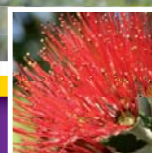
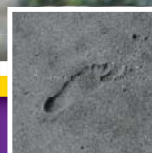
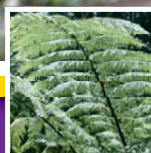
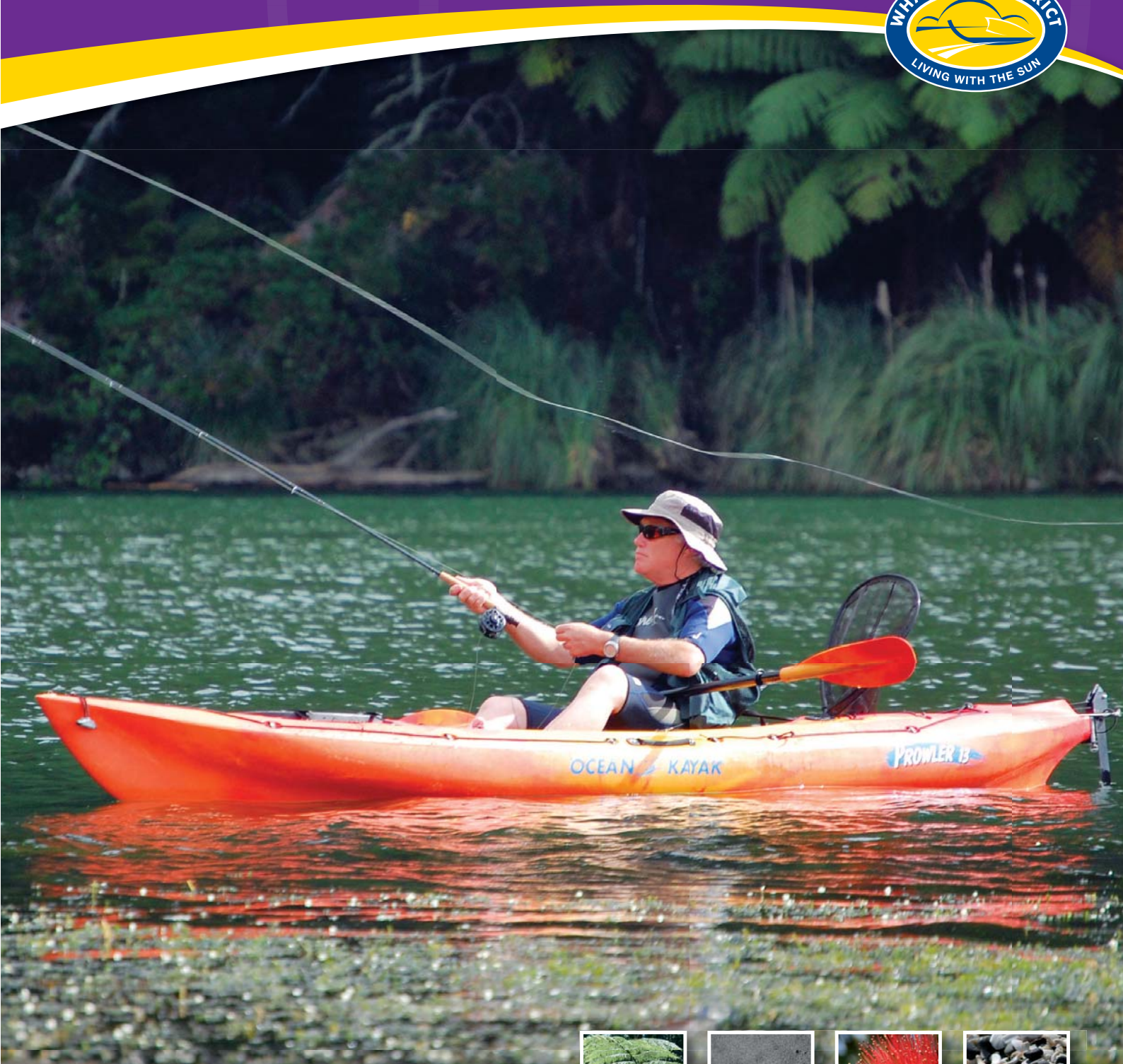


# Annual Plan 2011/12

## Te Rautaki Māhere



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# MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

## MIHI

Piki mai ra, kake mai ra ki tēnei Te Rautaki Māhere. He mihi maioha tēnei kia koutou e ngā iwi, e ngā hapū me ngā reo maha o te rohe whānui o Whakatāne. Takahia te ara poutama o tēnei Rautaki Māhere hei arahi i a tatou mō te tau 2011/12 e tū mai nei. 'Mā tōu rourou, mā tōku rourou te rohe whānui ka ora.'

Nō reira, tēnā koutou, tēnā koutou, tēnā koutou katoa.

## MESSAGE

Welcome to the Whakatane District Council's Annual Plan 2011/12. This Annual Plan represents the third year's work programme and budgets under the Long Term Council Community Plan 2009-19 (LTCCP) – what we plan to do over the next year and how it will be paid for. The Annual Plan is a culmination of work over a nine month period that has included reviewing work programmes as proposed in the LTCCP, a formal public consultation process, hearings on your submissions and deliberations.

This year the Council received 296 submissions on the Draft Annual Plan. Areas of focus for submitters included disaster mitigation works, rates affordability, service delivery in rural areas and roading budget cuts. Some submissions also outlined new proposals and ideas which will be investigated when moving forward into the next Long Term Plan 2012-22 (LTP).

It was very valuable for the Council to hear your views on what is important to you so we can strike the right balance between developing the District, providing the right level of service to our community and maintaining rates at an affordable level.



Tony Bonne  
**MAYOR**



Diane Turner  
**CHIEF EXECUTIVE**

## KEY PROJECTS FOR 2011/12

The 2011/12 year will be busy for the Council. During the year the Council will be developing and consulting on a new LTP for the period 2012-22. The LTP is an important document for the Council and the community because it sets out the Council's priorities and how the Council will work towards addressing major issues facing the District. This is your opportunity to really influence the future of the District. The LTP will be a project that includes all areas of the Council's business and there will be a substantial body of work completed to support the content of the new LTP.

The Council has a number of projects that it will be continuing during 2011/12. We are very excited about the development of a Library and Exhibition Centre (LEC). This project recognises that a long term solution is required to remedy the critical situation in the library and museum in terms of the space shortages, environmental controls and appropriate facilities. This is a great opportunity for Whakatane to showcase many of its valuable treasures, local artists and collections of national significance, as well as provide improved library services to the community. The LEC will provide a tourist attraction as well as a valuable new asset for the community. Construction of the LEC is due to start on 1 July 2011, with the project scheduled for completion in early March 2012.

Another ongoing project for 2011/12 is the review of the Council's District Plan. The Council is working to provide a good framework for the future growth and development of the District. If you are interested in getting involved in "Shaping Whakatane" we encourage you to get involved in this project. Consultation will occur during July/August 2011.

The pipe network for the wastewater system in Edgecumbe sustained damage from the earthquake in 1987. The network has since been further damaged from a swarm of earthquakes that occurred in 2008. The Council has been undertaking investigations and trying to secure funding to repair the damaged infrastructure. A decision made by the Council to advance funding means that the repair works required will now be completed in 2011/12.

The Council is also working with neighbouring coastal councils to look at a collective regional response to the threat of a tsunami in the Bay of Plenty. Initial plans had focussed on installing alert sirens alone; however, the latest research suggests that community planning and education are very important as well. Technology is also changing and a number of other options also exist. Over the next twelve months the Council will be working with the other councils to finalise and implement an integrated warning system for the whole coastal community.

The Council is intending to provide a reticulated wastewater system in Matata. To make this project affordable for the community, the Council has applied for funding from central government to contribute towards the costs. The Council is thrilled to have just received confirmation from Ministry of Health that they will contribute \$6.72m towards the cost of this project. The Council will now begin further consultation with the community, including residents and iwi regarding the proposed works. The Council is also in discussion with the Bay of Plenty Regional Council regarding this project.

## SEVERE WEATHER EVENTS

The Whakatane District has been subject to a large number of severe weather events over the last year and this has had a significant impact on the lives of many people, including the tragic loss of a young life. During these events people have been displaced from their homes or have incurred costs as a result of damage to homes and businesses. The damage to our infrastructure includes roads and bridges, problems with wastewater, stormwater and the water supply in some areas. There are also great costs associated with the clean up of debris, particularly slips.

The number of severe weather events impacting on our District seems to be increasing, with several events per year causing storm damage. As a result of this increased risk, the Council has tried to put a number of things in place to better prepare for such events.

- The Council is working in partnership with the Bay of Plenty Regional Council to develop a whole of catchment approach to solving the stormwater problems experienced in the Whakatane and Ohope area. This project includes looking at the rainwater that falls on the land between and behind Ohope and Whakatane and managing the impacts of the water that falls in these catchments. The Councils are working with landowners and key organisations to develop a long term solution to mitigating the flood hazard in the urban Whakatane and Ohope area. While this project is in the early stages now, investigations and option analysis should lead to a number of projects being planned to be included in the Council's LTP.
- The Council has made a decision in 2010 to build up a contingency fund to pay for storm damage to roading, by putting \$275,000 per year into a special fund, with a maximum balance in the fund of \$1.00m. As a result of the weather events experienced since the fund was established, there are no reserves available to fund the rain events that have occurred during 2011. This means that the Council will have to pay for the latest storm damage through a mixture of long and short term loans, with a rating impact in 2011/12 and beyond. The total costs of the January storm damage is not yet known, but the latest calculations signal that the cost for 2011/12 will be in excess of \$2.40m, adding at least 0.78% to the rates. Costs associated with the June 2011 storm event have not yet been quantified.
- The Council is a member of the Local Authority Protection Programme (LAPP) which is a scheme designed to provide some insurance for the underground assets of local authorities. Due to the scale of destruction in Christchurch as a result of the Earthquakes during 2010/11, the LAPP fund has been exhausted. A strategy has been proposed by LAPP that the scheme fund could be reinstated within 5 years, subject to no disasters. To achieve this position, the Council has decided to increase its contribution from \$40,000 to \$160,000 in line with the strategy.

## RATES AFFORDABILITY

Rates affordability is a key issue for the District. This is the first Annual Plan for the newly elected Council and we have been working hard as a team to effect the changes you have told us about. There are many important projects and costs that the Council is already committed to. While some things could not be changed we have taken a hard look at all of the activities we provide to see where we can make savings.

In recognition of the extra costs that the District will have to face as a result of the storm damage and other budget increases, the Council has looked to try and make savings where possible. Within the Transport Networks Activity a \$1.50m reduction in expenditure has been made, mainly in maintenance costs, for 2011/12. While it would be unsustainable to maintain these cuts over a number of years, the impact from this one year of cuts will not result in a reduction in the quality of our roads. The Council will undertake a thorough investigation into its ongoing maintenance programme during 2011/12, for the LTP, to ensure the prudent management of these essential Council assets. Roading projects will also be reduced, specifically footpath and cycle facilities and a reduced schedule for the walking and cycling programmes in line with central government priority changes. To balance this decrease in the walking and cycling budget, the Council has decided to support a submission made through the Annual Plan process to develop a community-led cycle project in Whakatane.

After hearing your submissions, the Council has made changes to the work programmes and budgets. As a result of changes made since the Draft Annual Plan, the average rating increase is now 7.95% . This increase is lower than the 11.22% proposed in the LTCCP.

