting capacity in urban areas and facilitates economic growth. The Council is committed to providing a water supply service that meets the diverse needs of the Waitomo Community.

### Activities

The activities involve extraction, treatment and supply of public water supplies at Te Kuiti, Benneydale, Mokau and Piopio.

### 2.16.1 Key Projects for 2011/12

#### Te Kuiti Water Supply

The key projects for Te Kuiti Water Supply were established by the 2009–19 LTP for the 2011/12 financial year. The work is required due to the deteriorated condition of this asset and is fundamental for Council to move towards the goal of compliance with the requirements of the Drinking Water Act 2007 (amended 2008) by the new compliance date of 1 July 2013, as announced by the Government on 24 June 2009.

The following key projects were established by the 2009–19 LTP for the 2011/12 financial year and are now to be deferred to the 2012/13 year:

- Partial Upgrade of the Te Kuiti Water Treatment Plant including:
  - Upgrade instrumentation to provide for data capture through Scada and Telemetry.
  - Automate chemical dosing to improve reliability and meet the Drinking Water Act (2007).
  - Modify pipe work between filters and clear water tanks. This work is required because the present pipe system leaks the filtered wash water into final treated water.
  - Provide chlorination contact tank. The current reservoir used as a final contact tank is short-circuiting therefore there is not enough contact time for the chlorine to be effective resulting in TKWS not meeting the requirements of the Drinking Water Act (2007).
  - Modify chlorination system to meet Health and Safety standards.
  - Replace access and walkways over clarifiers to meet Health and Safety requirements.
  - Renew badly corroded pipe work around reservoir and main supply pumps.
  - Modify the river intake to remove issues with and reduce the risk of inadequate extraction of water during low flows that are experienced during summer.
  - Modify existing building including:
    - Bases of steel columns which are badly corroded and pose a significant Health and Safety concern.
- Carbon dosing equipment upgrade including:
  - Carbon dosing which will provide better control over the taste and odour of the treated water.
  - Existing system is a temporary jury rigged system that was installed in 2005. This needs to be upgraded because it is not providing a suitable service.
  - The operation poses Health and Safety risks that have been raised several times by the operating contractor.
- Upgrade of clarifiers including:
  - Refurbishment of existing clarifiers which are 30 years old. They require a clean out, repairs to cracks and replacement of cone and sludge discharge systems.
  - Automation of operation to meet Drinking Water Act (2007).
  - Automation of filters to integrate operation with that of clarifiers.

The following are key projects for the 2011/12 financial year, are eligible for Ministry of Health funding:

- Ultra Violet.
- Scada and Telemetry.
- Storage reservoir to meet storage requirement of Drinking Water Act (2007).

## Benneydale Water Supply

There are no key projects for the Benneydale Water Supply for the 2011/12 financial year as this supply is in good condition.

## Piopio Water Supply

The following key project is additional to those established by the 2009-19 Long Term Plan for the 2011/12 financial year:

- The upgrade of the Piopio Water Treatment Plant. This proposed project is subject to receiving Ministry of Health subsidy.

The following key project has been deferred to the 2012/13 financial year:

- Upgrade of filter and pipe work within the Treatment Plant. This work will need to go ahead irrespective of whether or not Ministry of Health subsidy is received due to the deteriorated condition of these assets.

## Mokau Water Supply

The following key projects for Mokau Water Supply were established by the 2009-19 LTP for the 2011/12 financial year:

- Raw water storage dam to improve the security of supply particularly over the summer period.
- Upgrade of storage dam to meet building consent requirements.