There are many challenges ahead of us. Recent events in Christchurch remind us that we never know what is coming - something our communities are only too aware of. We would like to take this opportunity to acknowledge your submissions to the Draft Annual Plan and to emphasise our commitment to fulfilling our new vision and purpose.



**Tony Bonne**  
**MAYOR**  
22 June 2011



**Diane Turner**  
**CHIEF EXECUTIVE**  
22 June 2011

# COUNCIL VISION AND PURPOSE

## **OUR VISION IS**

To be known as the place of choice for people to live, work and play.

In achieving our vision

- Our community will be safe and surrounded by people who are friendly and caring
- Businesses will be thriving
- There will be respect for and pride in our history
- We will be successful guardians of our natural environment

## **OUR PURPOSE IS**

To lead the Whakatane District to sustainable economic, social, environmental and cultural wellbeing.

As a District Council we will achieve this through:

- Good governance, leadership and advocacy
- Integrated long-term planning.
- Effective and reliable community infrastructure
- Outstanding service delivery

*Great Services, Excellent Delivery*



# ABOUT THE ANNUAL PLAN

## THE PLANNING CYCLE

The Annual Plan is part of a longer term planning process.

The Local Government Act 2002 requires us to plan in three-year cycles. Every three years, we publish a Long-Term Council Community Plan (LTCCP) setting out our intentions for the ten years ahead – what we'll do, how we'll do it, how much we'll spend, who will pay, the levels of service we'll provide, and how we'll measure the quality and effectiveness of our work. Our current LTCCP was published in 2009 and covers the period 2009-19. Copies of the LTCCP are available from Council offices, libraries and on the website: [www.whakatane.govt.nz](http://www.whakatane.govt.nz).

Changes in the Local Government Act 2002 have meant that future LTCCP's will now be known as a Long Term Plan (LTP).

In each of the two years between LTCCP's, we produce an Annual Plan. The Annual Plan takes a fresh look at our work programme for the year ahead and considers whether any changes are needed from the LTCCP – such as revisions to our budgets or adjustments to the work programme to help deal with issues or challenges facing the District.

This Annual Plan presents the budget, work programme and intended service levels for the period 1 July 2011 to 30 June 2012 for each of the 36 external activities undertaken by the Council. This is compared to the corresponding year from the LTCCP 2009-19 and any major variations between the two are explained.

## VARIATIONS FROM THE LTCCP

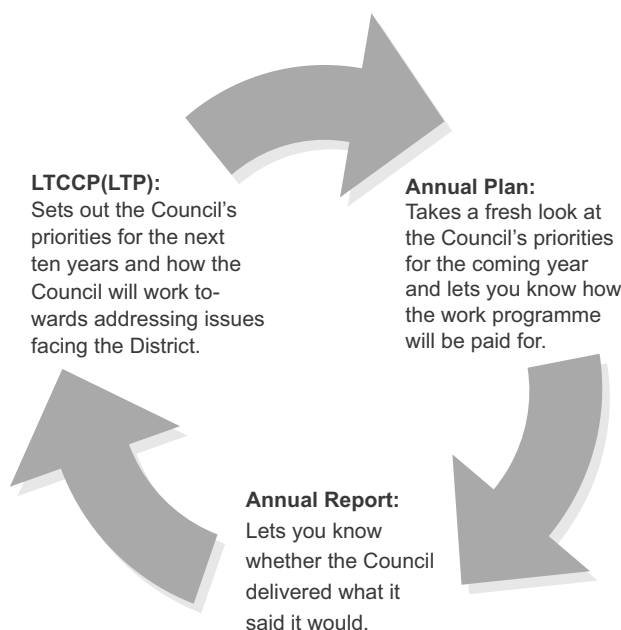
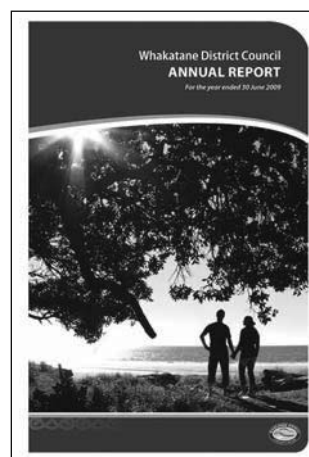
The Annual Plan does have the ability to vary from the work programme, policies and service levels set out in the corresponding year of the LTCCP 2009-19. While minor changes can be effected through the Annual Plan, significant changes can only be made through amendments to the LTCCP.



## BEING ACCOUNTABLE

Each year the Council produces an Annual Report. This sets out how we performed against the Annual Plan for the year. Did we do all we said we'd do? Did we meet our budgets? Did we do as good a job as we should have?

The report is made available on our website and through libraries and service centres, and a summary is sent to all households in the District.





## YOUR VIEWS

### KNOWING WHAT YOU WANT IS IMPORTANT TO US

The Draft Annual Plan was open for consultation from mid March to mid April 2011. During this time copies of the Draft Annual Plan, a summary of the Draft Annual Plan and the Draft Fees and Charges Schedule were available on our website, in our offices and in public libraries. A summary of the Draft Annual Plan was also made available to each household in the District through the Bay Weekend Newspaper.

### CONSIDERATION OF YOUR VIEWS

The Council received 296 submissions on the Draft Annual Plan and 46 submitters presented their submissions at hearings held on 11 and 12 May.

The Council considered the views put forward by submitters when making decisions on the proposals outlined in the Draft Annual Plan. Meetings to deliberate on the proposals were held on 19 and 20 May.

*The Council received  
296 submissions to the  
Draft Annual Plan*

### CHANGES FROM THE DRAFT TO THE FINAL

During the deliberations process the Council considered submissions made by the community on the Draft Annual Plan and have made changes to budgets as a result. Some of the changes include:

- Construction of a sand sausage along the western side of Maraetotara Stream in Ohope to prevent further erosion and protect the Council's assets on the reserve.
- Inclusion of \$20,000 for ToiEDA to provide promotion of the Whakatane District to visitors for the Rugby World Cup
- Supporting a proposal by Cycle Action Whakatane to build a cycle park including a pump track, skills course and track circuit at Warren Park, Whakatane.
- Providing an extra kerbside waste and recycling collection service for Ohope during the three peak weeks of summer to cater for the increased population.

As well as considering submissions, the Council has also provided direction on other issues that impact on the budgets for the 2011/12 year. This includes:

- Increasing the Council's contribution to the Local Authority Protection Programme (LAPP) which provides insurance for the Council's underground assets in case of a natural disaster. The increase is required as a result of the recent Earthquakes in Christchurch.
- Removing the project to implement the Kotui Library System as a result of new information becoming available that means this project is no longer required.

More information about these changes can be found in the Key Issues section of this Annual Plan.

As a result of changes made since the Draft Annual Plan, the average rating increase is now 7.95%. This increase is lower than the 11.22% proposed in the LTCCP.

## ELECTED MEMBERS as at October 2010



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**Whakatane District Council**

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### Whakatane - Ohope Ward



**DEPUTY MAYOR**

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**COUNCILLOR**

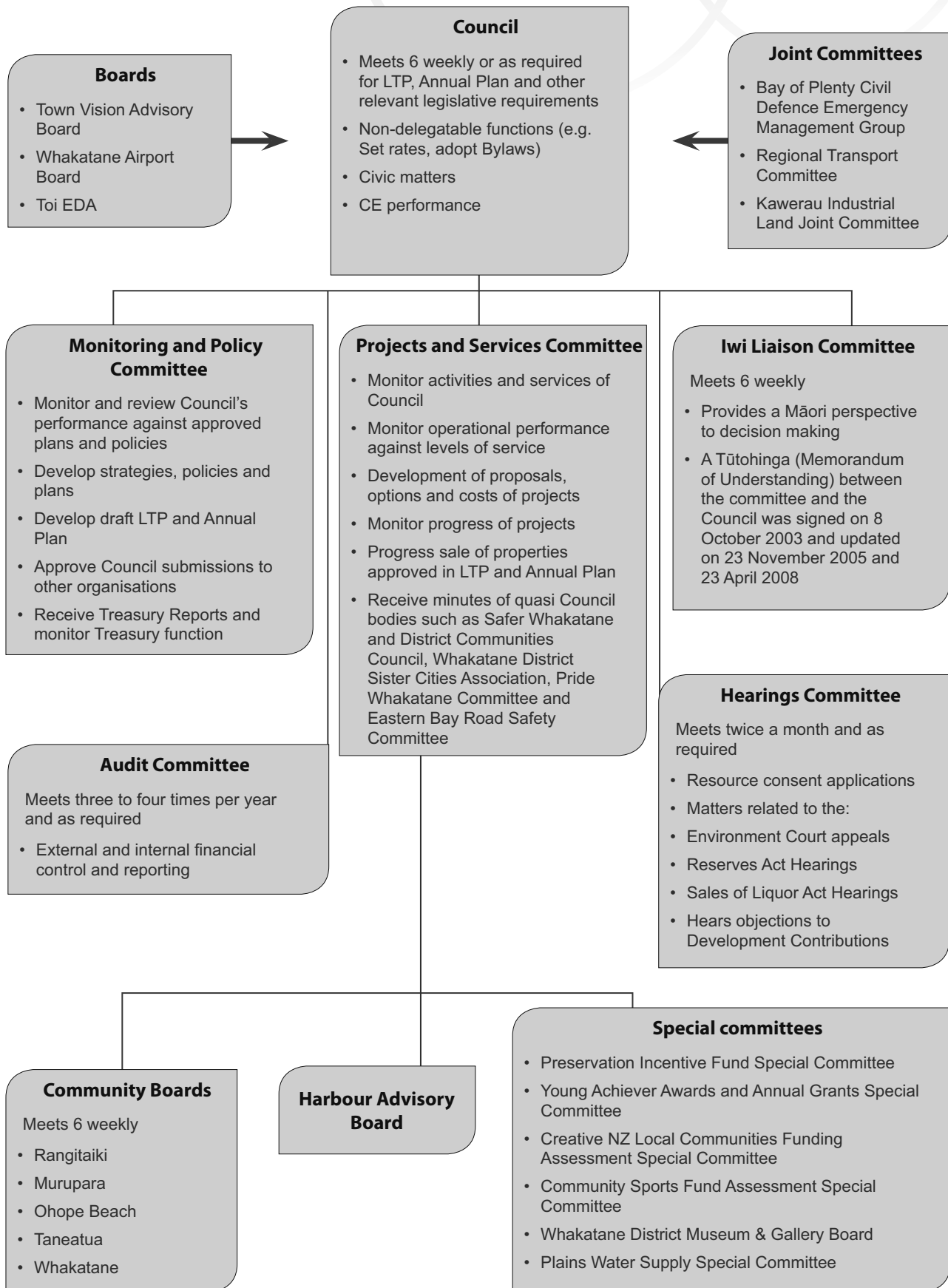
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### Taneatua-Waimana Ward