## 2.16.2 Statement of Service Performance

**Strategic Goal 1:** Safe drinking water in accordance with NZ Drinking Water Standards.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Pleasant tasting and looking drinking water is provided.	Percentage of customers who are satisfied with the quality of their drinking water.	85%	90%	90%
	Number of complaints per annum regarding water supply quality, at any supply scheme.	<10	<10	<10
	Percentage of customers who are satisfied with the water pressure.	95%	95%	95%
	Percentage compliance with 2007 Health (Drinking Water) Amendment Act.	100%	100%	100%
	Minimum pressure at point of supply during normal operations.	>65 kpa	>65 kpa	>70 kpa
Water resources are used efficiently and sustainably.	Average water consumption per head of population at each scheme area.	250 litres	225 litres	225 litres
	Percentage compliance with Resource Consents.	100%	100%	100%
Water supply is adequate for public health and fire fighting purposes.	Confirmed illnesses attributable to consumption of Council water supply services.	Nil	Nil	Nil
	Percentage compliance with NZ Drinking Water Standards 2005.	95%	100%	100%
	Percentage of serviced properties within each scheme area having an operational fire hydrant within distance specified by Fire Service.	100%	100%	100%
	Percentage of fire hydrants meeting annual compliance test with fire fighting standards.	90%	95%	95%
	Public Health Risk Management Plans adopted and implemented.	100%	100%	100%

**Strategic Goal 2:** Reliable water supplies, minimising supply disruptions through improved maintenance and meeting peak water supply demands.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
A reliable water supply is provided.	Percentage of customers who are satisfied with the reliability of their water supply services.	85%	90%	90%
	Percentage of affected customers who receive at least 24 hours notice of any planned shutdown.	90%	90%	90%
	Availability of a 24x7 service for reporting problems.	100%	100%	100%
	Contingency plans are in place, and have been approved by the appropriate authorities.	95%	100%	100%
Failures and service requests are responded to promptly.	Percentage of supply disruptions restored within 4 hours after first notification.	90%	90%	90%
	Number of complaints per year per water supply scheme, relating to time to restore service.	<10	<10	<10
	Number of working days taken to acknowledge complaints.	<3	<2	<2
	Percentage of non-urgent service requests monitored and resolved within one month of receipt.	95%	95%	95%

**Strategic Goal 3:** Cost effective operation, maintenance of and improvements to water supply systems including treatment facilities, pumping stations, reservoirs and piped reticulation.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
The services are managed at the lowest possible cost for the required level of service.	Percentage of customers who are satisfied that the water supply cost and service is fair and reasonable.	75%	75%	75%
	Percentage of capital development programme as set out in the LTP implemented on time and within budget.	100%	100%	100%

## 2.16.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(573)	Te Kuiti Water	(591)	(511)	80
(561)	Mokau Water	(10)	(735)	(725)
(309)	Piopio Water	(9)	(12)	(3)
(8)	Benneydale Water	(8)	(8)	0
<b>(1,451)</b>	<b>Total Income</b>	<b>(618)</b>	<b>(1,266)</b>	<b>(648)</b>
	<b>Direct Operating Expenditure</b>			
1,315	Te Kuiti Water	1,348	1,313	(35)
258	Mokau Water	361	261	(100)
186	Piopio Water	215	207	(8)
161	Benneydale Water	161	129	(32)
<b>1,920</b>	<b>Total Direct Expenditure</b>	<b>2,085</b>	<b>1,910</b>	<b>(175)</b>
<b>469</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>1,467</b>	<b>644</b>	<b>(823)</b>
	<b>Capital Expenditure</b>			
319	Te Kuiti Water	292	21	(271)
750	Mokau Water	771	1,153	382
444	Piopio Water	51	13	(38)
21	Benneydale Water	6	6	0
<b>1,534</b>	<b>Total Capital Expenditure</b>	<b>1,120</b>	<b>1,193</b>	<b>73</b>
<b>2,003</b>	<b>Total Expenditure</b>	<b>2,587</b>	<b>1,837</b>	<b>(750)</b>
	<b>Funded By</b>			
(558)	Loans	(924)	(437)	487
(95)	Reserves	(155)	0	155
(782)	Target Rate - Te Kuiti	(798)	(803)	(5)
(238)	Target Rate - Mokau/Awakino	(352)	(251)	101
(177)	Target Rate - Piopio	(206)	(192)	14
(153)	Target Rate - Benneydale	(152)	(154)	(2)
<b>(2,003)</b>	<b>Total Funding</b>	<b>(2,587)</b>	<b>(1,837)</b>	<b>750</b>

Included in operating revenue is subsidy revenue that is to fund proposed capital expenditure projects as detailed below.

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
(599)	Operating Income	(618)	(540)	78
(852)	Subsidy Revenue for Capital Expenditure	(0)	(726)	(726)
<b>(1,451)</b>	<b>Total Operating Income</b>	<b>(618)</b>	<b>(1,266)</b>	<b>(648)</b>

## ***2.16.4 Variations Between LTP 2009-19 and Exceptions Annual Plan***

### ***Operating Income***

Subsidy income was sought from the Ministry of Health to fund the capital works programme for Mokau. This funding source was not budgeted for or expected to be required when the 2009-19 Long Term Plan was adopted.

Half-year results to 31 December 2010 show that revenue for Te Kuiti Water Supply from the supply of water to metered installations (including industrial users) could be less than forecast in the 2009-19 Long Term Plan. Budgets for the 2011/12 financial year have been prepared on the basis of that trend continuing.

### ***Operations and Maintenance Expenditure for All Schemes***

It is assumed that maintenance and operational expenditure will not vary significantly between the 2009-19 Long Term Plan and the EAP budgets, due to a re-negotiated maintenance contract between Council and its service provider. Any minor reduction in expenditure is expected to be offset with the requirement to budget for mechanical and electrical maintenance costs, servicing and maintenance of instrumentation, maintenance of mains power supplies, rates and insurance.

The reduction in the maintenance service contract has been achieved by Council assuming more risk for one-off repairs to the systems. These were previously provided for in the maintenance contract.

### ***Indirect Direct Costs***

It is assumed that in 2011/12 interest costs for the Mokau water supply system will be less than expected in the 2009-19 LTP due to Ministry of Health subsidy being received to fund the scheme upgrade.

Interest costs for Te Kuiti Water Supply are expected to be less than budgeted for in the 2009-19 Long Term Plan due to capital expenditure and the associated loan funding over the last three financial years being delayed.



*Benneydale Water Supply*

## 2.17 Land Transport

### *Description*

The Land Transport activity involves the maintenance and development of roads, kerbs and channels, bridges, street lighting, footpaths and street cleaning for all of the Waitomo District, with the exception of the State Highways. The latter are managed by the New Zealand Transport Agency (NZTA). The Council maintains its roads under contract to a standard that provides safe and comfortable driving within the limitations of available funding.

### *Activities*

#### *Subsidised Roading*

NZTA is the national road funding authority and provides a subsidy for works that meet the criteria for subsidy. The Activities currently subsidised by NZTA are:

- Sealed Pavement Maintenance
- Routine Drainage Maintenance
- Environmental Maintenance
- Level Crossing Warning Devices
- Network and Asset Management
- Unsealed Pavement Maintenance
- Structures Maintenance
- Traffic Services Maintenance
- Emergency Reinstatement
- Professional Services

#### *Unsubsidised Roading*

These are activities carried out to ensure safe and efficient travel within and through the district as necessary for road or pedestrian safety and convenience but are not subsidised by NZTA. The Council has sole financial responsibility for this activity. The functions include:

- Footpath Maintenance
- Amenity Lights
- Street Cleaning
- Footpath Renewals
- Unsubsidised Miscellaneous Work
- Carpark Maintenance (other than kerbside parking)

### *2.17.1 Key Projects for 2011/12*

The following key projects for Land Transport were established by the 2009–19 LTP for the 2011/12 financial year:

- Drainage renewals
- Pavement Rehabilitation
- Traffic services replacements
- Emergency reinstatement works as required
- Sealed Pavement Surfacing
- Structures components replacement
- Unsealed road metalling

The following key projects were originally established by the 2009-19 Long Term Plan for the 2011/12 financial year and are now to be deferred or altered by the EAP.