### Galatea - Murupara Ward

# COUNCIL STRUCTURE as at October 2010

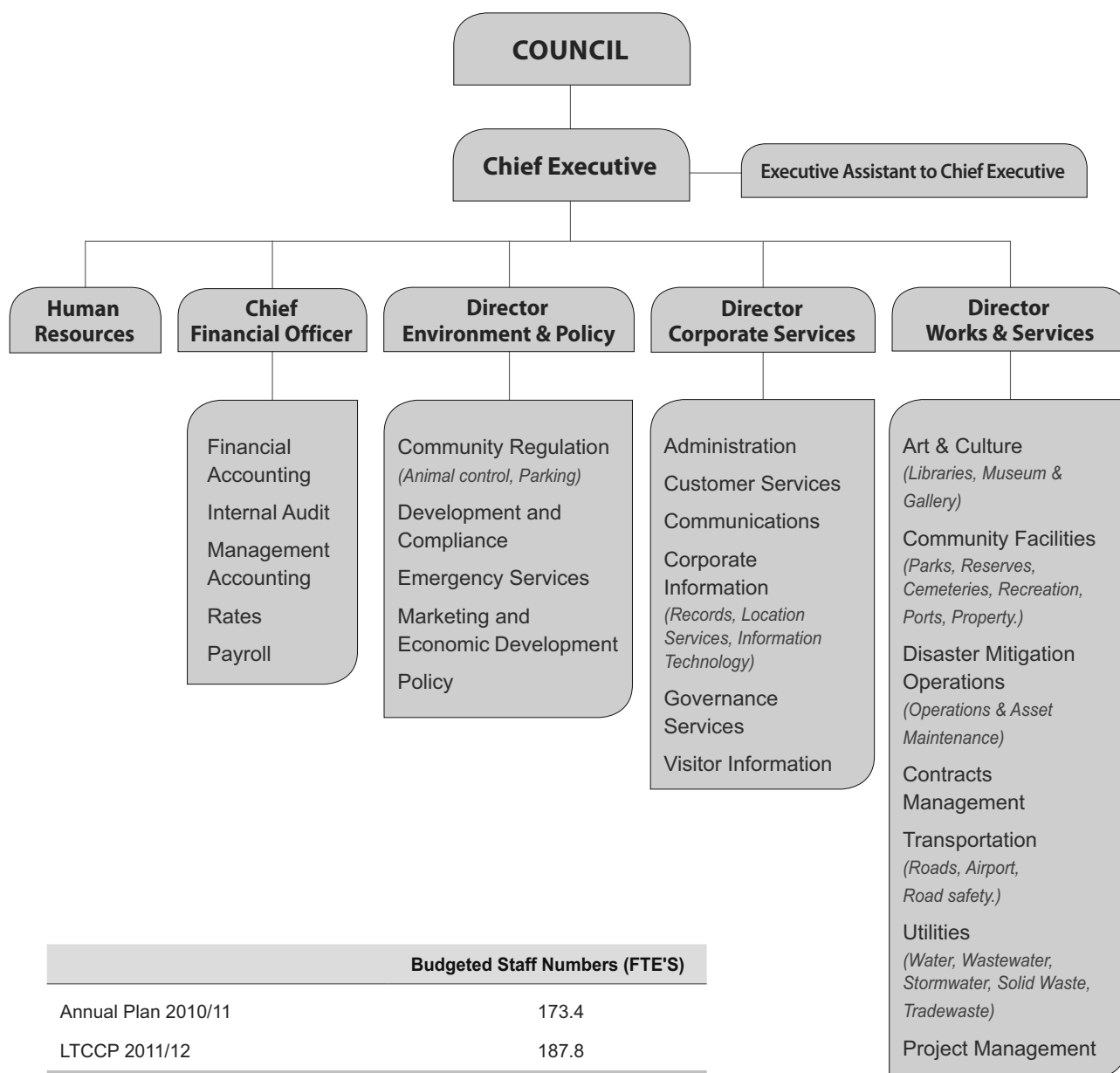


# MANAGEMENT AND STAFF

The Whakatane District Council employs staff through the Chief Executive.

The Council is divided into five functional areas as shown in the following organisational chart.

## ORGANISATION STRUCTURE AS AT JUNE 2011



Budgeted Staff Numbers (FTE'S)	
Annual Plan 2010/11	173.4
LTCCP 2011/12	187.8
<b>Annual Plan 2011/12</b>	<b>174.4</b>

# COMMUNITY OUTCOMES

## WHAT ARE COMMUNITY OUTCOMES?

Community outcomes means the outcomes that the Council aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region, in the present and for the future.

The identification and reporting of community outcomes were intended to guide and inform the planning process and setting of priorities of local authorities and other organisations. They were established to help local authorities and other organisations focus on a community vision for the District.

## HOW WERE COMMUNITY OUTCOMES IDENTIFIED?

To identify community outcomes for the Whakatane District and for the Eastern Bay of Plenty, the Council participated in a joint project with Bay of Plenty Regional Council (formerly known as Environment Bay of Plenty), Kawerau District Council and Opotiki District Council. This project, named "Eastern Bay – Beyond Today", was undertaken during the 2004/05 year and involved substantial consultation with the community. Final community outcomes for the Whakatane District were acknowledged by the Council at its meeting on 29 June 2005.




## LOCAL GOVERNMENT REFORM AND THE FUTURE OF COMMUNITY OUTCOMES

In late 2010 the Local Government Act 2002 Amendment Act 2010 was introduced. The main purpose of this amendment is to improve transparency, accountability, and financial management in local government.

The major affect that this amendment has had on community outcomes is that it no longer requires Councils to report against its community outcomes. This change will be seen in the LTP 2012-22 and subsequent documents. The Council will review its community outcomes for the next LTP in the 2011/12 year.

## IDENTIFYING OUR CONTRIBUTION TO COMMUNITY WELLBEING

Within this Annual Plan we have identified how our work programme for the 2011/12 year promotes and contributes towards the achievement of our current community outcomes. Specifically, within the Groups of Activities section of this Annual Plan, we have provided an indication of which community outcomes each activity will contribute towards.

**WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO**


**STRONG, TRANSPARENT AND OPEN LEADERSHIP**

**GOVERNANCE**

**WHAT WE DO**

Governance of an organisation and guiding every aspect of its business. The elected members of the Council ensure that the Council's business is conducted in a way that is easily understood and contributed to by the community.

**WHAT WE ARE GOING TO DO**

The Council is required by the Local Government Act 2002 to be open, transparent and accountable. This means that its business in public in a way that is easily understood and contributed to by the community.

**WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO**

**STRONG, TRANSPARENT AND OPEN LEADERSHIP**

**WHAT WILL THIS ACTIVITY COST**

	Annual Plan 2011/12 \$000
Expenditure	1,953
Revenue	1,953
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

**WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP**

- No key differences.

**WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR**

The Council makes decisions in an open and transparent manner.

- All meetings are publicly notified and agendas of the Council, its committees and community boards are available.
- Satisfaction with the opportunities Council provides for community involvement in decision making scores 58.5 or higher (Needs significant improvement) in Council's Perception Survey.

Elections and representation reviews are conducted in accordance with the Local Electoral Act 2001 and participation is encouraged.

- Any by-elections conducted in accordance with Local Electoral Act.

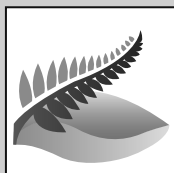
Māori have the capacity and the opportunity to contribute to Council decision making.

- Eight or more Iwi Liaison Committee meetings held during the year.
- Māori satisfaction with the opportunities Council provides for community involvement in decision making scores 58.4 or higher (Needs significant improvement) in Council's Perception Survey.

ANNUAL PLAN 2011/12 WHAKATANE DISTRICT COUNCIL 41

## COMMUNITY OUTCOMES OF THE WHAKATANE DISTRICT

The following pages outline the nine community outcomes of the Whakatane District. Listed against each community outcome are the specific goals that were identified by the community as being important to their wellbeing.



CLEAN PROTECTED  
ENVIRONMENT

### Goals

- The environment is clean and natural resources are protected and conserved
- The community is educated and involved in environmental care
- Natural and cultural heritage places are recognised and protected
- Waste is well managed.



ENVIRONMENTALLY  
RESPONSIBLE  
DEVELOPMENT

### Goals

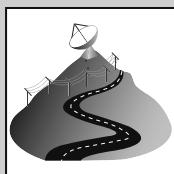
- Development is planned, managed and controlled sustainably
- Economic growth is balanced with cultural, social and environmental responsibility
- Environmental laws are actively enforced
- Sustainable energy use is encouraged
- There is a sense of pride and enjoyment about how attractive the district is.



PROSPEROUS  
ECONOMY

### Goals

- The economy is prosperous in both urban and rural areas
- Business builds on the district's assets to support the economy
- Māori economic development is supported
- New businesses are attracted to the area and all businesses are encouraged
- Employment opportunities are available for all.



HIGH-QUALITY  
AFFORDABLE  
INFRASTRUCTURE

### Goals

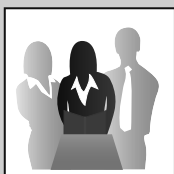
- High quality affordable infrastructure supports growth (e.g. transport, water, energy, waste)
- Transport links to the district are maintained and enhanced
- Roading is safe, convenient, and appropriate to all users
- People, infrastructure and the environment are protected from natural disasters
- Improvements in communication technology are available throughout the district (e.g. Mobile coverage and fast internet access).



EDUCATION AND TRAINING OPPORTUNITIES FOR ALL

**Goals**

- Affordable quality education and training accessible to all
- Education and training supports economic growth
- Participation in education is encouraged and supported, especially for youth
- Education values and promotes cultural heritage.



STRONG, TRANSPARENT AND OPEN LEADERSHIP

**Goals**

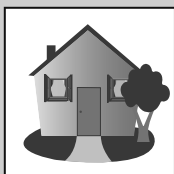
- Leaders are visible, strong, have a clear vision and listen to all sectors of the community
- Decision making processes are transparent, open and inclusive
- Council, the community and Māori work in partnership
- Council costs are appropriate for the services provided.



SAFE CARING COMMUNITY

**Goals**

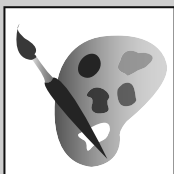
- Communities help themselves and care about each other
- Drug, alcohol and gambling abuse is diminished
- Homes and neighbourhoods are free from fear of violence or crime
- Youth development is supported and youth gain from and contribute to our community.



HEALTHY PEOPLE AND QUALITY HOUSING

**Goals**

- Affordable, quality housing is available for all
- Initiatives are in place to encourage self sufficiency in housing
- Quality primary and secondary health care and facilities accessible to all
- Information and support for preventative health issues is made available to all
- Appropriate support is available for disadvantaged, disabled and those in need.