The majority of these changes are the result of the Financial Sustainability and Rates Affordability Review undertaken by Council in the second quarter of 2009/10. This review project was established by the 2009-19 Long Term Plan for completion ahead of the 2010/11 Exceptions Annual Plan Process. Amongst other findings the review process identified that the following projects could either be deferred or reduced in scope in the medium term without having any material or long term impact on Service Levels. It is proposed that the spend on renewals and rehabilitation projects return to the levels established by the 2009-19 Long Term Plan by 2013/14 year.

- Construction of a Stock Truck Effluent Disposal Facility (\$160,000) will only proceed if it is cost neutral to the Council.
- Cancellation of the Walking and Cycling Strategy and Review projects.
- Reduction in Minor Improvements budgets associated with both Asset Renewal and Asset Improvements driven by district growth.
- Reduction in Pavement Rehabilitation and Footpath Renewal budgets.
- Reduction in Drainage Renewals budget.
- Reduction in Sealed Road Surfacing renewal budget.

## 2.17.2 Statement of Service Performance

**Strategic Goal 1:** The transport network supports the economic and lifestyle needs of the District through provision of access to properties, passage of through traffic, and effective transportation of goods and services.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
The rideability of the roading network is maintained in good condition and is 'fit for purpose'.	The number service complaints in any one month regarding the condition of the roading surface.	<4	<4	<4
	Sealed road lane kilometres exceeding a NAASRA roughness count rating of 150.	<8%	<8%	<8%
The transportation system is reliable and travel times are predictable.	Percentage of persons who rate the reliability of the District's roading network as good or excellent in the Customer satisfaction survey.	65%	65%	65%
Road users find the road environment predictable and the road safe to use.	Percentage of persons who as users rate the District's street lighting as good or excellent in the Customer satisfaction survey.	70%	70%	70%
The network's traffic marking and signage facilities are up to date, in good condition and 'fit for purpose'.	The number of service complaints per month regarding missing, damaged or inaccurate road signage.	<3	<3	<3
Traffic services (street lighting, roadside vegetation, road signs, road markings) are visible and accurate.	Percentage of road users satisfied that road signage and markings on the network is accurate and visible in the Customer satisfaction survey.	70%	70%	70%
Road Corridor users (pedestrians, joggers, disabled persons etc) are able to use the road corridors in a safe and convenient manner.	The number of users who agree the standard of footpaths is good or excellent in the Customer satisfaction survey.	70%	70%	70%
The roading network is open and accessible to users.	The number of road closures per month due to bank slippages or blockages.	<1	<1	<1
The roading corridor feels safe to the user.	The number of complaints per month regarding damaged footpaths.	<3	<3	<3
	Bridge condition is inspected and reported annually.	100% achieved	100% achieved	100% achieved
	Time of response to reported defects and faults.	Within 24 hours	Within 24 hours	Within 24 hours



## 2.17.3 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
(5,222)	Subsidised Roads	(6,341)	(5,506)	835
(40)	Non-Subsidised Roads	(42)	(60)	(18)
<b>(5,262)</b>	<b>Total Income</b>	<b>(6,383)</b>	<b>(5,566)</b>	<b>817</b>
	<b>Direct Operating Expenditure</b>			
8,499	Subsidised Roads	9,749	8,463	(1,286)
332	Non-Subsidised Roads	358	240	(118)
<b>8,831</b>	<b>Total Direct Expenditure</b>	<b>10,107</b>	<b>8,703</b>	<b>(1,404)</b>
<b>3,569</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>3,724</b>	<b>3,137</b>	<b>(587)</b>
	<b>Capital Expenditure</b>			
4,507	Subsidised Roads	5,944	4,570	(1,374)
489	Non-Subsidised Roads	515	216	(299)
<b>4,996</b>	<b>Total Capital Expenditure</b>	<b>6,459</b>	<b>4,786</b>	<b>(1,673)</b>
<b>8,565</b>	<b>Total Expenditure</b>	<b>10,183</b>	<b>7,923</b>	<b>(2,260)</b>
	<b>Funded By</b>			
(2,115)	Loans	(612)	(647)	(35)
(2,202)	Reserves	(2,353)	(2,212)	141
(198)	UAGC	(345)	(244)	101
(2,544)	District Wide Rate	(3,743)	(2,334)	1,409
(1,214)	Catch Up	(2,814)	(2,306)	508
(29)	Target Rate - Rural	(32)	(18)	14
(263)	Target Rate - urban	(284)	(162)	122
<b>(8,565)</b>	<b>Total Funding</b>	<b>(10,183)</b>	<b>(7,923)</b>	<b>2,260</b>