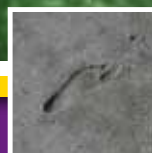
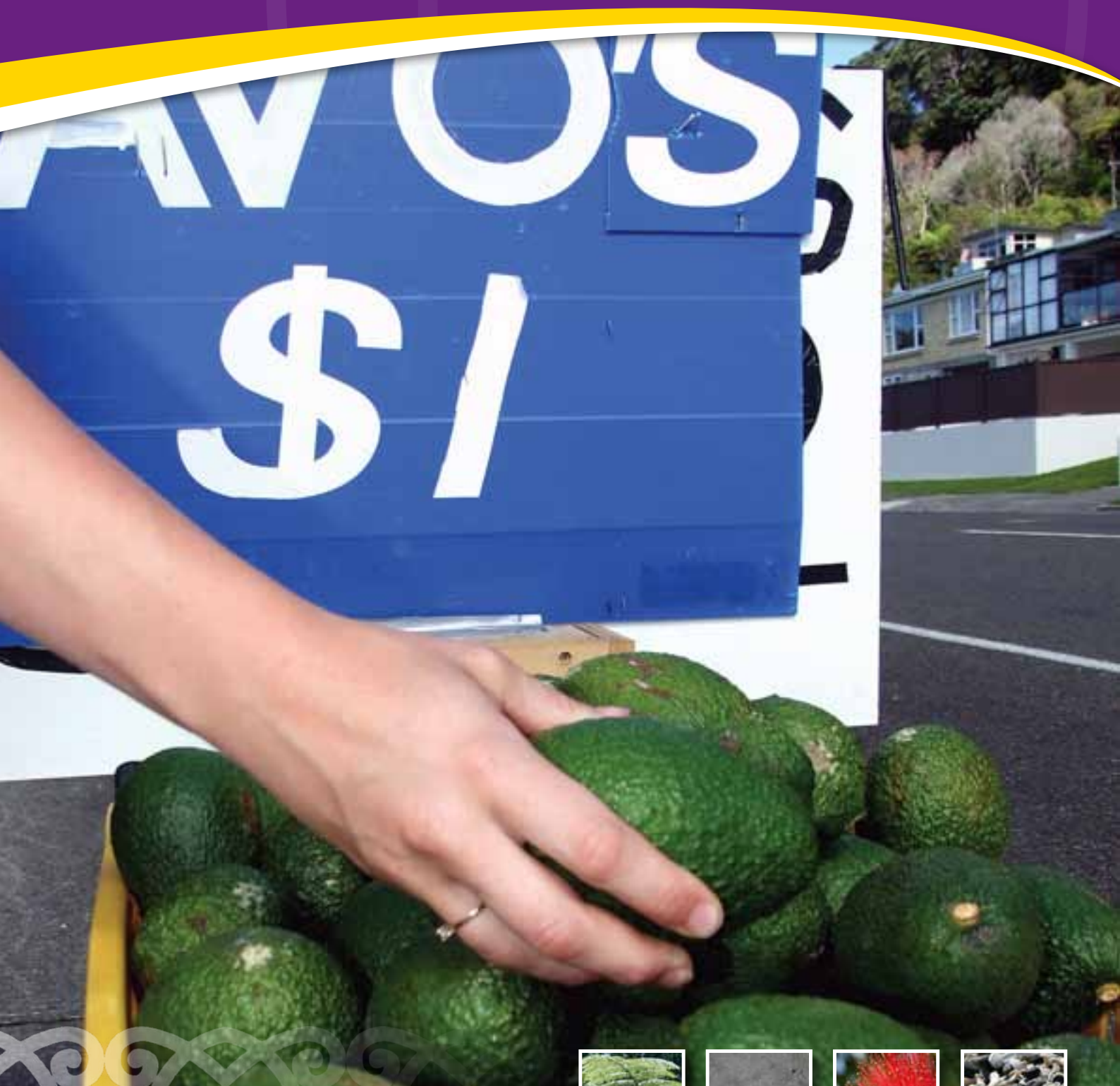
DIVERSE, CREATIVE AND ACTIVE COMMUNITY

**Goals**

- Facilities and venues are in place to accommodate a wide range of activities for all
- Activities and events support and celebrate culture, creativity and recreation
- Parks, reserves and recreational facilities are enhanced and increased
- Māori culture is valued, celebrated, promoted and protected
- Diversity is valued and different cultures, genders and ages are respected
- All forms of art are catered for.

# What it Costs & What You Get

Ngā Pūtea Whakapaunga ka Puta Ngā Hua





# WHAT IT COSTS AND WHAT YOU GET

## WHAT ARE RATES?

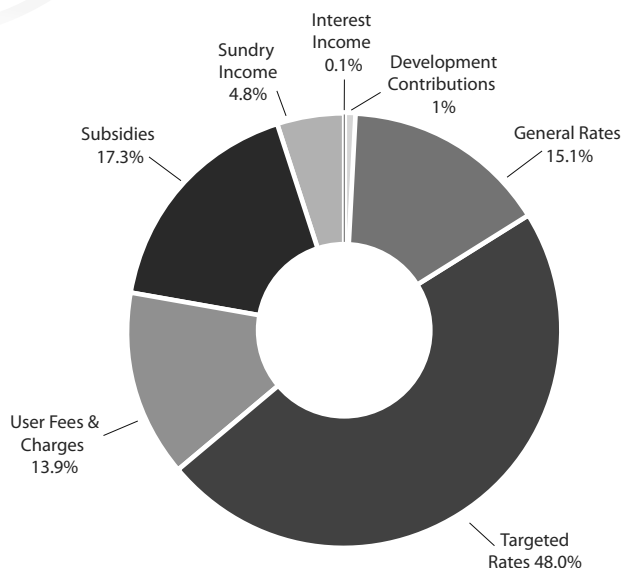
Rates are a contribution each property owner makes towards the cost of providing services and facilities in the community.

While rates are the primary source for funding of the Council's activities, they represent only 63.10% of the overall revenue for the Council. Other sources of revenue include subsidies, fees and charges, and development contributions.

## WHAT WILL IT COST TO PROVIDE COUNCIL SERVICES?

The following table shows what it costs per average property for Council activities. The table demonstrates that most of the Council's expenditure covers essential infrastructure, community services and facilities.

## WHERE WILL OPERATING REVENUE COME FROM?



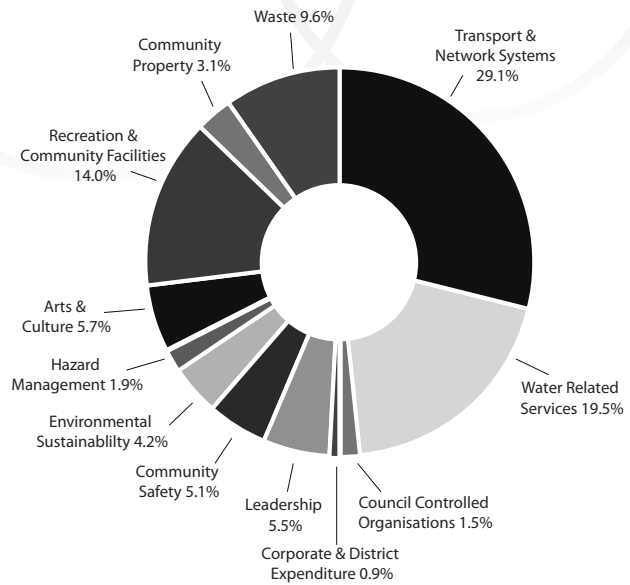
GROUPS OF ACTIVITIES	Total Cost \$000	Cost Per Average Property \$	Cost Per Average Property Per Day \$
Leadership	3,008	194.04	0.53
Community Safety	2,758	177.91	0.49
Environmental Sustainability	2,302	148.49	0.41
Hazard Management	1,042	67.23	0.18
Arts & Culture	3,097	199.79	0.55
Recreation & Community Facilities	7,614	491.17	1.35
Community Property	1,681	108.47	0.30
Waste	5,254	338.91	0.93
Transport Networks & Safety	15,866	1,023.51	2.80
Water Related Activities	10,627	685.52	1.88
Reportable Council Controlled Organisations	812	52.41	0.14
Corporate & District Expenditure	495	31.91	0.09
<b>TOTAL EXPENDITURE</b>	<b>54,557</b>	<b>3,519.36</b>	<b>9.64</b>

The total number of Rateable Assessments in the Whakatane District on the 28 January 2011 was estimated to be 15,502

### WHERE WILL OPERATING EXPENDITURE BE SPENT?

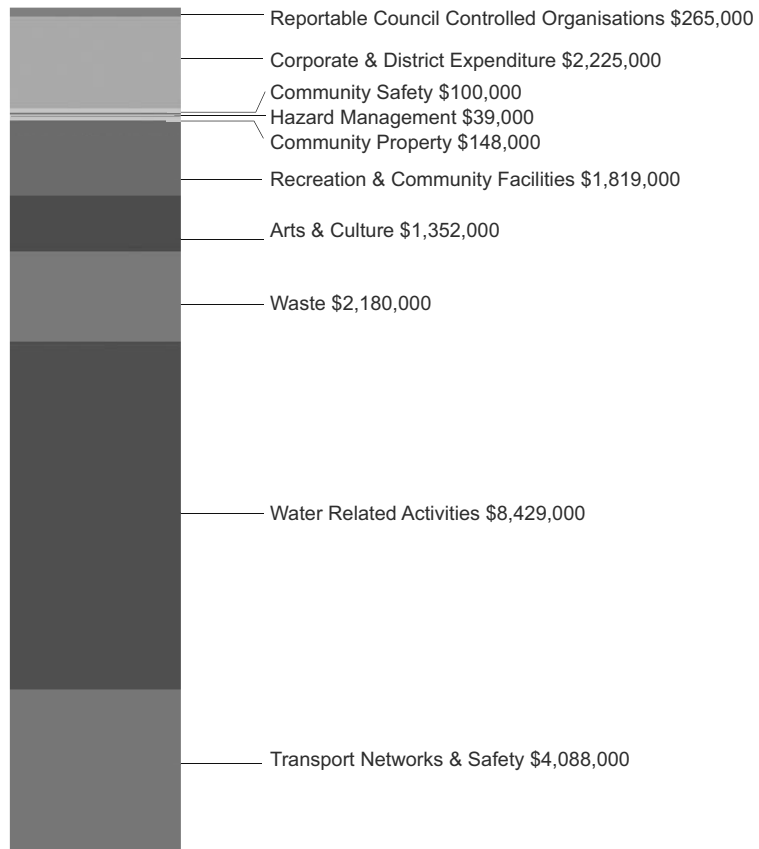
The total operating expenditure for the year is budgeted at \$54.5m. Core infrastructure such as waste, transport, water, wastewater and stormwater makes up 58.2% of the Council's total operating expenditure.

Transportation is the Council's biggest activity in terms of overall expenditure. However, the Council receives subsidies from the New Zealand Transport Agency to support this expenditure. In reviewing expenditure for 2011/12, the Council reduced expenditure in the area of transportation. For further information, see the Key Issues section of this Annual Plan.



### WHERE WILL CAPITAL EXPENDITURE BE SPENT?

The total capital expenditure for the year is budgeted at \$20.6m. Expenditure on projects under Water Related Activities and Transport Networks and Safety, make up more than half of this cost.



## WHERE WILL MY RATES MONEY BE SPENT?

The table below provides an overview of how your rates will be spent. This does not indicate the total cost of the Council's activities because other sources of revenue also contribute to their cost. For an overview of the total cost of activities see the previous table "What will it cost to provide Council services?".

GROUPS OF ACTIVITIES	Rate Income \$000	Cost per Average Property \$	Cost Per Average Property Per Day \$
Leadership	3,011	194.26	0.53
Community Safety	1,140	73.56	0.20
Environmental Sustainability	1,188	76.62	0.21
Hazard Management	997	64.33	0.18
Arts & Culture	2,942	189.76	0.52
Recreation & Community Facilities	5,278	340.47	0.93
Community Property	475	30.62	0.08
Waste	4,323	278.88	0.76
Transport Networks & Safety	6,840	441.23	1.21
Water Related Activities	8,158	526.25	1.44
Reportable Council Controlled Organisations	475	30.66	0.08
Corporate & District Expenditure**	(128)	(8.23)	(0.02)
<b>TOTAL RATE INCOME*</b>	<b>34,700</b>	<b>2,238.41</b>	<b>6.13</b>

The total number of Rateable Assessments in the Whakatane District on the 28th January 2011 was estimated to be 15,502.

An average property is calculated using 15,502, Rateable Assessments. Properties in different parts of the district receive different services and pay different costs.

\* Rate income has been shown gross of penalties, write-offs and remissions

\*\* Corporate and District Expenditure includes general revenue items such as petrol tax and a small portion of external interest income. This income is used to offset the general rate which is shown as negative rate income.