Included in operating revenue is subsidy revenue that is to fund proposed capital expenditure projects as detailed below.

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
(2,614)	Operating Income	(2,895)	(2,880)	15
(2,648)	Subsidy Revenue for Capital Expenditure	(3,488)	(2,686)	802
<b>(5,262)</b>	<b>Total Operating Income</b>	<b>(6,383)</b>	<b>(5,566)</b>	<b>817</b>

## ***2.17.4 Variations Between LTP 2009-19 and Exceptions Annual Plan***

### ***Subsidised Roads***

It is proposed that direct operating and maintenance expenditure for Subsidised Roads be reduced from the 2009-19 Long Term Plan; in particular reduced expenditure on community based projects, environmental maintenance, network and asset management, sealed pavement maintenance, structures maintenance, unsealed road metalling and asset data collection. These cost reductions are partially offset by increased costs for asset management plans (as part of the LTP 2012–22 process) and making provision for expected losses on disposal of replaced assets. The proposed expenditure of \$160,000 for stock truck effluent disposal facilities will proceed only if totally subsidised.

Indirect expenditure is forecast to be less than provided for in the 2009-19 Long Term Plan as result of decreases in depreciation and internal interest. Depreciation is forecast to be less as a direct result of the Land Transport Infrastructural Assets Revaluation. Internal interest is forecast to be less than LTP due to reduced internal loans being raised in both the current financial year (2010/11) and the prior year (2009/10). These reductions are offset in part by an increase in allocated overhead expenditure. The reason for the allocated cost increase is due to the requirement of expensing costs that were assumed to be capital in nature in the LTP.

It is proposed that there be a significant reduction in capital expenditure for Subsidised Roads. The major work categories where expenditure is proposed to be reduced include pavement rehabilitation, associated improvements for growth and renewals, drainage renewals, sealed road surfacing and structures component replacement. These proposed expenditure savings are partially offset by increases in expenditure for traffic services renewals (signs) and unsealed road metalling.

If the proposed reduced capital expenditure is adopted there will be a reduction in the forecasted NZTA subsidy.

### ***Subsidised Roads Funding***

The 2009-19 Long Term Plan provided for all operational expenditure to be fully funded out of operational income and Subsidised Roads. In the second quarter of the 2009/10 financial year Council undertook the Financial Sustainability and Rates Affordability Project established by the LTP for completion in advance of the 2010/11 Exceptions Annual Plan process, with flow on effects for the Exceptions Annual Plan 2011/12. The outcome of that review was that it was sensible under the principles of Prudent Financial Management and Affordability to slow down the catch up of rate funding for loan funding of operating expenditure by extending the recovery over one further financial year. As a result the loan funding of operating expenditure is proposed to increase by \$35,000 when compared with the LTP.

Both the LTP and the EAP propose the full funding of local share of renewal capital expenditure out of depreciation reserves. However, as explained above, Council's renewal programme has been reduced in the medium term in the interests of Financial Sustainability and Rates Affordability. As a result if Council were to fully fund depreciation for the Subsidised Land Transport Activity it would be generating surplus depreciation funds that it could not deploy in the same financial year. Therefore this EAP proposes an exception to the Balanced Budget Requirement of the Local Government Act 2002 in that it proposes not to fully fund depreciation in the Land Transport Activity (subsidised roads) for the 2011/12 financial year. The amount of depreciation proposed not to be funded is approximately \$325,000. To fully fund this depreciation would undermine the work undertaken by Council in the Financial Sustainability and Rates Affordability Review.