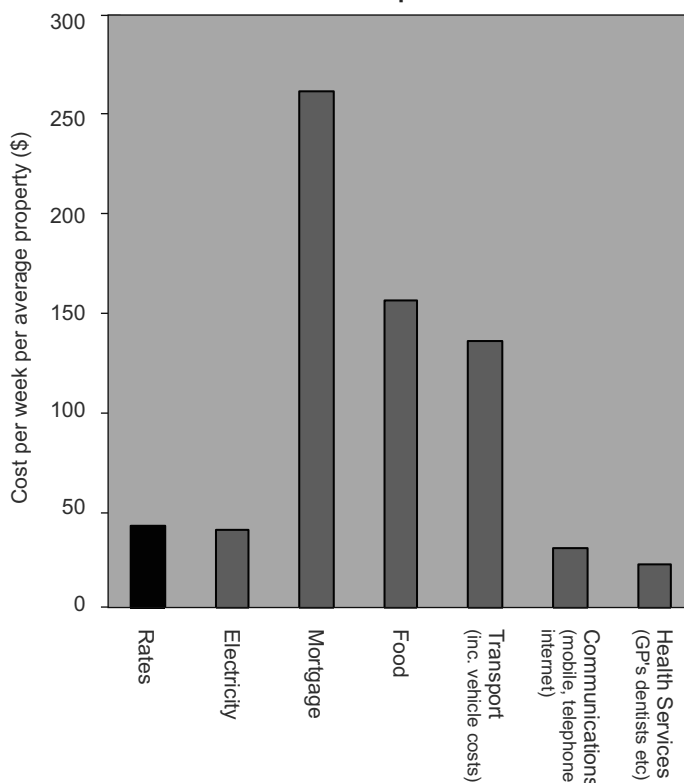
## WHAT YOU GET FOR YOUR MONEY

Rates provide good value for money when they are compared to the cost of other everyday goods and services. The average ratepayer will pay \$6.13 per day (around \$42.91 a week) towards the cost of Council Services. This is about the same amount that many people pay for electricity.

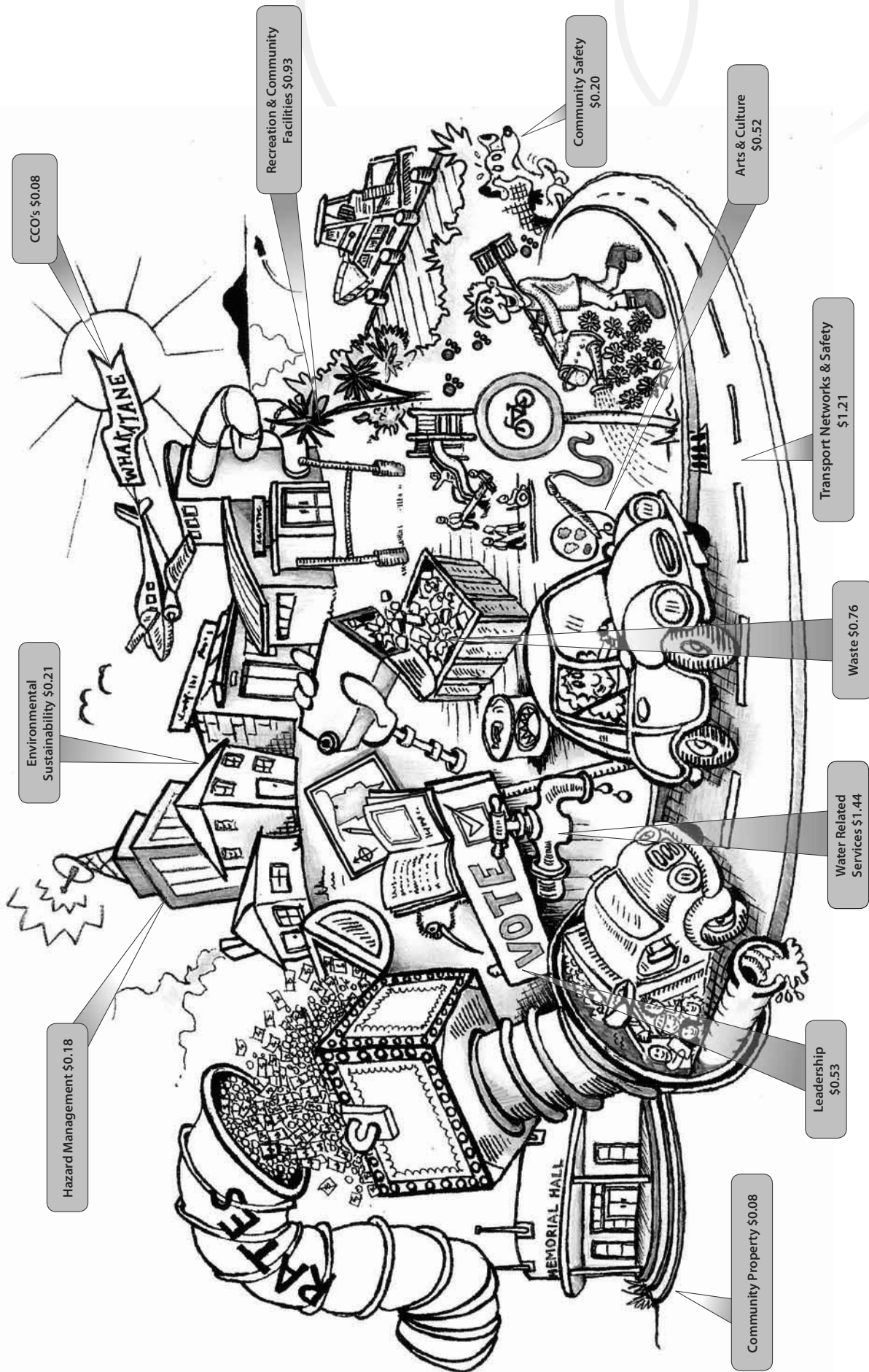
Your rates contribute to the cost of many services delivered by the Council, as illustrated on the following page.

(The cost comparisons are sourced from Statistics New Zealand, Household Economic Survey: Year ended June 2010)

Rates Comparisons



**COSTS PER DAY FOR AN AVERAGE WHAKATANE PROPERTY**



## RATING INFORMATION

This section of the Annual Plan provides information about the Council's estimated income from rates and shows indicative rates for various properties in the District.

Rating Information as at 28 January 2011		
	Number of Rateable Rating Units	Rateable Capital Value (\$)
Edgecumbe	646	145,869,000
Te Teko	278	37,489,000
Matata	327	81,515,000
Otarawairere	37	28,090,000
Ohope	1,832	991,652,500
Taneatua	279	33,040,000
Murupara	777	55,453,000
Rural	5,141	3,163,005,050
Commercial 10M +	14	464,402,000
Whakatane Urban	5,666	1,843,861,900
Whakatane Commercial	505	401,155,000
<b>TOTAL</b>	<b>15,502</b>	<b>7,245,532,450</b>

### Notes.

1. District wide \$10m plus, excludes farming, forestry, horticultural properties which are included in each above area.
2. There are some property owners who own and use two or more rating units as a single property. Legislation requires the Council to treat these as a single rating unit for rating purposes.
3. Properties are valued every three years. The properties in Whakatane were revalued in September 2010.

**INDICATIVE RATING EXAMPLES FOR 2011/12**

	Whakatane Urban Low		Whakatane Urban Average		Whakatane Urban High		Whakatane Commercial (less than \$10m) Low		Whakatane Commercial (less than \$10m) Average		Whakatane Commercial (less than \$10m) High		Edgcombe Average		Matata		Murupara Urban		Murupara Lifestyle		Te Teko		Otarawaire average		Ohope average		Taneatua		Rural Low		Rural average		Rural high		District Wide - Commercial/Industrial \$10m Plus				
	134,000	322,000	1,550,000	695,000	5,150,000	216,000	249,000	68,000	200,000	135,000	760,000	532,000	118,000	69,750	632,500	2,453,750	11,905,000	107.13	257.43	1,239.17	555.63	4,117.24	172.68	199.07	54.36	159.89	107.93	607.59	425.31	94.34	55.76	505.66	1,961.68	9,517.62					
General Rate	107.13	257.43	1,239.17	555.63	4,117.24	172.68	199.07	54.36	159.89	107.93	607.59	425.31	94.34	55.76	505.66	1,961.68	9,517.62																						
Uniform Annual General Charge	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91	173.91		
Roading rate	115.43	277.37	1,335.15	598.67	4,436.15	186.06	214.49	58.57	172.28	116.29	654.66	458.26	101.64	60.08	544.83	2,113.63	10,254.84																						
Roading UAC	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	
Community Boards	24.47	24.47	24.47	24.47	24.47	22.53	22.53	41.65	41.65	22.53	39.94	39.94	38.33	22.53	22.53	22.53	24.47																						
Stormwater UAC	46.60	46.60	46.60	46.60	46.60	30.64	62.07	4.75	-	19.03	16.68	16.68	8.34	-	-	-	46.60																						
Stormwater rate CV	40.42	97.12	467.51	235.56	3,417.34	56.36	180.88	15.57	-	96.93	68.81	48.17	23.94	-	-	-	3,417.34																						
Library	158.54	158.54	158.54	158.54	158.54	110.97	55.49	110.97	55.49	55.49	158.54	158.54	55.49	55.49	55.49	55.49	158.54																						
Swimming Pool Rates	105.87	105.87	105.87	105.87	105.87	52.94	52.94	81.27	40.64	52.94	105.87	105.87	52.94	52.94	52.94	52.94	105.87																						
District Wide Parks Rate	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72	199.72																						
Rapid numbers for Rural Properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Promotion and Economic Development Rates	-	-	-	374.60	487.97	1973.44	-	-	-	-	-	-	-	-	-	-	1973.44																						
Waste UAC	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19	68.19																						
Refuse Removal Rate	261.88	261.88	261.88	197.92	197.92	261.88	261.88	261.88	197.92	261.88	261.88	261.88	261.88	197.92	197.92	197.92	261.88																						
Rates Disaster Mitigation																																							
District Wide	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58	18.58																						
Community	9.33	9.33	9.33	9.33	9.33	94.46	311.83	-	-	-	483.72	28.80	-	-	-	-	483.72																						
Water	424.22	424.22	424.22	424.22	424.22	330.35	439.21	163.29	-	-	424.22	424.22	507.56	115.56	115.56	115.56	424.22																						
Waste Water	120.18	120.18	120.18	120.18	120.18	373.64	0.00	116.20	-	-	266.69	266.69	209.06	-	-	-	266.69																						
<b>Total</b>	<b>1,918.90</b>	<b>2,287.84</b>	<b>4,697.76</b>	<b>3,694.02</b>	<b>15,534.76</b>	<b>2,197.34</b>	<b>2,305.21</b>	<b>1,413.36</b>	<b>1,172.69</b>	<b>1,237.84</b>	<b>3,593.44</b>	<b>2,741.94</b>	<b>1,858.34</b>	<b>1,065.11</b>	<b>1,999.75</b>	<b>5,024.58</b>	<b>34,810.51</b>																						
<b>Plus GST at 15%</b>	<b>287.83</b>	<b>343.18</b>	<b>704.66</b>	<b>554.10</b>	<b>2,330.21</b>	<b>329.60</b>	<b>345.78</b>	<b>212.00</b>	<b>175.90</b>	<b>185.68</b>	<b>539.02</b>	<b>411.29</b>	<b>278.75</b>	<b>159.77</b>	<b>299.96</b>	<b>753.69</b>	<b>5,221.58</b>																						
<b>Total including GST</b>	<b>2,206.73</b>	<b>2,631.02</b>	<b>5,402.42</b>	<b>4,248.13</b>	<b>17,864.98</b>	<b>2,526.94</b>	<b>2,650.99</b>	<b>1,625.36</b>	<b>1,348.60</b>	<b>1,423.52</b>	<b>4,132.46</b>	<b>3,153.23</b>	<b>2,137.09</b>	<b>1,224.87</b>	<b>2,299.72</b>	<b>5,778.27</b>	<b>40,032.08</b>																						

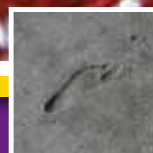
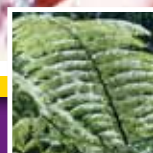
**Changes**

\$ Total change incl. GST	188.88	227.43	587.75	310.09	2,634.71	275.86	354.68	82.58	(44.00)	37.60	330.04	259.22	149.70	(82.01)	122.44	721.66	(6,535.24)																					
% Total change incl. GST	9%	9%	12%	8%	17%	12%	15%	5%	-3%	3%	9%	9%	8%	-6%	6%	14%	-14%																					



# Key Issues

Ngā Pou Ahoaho





## KEY ISSUES

A number of changes have been made compared to the budgets and proposals outlined in the Draft Annual Plan. These changes have been made as a result of consideration of submissions made by the public, and further information being available.

As a result, the Council has needed to revise the Annual Plan budgets. The Council has been working hard to make rates more affordable for the District; however, in light of some submissions, there has been a need to include projects back in to the budget. This means that there will be an increase in the average rates rise from that in the Draft Annual Plan. The average rates increase for the 2011/12 year is now 7.95%.

**Average rates increase  
of 7.95%**

### KEY ISSUES FOR 2011/12

#### Severe Weather Events

*During 2010/11 the Whakatane District has experienced a high level of severe weather events. These have impacted across the district and have led to damage to infrastructure and housing. Severe weather events are becoming more regular in Whakatane, and last year the Council resolved to build a roading storm damage fund to help pay for these severe weather events. While the Council has been putting money into this contingency fund for the last two years, because of the weather events and the associated damage experienced over that time, the fund has not had an opportunity to accumulate. As a result, the cost of repairing the damage from the January 2011 flood events is now required to be paid through the rates for 2011/12.*



#### What is Planned

The Council undertook most of the repair work required as a result of the January storm events during the 2010/11 year, to take advantage of increased funding opportunities from New Zealand Transport Agency (NZTA). However, the Council's portion of these costs will impact on the rates for 2011/12 and beyond. The Council is still working to finalise the cost of repair works, but work to date suggest at least \$2.42m of costs that will need to be funded by the Council. This will result in an increase in the rate requirement of 0.78%, taking the average rate increase for 2011/12 up from 7.17% to 7.95%.

#### Roading Maintenance Reduction

*In an attempt to reduce the rate requirement for 2011/12 from the 11.22 % indicated through the LTCCP, the Council has reviewed its roading maintenance programme. Transport is the largest budget area and the Council maintains a very high number of assets in this area. The need to reduce the maintenance budget in the Transport Activity has been increased by the damage to the roading infrastructure as a result of the January 2011 floods.*



#### What is Planned

The Council has reduced its roading maintenance budget for the 2011/12 year by \$1.50m. This has reduced the operational expenditure for Transport Networks down from \$16.63m to \$15.13m. The reductions are across a number of areas including pavement and lighting renewals, with the largest reduction coming from road reseals. The impact of these cuts for a one year period will not result in a reduced level of service for the community. However, the Council will be looking at the long term maintenance programme through the development of the LTP 2012-22 to ensure the sustainable management of the Council's roading assets.

## KEY PROJECTS FOR 2011/12

### Long Term Plan 2012-22

*Every three years the Council is required to produce a Long Term Plan (formerly Long Term Council Community Plan). The Council last produced an LTCCP for the period 2009-19 and it must produce a new LTP for the period 2012-22. An LTP sets out the Council's priorities for the next ten years and how the Council will work towards addressing major issues facing the District.*

*Recent government changes have led to the Local Government Act (LGA) 2002 Amendment Act 2010. This amendment has meant that there are some changes to the content and processes required for an LTP and for an amendment to an LTP. In developing the LTP 2012-22, a number of the changes as a result of the LGA Amendment Act will be incorporated.*

### What is Planned

During the 2011/12 year a programme of projects will make up a work plan to develop an LTP. Due to the nature of the LTP, this is a whole of Council programme, and therefore the budget for the development of the LTP spans across many activities of the Council. The budget for the development of the LTP is \$402,000 for 2011/12. The three major budget implications are associated with:

- Finance cost, in particular the increased costs for an LTP Audit, and the review of the Council's funding and financial policies associated with the LTP.
- Strategic Policy costs, including LTP programme management, administration, consultation and production costs.
- Asset Management, including a review of the Councils' Asset Management Plans to ensure the integrity of the information used to plan for the following ten years.

The community will have an opportunity to comment on the content of the LTP. This will be your opportunity to have your say on the projects and operations of the Council for the next ten years and impact on the major issues facing our District. The LTP 2012-22 will be adopted by the Council before 1 July 2012.

### Tsunami Warning System

*The Council is involved in a regional civil defence project to develop a tsunami warning system across the Bay of Plenty. This project will identify all the different options available to warn the community of a tsunami threat.*

### What is Planned

The Council is planning to instigate a Tsunami Warning System which will effectively alert the community to the threat of a tsunami. While investigations are still ongoing, the system is planned to be cost effective, appropriate for our environment and will probably involve more than one alert mechanism.

The investigations will also include the development of a community awareness programme.

### Whakatane/Ohope Stormwater Catchment Investigation

*The Council is planning a new project as a result of floods during 2010. The aim of the Stormwater Catchment Investigation and Implementation Project (SCIIP) for Whakatane and Ohope Urban catchments is to successfully develop, implement and maintain an agreed "whole of catchment" solution to manage the stormwater catchments in Ohope and Whakatane to mitigate the effects of flooding on people, property and infrastructure. The project is a joint initiative between Whakatane District Council (WDC) and Bay of Plenty Regional Council (BOPRC).*



### What is Planned

A project is being established to bring together landowners and key organisations to develop a long term plan, which will result in the implementation of physical works and management plans to manage the flood erosion risk in Ohope and Whakatane. Options investigation will commence in 2011/12. This involves identifying options, preparing rough order cost estimates and cost benefit analysis to mitigate the flood hazard in urban Whakatane and Ohope.

### Wastewater System - Edgcumbe

*The Edgcumbe wastewater system suffered damages during the 1987 earthquake and earthquake swarms in 2008. Although the wastewater system is operating reasonably well during the dry periods, the system is under severe stress during the wet periods as a result of high inflow and infiltration and of system inadequacies.*

*The Council has implemented a number of investigations and studies (CCTV inspections, smoke testing, network modelling etc.) in 2008 and 2009 to identify the defects and the deficits in the system. Following these investigations and studies, the Council prepared a comprehensive capital works programme to address the wastewater issues in Edgcumbe. This investment programme was included in the Council's LTCCP and scheduled to be implemented over a number of years. The two major types of projects in the LTCCP were reticulation repairs and upgrades (\$2.00m over six years) and pump station upgrades (\$1.20m over five years). Following more detailed investigations \$1.21m has been brought forward to complete more urgent works in 2010/11 and 2011/12*

### What is Planned

In the LTCCP in 2011/12 two projects were identified to address overflow issues. They are reticulation repairs and upgrades (\$480,000) and pump station upgrade (\$114,000). Since the wastewater overflows are causing high health risk to the community, the Council has decided to bring forward the reticulation repairs and upgrade projects, and to complete the identified works in the 2011/12 financial year. Therefore, the scope of the original reticulation repairs and upgrade project scheduled for 2011/12 has been changed and the amended project will be implemented at an initial estimated cost of \$1.06m in 2011/12.



### Matata Wastewater Reticulation

*The Council is proposing to provide wastewater reticulation for Matata residents. This is a long standing project that has been on hold for several years pending central government funding. The Council has now received confirmation of funding from Ministry of Health to the value of \$6.72m. The project involves piping wastewater from Matata to Edgcumbe.*

### What is planned

The Council has received confirmation of funding for the Matata Wastewater Reticulation project which is 85% of the total cost of the project. The Council will be looking at how to fund the remaining 15% cost of the project. The Council will consult with the community regarding funding options. Following this consultation the Council will decide whether to continue with the project and if agreed the design will be finalised and works commenced.

## COUNCIL POLICY CHANGES

### Council Decides Not to Proceed with the Sale of Pensioner Housing

*The Council has resolved not to proceed with the sale of pensioner housing. A decision to sell the pensioner housing units, subject to some strict criteria being met, was made by Council as part of the development of the 2009-19 LTCCP. This decision followed a comprehensive review of Council services that extended to all aspects of Council operations as well as governance and included a detailed analysis of funding options.*

*The criteria around the sale of pensioner housing units were put in place to protect the welfare of current and future tenants.*

*It was estimated that the sale of the pensioner housing units would realise in excess of \$3.5m (May 2010 estimate) providing benefits for the wider community by retiring debt over a ten year period.*

*As a result of the Local Government Act 2002 Amendment Act 2010, the Council is no longer required to undertake an amendment to its LTCCP as a result of the decision not to proceed with the sale of pensioner housing. However it is signalled as a Key Issues in this chapter to ensure the community is informed about the decision and its impacts.*

#### What is Planned

The Council is planning to retain ownership of its pensioner housing units. The Council believes that divestment of the pensioner housing portfolio was not in the best interests of the tenants of the pensioner units. The Council recognised that there is a community desire to continue to own and operate the pensioner units as demonstrated by the number of submissions to the LTCCP.

The consequence of not selling the pensioner housing is that the Council will be forced to fund debts (which were to be paid off through the sale) in other ways. This will impact across a number of activities, including increased costs associated with the ongoing operational costs of the pensioner houses. With a decision not to proceed with the sale of pensioner housing, the total impact of not retiring debt as intended, will result in an increased rate requirement of 12.06% over a ten year period above what was planned in the LTCCP 2009-19, and an 2.9% increase to the rate requirement for 2011/12.

### Rating on the basis of Separately Used and Inhabited Parts of a rating unit (SUIPs)

*Through the Annual Plan 2010/11 the Council proposed a staggered implementation of a SUIPs rating system. This included the implementation of SUIPs for commercial properties in the 2010/11 rating year, with residential and rural properties being included in the 2011/12 rating year.*

#### What is Planned

Through the development of the Draft Annual Plan 2011/12, the Council resolved not to introduce rural and residential SUIPs as part of its rating mechanism for 2011/12. The Council intends to undertake a full review of Council's rating systems through the development of the Council's LTP 2012-22.

The reason for this decision was to reflect a desire to reduce the complexity of the Council's rating system, in acknowledgement that introducing SUIPs would be costly to administer and in response to the large number of submissions received to the Draft Annual Plan 2010/11 against rural and residential SUIPs.

The Council resolved that SUIPs for commercial properties will continue in 2011/12, pending a full rating review, consistent with the LTCCP Amendment made through the Annual Plan 2010/11. However the Council notes that the decision to not introduce SUIPs for rural and residential properties is inconsistent with the intention signalled in the LTCCP 2009-19 and the decision made through the Annual Plan 2010/11 to "in principle implement rural and residential SUIPs".