## 2.18 Investments

### *Description*

Council has investments in land and other entities that it holds for the Social and Economic well-being of the community and to generate income.

### *Activities*

#### *Council Controlled Organisations*

##### Investment in Local Authority Shared Services (LASS)

The Council has an equal share with each of the 13 local authorities situated within the boundaries of the Waikato region, in LASS Ltd. The principal objective is for the Company to provide the most effective access to information of mutual value to the regional community using modern technology and processes.

##### Investment in Inframax Construction Ltd (ICL)

Inframax Construction Ltd is a roading construction and maintenance company wholly owned by the Waitomo District Council as a Council Controlled Trading Organisation.

As in previous years, the Council will continue to evaluate its investment in ICL having regard to the impact of its decisions on the social and economic well-being of the District community, in accordance with the Local Government Act 2002.

### *Investment Properties*

##### Council Owned Quarries

Maintenance and management of Council owned quarries. The Council owns 24 quarries throughout the District of which seven are currently operational. The quarries are a major source of aggregate in support of the Council's substantial road maintenance/ construction activities.

##### Forestry located at Waitomo District Landfill

Maintenance and management of forestry located at the Waitomo District Landfill. The forestry was predominantly planted in 1994 and comprises some 15.7 hectares of pine trees.

### 2.18.1 Statement of Service Performance

**Strategic Goal 1:** Council investments contribute to the economic and environmental well-being of the District community.

Level of Service	Key Performance Indicator	Performance Targets		
		2011/12	2012/13	2013/14
Investments contribute to economic and social well-being.	Viability and rationale of investment property regularly reviewed.	-	Review of investment property completed 2012	Review of investment property completed 2012
	Company performance and future investment in Inframax Construction Limited reviewed on an annual basis.	Review completed	Review completed	Review completed

## 2.18.2 Cost of Service Statement

EAP 2010/11 \$000's		LTP 2011/12 \$000's	EAP 2011/12 \$000's	Variance to LTP \$000's
	<b>Operating Income</b>			
0	Inframax Construction Ltd	(428)	0	428
(80)	Council Owned Quarries	(85)	(82)	3
<b>(80)</b>	<b>Total Income</b>	<b>(513)</b>	<b>(82)</b>	<b>431</b>
	<b>Direct Operating Expenditure</b>			
598	Inframax Construction Ltd and LASS	550	559	9
68	Investment Properties	24	18	(6)
<b>666</b>	<b>Total Direct Expenditure</b>	<b>574</b>	<b>577</b>	<b>3</b>
<b>586</b>	<b>Net Operating Cost/ (Surplus)</b>	<b>61</b>	<b>495</b>	<b>434</b>
<b>586</b>	<b>Total Expenditure</b>	<b>61</b>	<b>495</b>	<b>434</b>
	<b>Funded By</b>			
0	Reserves	0	(46)	(46)
(291)	General Rates	(7)	(179)	(172)
(295)	UAGC	(54)	(270)	(216)
<b>(586)</b>	<b>Total Funding</b>	<b>(61)</b>	<b>(495)</b>	<b>(434)</b>

## 2.18.3 Variations Between LTP 2009-19 and Exceptions Annual Plan

### Investment in Inframax Construction Limited

The 2009-19 Long Term Plan was based on the assumption that a modest investment return in the form of Dividends and Subvention payments will be received from Inframax Construction Limited to meet loan interest costs associated with the establishment of the Company and subsequent injection of working capital. It is assumed no investment return from the company will be received during the 2011/12 financial year due to the company's unsatisfactory financial performance over the last three years or so and its need to return to profitability and restore the financial health of its balance sheet.