## Application of Revenue and Financing Policy for Building Inspection and Resource Consents

*The Revenue and Financing Policy in the LTCCP 2009-19 requires that 80% of the costs of the Building Inspection activity and 90% of the costs of the Resource Management Consents activity, be recovered through income from applications and other direct sources. These activities have not been meeting the targets, principally as a result of a reduced number of applications to the process, and are contributing to budget deficits.*

### What is Planned

The Council has recognised that there are a number of costs within the Building Inspection and Resource Management Consents activities that are of public rather than private benefit. These costs include objections and appeals, customer services, complaints monitoring, project costs and government initiatives (such as amendments to legislation).

The costs of these items will now not be recovered to the same level through private good funding tools and will be funded by general rates.

Resource consents will now be funded 50% public benefit, 50% private benefit. The building activity will be funded 75% private benefit, 25% public benefit.

The Council notes that this change is a variation to the funding split contained within the Council's Revenue and Financing Policy. The Council has indicated that it does not wish to change the Revenue and Financing Policy to reflect the identified changes in public benefit of these activities at this point in time. The Council has made a decision that is inconsistent with the Revenue and Financing Policy and will look to review the Policy through development of the LTP 2012-22.

***Resource consents will be funded 50% public benefit, 50% private benefit.***

***The building activity will be funded 75% private benefit, 25% public benefit.***

## CENTRAL GOVERNMENT CHANGES THAT IMPACT ON THE ANNUAL PLAN

### Legislative Reform

*Central Government is in the process of reviewing several key pieces of legislation and policies at the time of developing this Annual Plan. Depending on the outcome of these reviews, this will impact on the operation, focus and costs of local government services and activities to varying degrees.*

### What is Planned

The Council will continue to monitor the progress of legislative reviews and respond as more information is known. The most significant impacts likely to affect the Council's operation during 2011/12 are as follows:

- Changes to the Local Government Act 2002: the Council is no longer required to carry out processes for the identification and monitoring of Community Outcomes in their current form (see Community Outcomes section for more detail). These changes have also changed the requirement for the Council to make an amendment to the LTCCP as highlighted under pensioner housing.
- Changes to the Resource Management Act 1991: These changes allow for the partial refund of resource consent fees, where the Council is responsible for not meeting statutory timeframes.
- Changes are being proposed by the National Rural Fire Authority to enlarge rural fire Districts.
- As a result of a change in Government and changing priorities for the New Zealand Transport Agency (NZTA) some local transportation projects that were likely to receive subsidy funding from NZTA are no longer eligible. In particular, projects in the areas of walking, cycling and road safety.

## KEY BUDGET CHANGES

### RATES AFFORDABILITY

*The Council needs to operate and maintain assets and deliver services at a satisfactory level. The LTCCP indicated that the Council, as a small-medium sized territorial authority, is grappling with the costs of delivering services and ensuring the maintenance of our infrastructure.*

*At the same time the Council is conscious of the cost implications on the community in terms of rating, particularly given the current economic climate, and has been working towards reducing the level of rates increase.*

#### What is Planned

The LTCCP proposed an average rates increase of 11.22% for the 2011/12 year. Through development of this Annual Plan the Council reviewed the operating and capital costs compared to that planned in the LTCCP. This resulted in a reduction of the average rates increase to 7.95%.

The decisions made to accommodate this reduction considered the risks to established and proposed levels of service. It was noted that there will be a slowing down in the work programme, in some areas, in the 2011/12 year as a result of the revised funding framework.

In the Annual Plan 2010/11, the Council resolved to undertake a 5-year programme to identify all of the earthquake-prone buildings within the District, including Council owned buildings. Through this Annual Plan, the Council has removed the funding of this programme for 2011/12 to reduce the average rates increase.

The Council has also had to consider the financial implications of:

- The new solid waste operating environment,
- The decision not to proceed with the sale of pensioner housing and,
- The clean up and reinstatement works following the August 2010 and January 2011 floods. (See "Severe Weather Events" earlier in this chapter)

The Council utilises a number of mechanisms to fund rates. One of these is charging a Uniform Annual General Charge (UAGC), where by a fixed dollar figure is applied to all properties. The Council has set this figure at \$200 for this Annual Plan. This is lower than previous years, which has the effect of reducing the rating burden on low value properties and increasing the burden on high value properties.

**Average rates increase for  
2011/12 is down from  
11.22% to 7.95%**

### Funding The Deficit From 2008/09

*During the 2008/09 financial year the Council's final operating result was a net operational deficit of \$10.89m compared to a budgeted operating surplus of \$8.87m. A number of factors contributed to the \$19.76m variation and these are detailed in the Annual Report 2008/09. Major contributing factors included:*

- *Revaluation downwards of some of Council's land assets.*
- *Increase in depreciation related to revaluations and the closure of Burma Road Landfill.*
- *Reduced income received from grants and subsidies.*
- *Reduced income received from development contributions and fees and charges for building and resource consent activities as a result of the slow down in the building sector.*
- *Operating expenditure over budget resulting from legal fees, aquatic centre consultancy, refuse collection contracts, audit costs and ACC levies.*

*The majority of the deficit is related to factors that do not affect cashflow, in particular depreciation and revaluations. However, the Council had to address funding the operating deficit of \$1.95m.*

### What is Planned

The Council made a decision to fund the deficit over a three year period. In taking this approach, the Council recognised that repaying the deficit in one year would increase the rates by a further 6.02% and this was considered to be too high a rating burden.

Funding the deficit over three years has meant an operating deficit of \$671,000 from the 2008/09 year is required to be repaid in the 2011/12 year. This contributed 2.09% of the rating increase for 2011/12.

### Use of Debt

*The Council uses debt as a mechanism to fund certain projects, as a method of fairly spreading costs over the generations that will benefit. During the development of the LTCCP, the Council used short term debt to fund renewal funding for assets where a renewal fund had not been accumulated over previous generations.*

*The Council also planned to utilise proceeds from the sale of assets to reduce debt. Similarly the Council used short term debt to spread the cost of some projects over multiple years, where the benefit of the project could be seen to be of benefit across generations of ratepayers (e.g. the District Plan). The Council has a Treasury Policy to measure and monitor its level of debt, and currently sits well inside the borrowing limits of the policy.*

### What is Planned

As a result of Council decisions not to proceed with the sale of some assets, the Council will not be in a position to retire debt. This will have the impact of ongoing loan repayments for debt that had been budgeted to be repaid. These increased costs are reflected in a number of activities in this Annual Plan.

## ONGOING PROJECTS UPDATES FOR 2011/12

These projects are generally in-progress, multiyear projects. The information provided here is designed to update you on these projects.

### Library and Exhibition Centre

*Through the development of the LTCCP early in 2009 the Council approved one of its most significant capital projects for many years. The project recognised that a long term solution is required to remedy the critical situation in the library and museum in terms of the space shortages, environmental controls and appropriate facilities. In the 2009/10 year the Council purchased a property in the Esplanade Mall (former Briscoes building) in Whakatane for the development of an improved library and exhibition space. The Council appointed Irving Smith Jack Architects Ltd to develop their concept plans. In June 2011, the Contract for the construction of the LEC was award to Gartshore Construction.*

### What is Planned

Construction on the Library and Exhibition Centre (LEC) will begin in July 2011 with an expected opening date in March 2012. This project will result in a retrofit of the former Briscoes building into a purpose built Library and Exhibition Centre. The building will accommodate a library approximately twice the size of the current library and an exhibition space that will host local exhibitions of a permanent nature along with local and national temporary exhibitions.

Alongside the development of a new library and exhibition space, the existing Museum and Gallery building in Boon Street will be refitted as a research, storage and archive facility. The Research, Storage and Archive project (RSA) is expected to begin after the Library and Exhibition Centre is completed and will see the development of an archive facility that holds all of the Council's archives in temperature controlled facilities compliant with the Public Records Act 2005.

The current library space situated within the Civic Centre building will also undergo a refit and be converted into office space. This project will commence once the LEC has been completed.



## District Plan Review

The Council has been undertaking a review of its District Plan since July 2009. The 2011/12 year is the third year of the project. A District Plan controls the way we use and develop land in the District. It covers areas such as where to house a growing population, where certain activities should take place and what land can be developed and subdivided.

Some of the main issues being considered through the District Plan Review are indigenous biodiversity, rural subdivisions and planning for growth.



term, the Council is undertaking a number of initiatives to reduce the amount of residual waste. This has included the development of a Waste Management and Minimisation Plan and the creation of a Waste Advisory Group. The Council is also progressing a longer term solution to a new landfill.

### What is proposed

Where possible the Council is introducing mitigation measures to reduce the full impact of the increased solid waste disposal costs. In the 2011/12 year the Council is proposing to develop further strategies including a comprehensive public education campaign. The Council is working to sort waste into recyclable, reprocessible, greenwaste or residual waste at the Te Tahī Street Transfer Station to maximise the amount of waste being recycled and/or reprocessed. This reduces the disposal costs by decreasing the volume of waste that needs to be transported and disposed of outside the District.

The Council is continuing to investigate the longer-term solution of developing a new landfill in the District. During 2011/12 the Council will undertake to obtain resource consent for a new landfill. The LTCCP included the construction of a new landfill in the District in 2013/14 at a total cost of around \$11m. The Council is in negotiations with other territorial authorities and key stakeholder agencies to provide contributions towards this project to create a new landfill.

### What is proposed

A Proposed District Plan will be drafted and is due to be notified early in the 2011/12 financial year. This will involve a period of consultation with the community, seeking submissions to the Proposed District Plan, then a period of hearings, decisions and appeals.

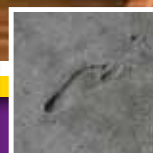
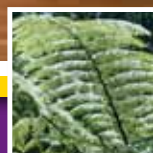
## New Landfill Construction

The closure of the Burma Road Landfill in December 2009 ended a 40 year solid waste regime for the District which had an extremely low operating cost. Following the closure, all residual waste is being transported to a landfill out of the District into the Waikato. This new operating environment means our solid waste disposal costs have significantly increased. To minimise the cost of waste disposal in the short



# *Groups of Activities*

Ngā Kaupapa Whakamahi-ā-Roopu



## INTRODUCTION

This section of the Annual Plan provides a detailed overview of the activities that will be undertaken by the Council in the 2011/12 year.

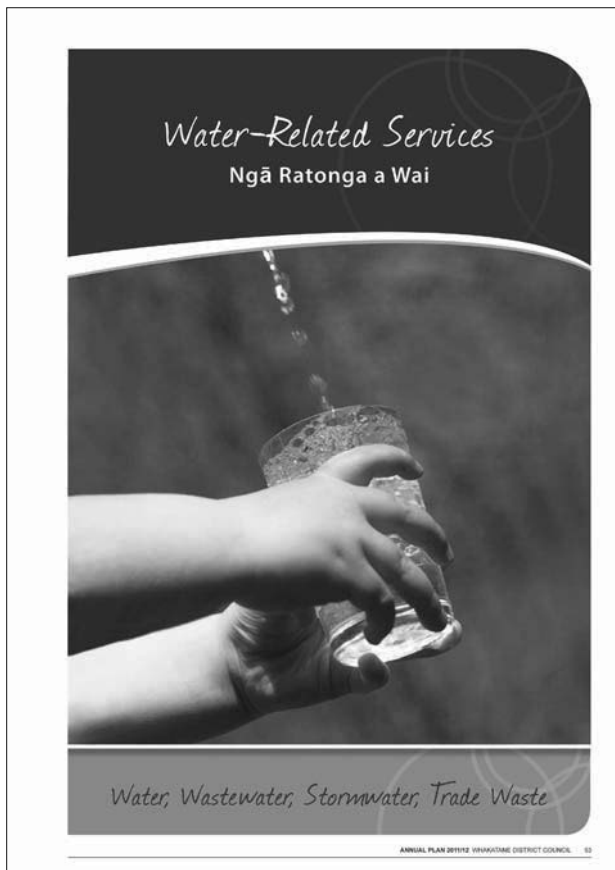
Under each activity you will find information about: the work we do, the reasons for doing that work, what we plan to achieve for the year, what it will cost to deliver the work programme, and how this is different from what we originally planned through the LTCCP 2009-19.

We have made changes to the way information is presented in the Annual Plan from that in the LTCCP to provide a document that is meaningful, relevant, easy to read and keeps the community informed about our work programme.

**This chapter of the Annual Plan provides information about:**

- Corporate Activities and the Council's 36 activities which are organised into 10 groups including:
  - Leadership
  - Transport Networks and Safety
  - Water related services
  - Waste
  - Environmental Sustainability
  - Community Safety
  - Arts and Culture
  - Community Property
  - Recreation and Community Facilities
  - Hazard Management

## GUIDE TO THE LAYOUT & CONTENT OF THE GROUPS OF ACTIVITIES



### Group of Activities

This cover page for each Group of Activities indicates the activities that are undertaken within the group.

## What this Group of Activities includes

This provides a brief description of the types of functions that are undertaken within each Group of Activities.

## What will this Group of Activities cost

This sets out the budgeted costs for Council activities over the course of the 2011/12 year compared to what was budgeted for the year in the LTCCP.

The budget in this table is at a Group of Activities Level, for example "Leadership" which includes three activities: "Governance", "Community Support" and "Strategy and Policy."

An explanation of the categories used in these cost of service tables is included on the following page.

### Groups of Activities - Water-Related Services

#### WHAT THIS GROUP OF ACTIVITIES INCLUDES

This group of activities is undertaken to provide and maintain efficient, reliable and safe water, wastewater, stormwater and trade waste services. The Council undertakes the activities in this group because of statutory obligations and public demand. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide these water services to those communities that have been serviced.

#### GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000	LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>			
<b>EXPENDITURE</b>			
3,771	4,148	4,210	62
834	1,109	1,102	(7)
5,318	6,213	5,369	(844)
<b>9,923</b>	<b>11,470</b>	<b>10,681</b>	<b>(789)</b>
<b>REVENUE</b>			
232	245	80	165
172	99	173	(74)
32	29	18	11
0	0	0	0
111	0	100	(100)
6,345	3,184	2,921	263
7,148	9,802	8,095	1,707
<b>14,040</b>	<b>13,359</b>	<b>11,385</b>	<b>1,974</b>
<b>(4,117)</b>	<b>(1,889)</b>	<b>(704)</b>	<b>1,185</b>
<b>NON OPERATIONAL</b>			
<b>EXPENDITURE</b>			
(4,117)	(1,889)	(704)	1,185
11,987	7,428	8,349	921
756	715	831	116
403	245	152	(93)
(2,307)	(1,917)	(2,896)	(779)
<b>6,723</b>	<b>4,582</b>	<b>5,932</b>	<b>1,350</b>
<b>FUNDED BY</b>			
1,747	1,235	1,340	(105)
58	224	224	0
4,319	3,115	4,178	(1,063)
599	8	190	(152)
0	0	0	0
<b>6,723</b>	<b>4,582</b>	<b>5,932</b>	<b>(1,350)</b>
<b>* CAPITAL EXPENDITURE</b>			
9,832	5,290	5,366	76
77	402	756	354
2,078	1,736	2,227	491

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## WATER

### WHAT WE DO AND WHY WE DO IT

Water is an essential resource in our community and the Council is charged with ensuring water is of a high standard, is safe to drink and that supply is adequate for all the community. In response to this the Council manages a number of water supply assets for the District and is required to adhere to a number of statutory requirements, standards and policies. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide water services to those communities that have been serviced.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



### WHAT WE ARE GOING TO DO

**Whakatane Water Treatment Plant Filter Upgrade:** This is the final year of a project to upgrade the water treatment plant filters at a cost of \$300,000 in 2011/12. This project is designed to improve the performance and efficiency of the treatment plant and improve water quality.

**General Reticulation Upgrade Water Supply Ohope - Stage 2:** The Council is undertaking a project to upgrade reticulation in the Ohope water scheme. With stage 1 completed, the Council will commence with stage 2 of a general reticulation upgrade in 2011/12. The planned upgrade will increase the level of service provided to the Ohope Beach Community. The upgrade will also increase the capacity of the systems to meet future demand in the Ohope area.

**Rangitaki Plain Irrigation Strategy:** The purpose of the Strategy is to determine whether it is possible to significantly facilitate and enhance agricultural and horticultural production and associated economic growth through an efficient, integrated and sustainable local authority led Community Irrigation Scheme and associated infrastructure. The Strategy is a joint study together with the Bay of Plenty Regional Council. Fifty percent of the funding will come from the Ministry of Agriculture and Forestry with the remainder of the cost being shared between the Bay of Plenty Regional Council and the Council.

**Plains Water Supply:** Testing of the Paul Road bore has been completed and this water source is recognised as being of sufficient quality and quantity to be able to supply the Plains Water Scheme on a long term basis as one of a number of sources. Resource consent to abstract water from this bore for community water supply has been obtained by the Council. Consultation with the major stakeholders of the scheme is programmed to be undertaken in 2011/12 regarding the development of a 50 year strategy for the Plains Water Scheme. The Council has allocated \$30,000 to this strategy from the Plains Water Scheme reserve account.

**Plains Water Connections Upgrade:** The Council will continue to replace the Plains Water connections and install back-flow preventers where these are not already installed. \$50,000 has been provided in the 2011/12 year which forms the final year of a three year programme.

**General Renewals and Replacements:** The Council will continue to provide for the maintenance of the Whakatane and the Plains Water supply network at a total cost of \$255,000 for the 2011/12 year. This includes the ongoing programme of progressively replacing aging or faulty pipes, connections and meters across all schemes. Connections and meters will also be replaced in Whakatane at a cost of \$100,000 in the 2011/12 year. This is an ongoing programme of replacements needed to upgrade aging meters and components.

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

Provide a continuous, safe, uninterrupted, and cost effective water system throughout the District's urban, residential and commercial areas that complies with drinking water and fire standards.

- Satisfaction with the overall quality and reliability of the mains water scores 73.7 or higher (Very good service) in Council's Perception Survey
- Less than 30 incidences leading to complaints regarding taste and odour of water.
- 95% of water supply systems with adequate pressure to fill a 15 litre bucket in one minute.

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## What we do and why we do it

This describes the Activities provided to the community and why they are provided.

## Which community outcomes does this contribute to

The Activities undertaken by the Council contribute towards the community outcomes of the Whakatane District. The community outcomes listed here are contributed to by this Activity.

## What are we going to do

This provides an overview of the key projects (both capital and operational) that will be undertaken during the year. A full list of capital projects can be found in the Financials chapter of this Annual Plan.

### What will this activity cost

This table sets out the proposed operational and capital costs of each specific activity for the 2011/12 year. See the explanation of categories table on the following page for more detail.

### What are the key differences from the LTCCP

This section outlines any key differences between this Annual Plan 2011/12 and what was planned for the year according to the Long Term Council Community Plan (LTCCP) 2009-19. This includes any substantial differences to the projects and work programme, budgets or intended levels of service.

### What are our performance targets for the year

This table outlines the levels of service and performance targets that the Council aims to achieve in the 2011/12 year. These include a variety of perception based and technical measures. Perception based measures are monitored through the Council's perception survey which is available on the website [www.whakatane.govt.nz](http://www.whakatane.govt.nz)


Groups of Activities - Water-Related Services

**WHAT WILL THIS ACTIVITY COST**

	Annual Plan 2011/12 \$000
Expenditure	5,703
Revenue	4,907
<b>Net Cost (Surplus) of Operations</b>	<b>796</b>
Capital Expenditure	2,281

**WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP**

- **Ohope Reservoir Roof Replacement**  
The Ohope reservoir roof replacement is a new project which will cost \$175,000. The project has been brought about due to the fact that the roof condition is beyond repair and is in need of replacement.
- **Plains Water Land Purchase**  
The Council will purchase the land for the Paul Road bore as it is an important water supply asset for the Plains Water Scheme. Negotiations are in progress and are expected to be completed in the 2011/12 year.



**WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR**

<ul style="list-style-type: none"> <li>• Number and level of water supply gradings received. (The Ministry of Health grades water quality between A &amp; E for water source and between a &amp; e for water reticulation. A indicates the highest standard and e lowest. U stands for ungraded)</li> </ul>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Whakatane</td><td>Aa</td></tr> <tr><td>Ohope</td><td>Aa</td></tr> <tr><td>Edgecumbe</td><td>Dc</td></tr> <tr><td>Mataiea</td><td>Ab</td></tr> <tr><td>Murupara</td><td>Ab</td></tr> <tr><td>Taneatua</td><td>Ab</td></tr> <tr><td>Ruatoki</td><td>Aa</td></tr> <tr><td>Waimana</td><td>Aa</td></tr> <tr><td>Plains</td><td>Dc</td></tr> <tr><td>Ta Mahoe</td><td>Aa</td></tr> </tbody> </table>	Whakatane	Aa	Ohope	Aa	Edgecumbe	Dc	Mataiea	Ab	Murupara	Ab	Taneatua	Ab	Ruatoki	Aa	Waimana	Aa	Plains	Dc	Ta Mahoe	Aa
Whakatane	Aa																				
Ohope	Aa																				
Edgecumbe	Dc																				
Mataiea	Ab																				
Murupara	Ab																				
Taneatua	Ab																				
Ruatoki	Aa																				
Waimana	Aa																				
Plains	Dc																				
Ta Mahoe	Aa																				

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Explanation of categories in cost of service tables

WHAT WILL THIS GROUP OF ACTIVITIES COST?	
<b>OPERATIONAL</b>	
<b>EXPENDITURE</b>	
Depreciation	The wearing-out, consumption, or loss of value of an asset over its useful life e.g. motor vehicles.
Interest Paid	Interest on funds borrowed.
Operations	The day to day cost of running this activity e.g. salaries and wages, materials and services, overheads and any overheads recoveries.
<b>Total Expenditure</b>	<b>Total costs of activity excluding capital expenditure.</b>
<b>REVENUE</b>	
Development Contributions	Money paid by developers towards providing assets or extending existing assets to cater for increased demand due to growth e.g. extending sewerage systems.
User Fees & Charges	Includes admission charges for Council facilities, parking fines and regulatory fees e.g. permits, dog registration.
General Rates	Income from general rates charged on the capital value of all properties within the District and the Uniform Annual General Charge (UAGC).
Interest Income	Interest earned on funds invested.
Sundry Income	Miscellaneous income from other sources generally not of a significant nature e.g. local authority petrol tax.
Subsidies and Grants	Money received from other organisations that contributes to the cost of the service.
Targeted Rates	Rates where the benefit or use of a service can be assigned to specific households or communities, such as water supply or disaster mitigation.
<b>Total Revenue</b>	<b>Total revenue for this activity.</b>
<b>Net Cost (Surplus) of Operations</b>	<b>Total expenditure less total revenue.</b>
<b>NON OPERATIONAL</b>	
<b>EXPENDITURE</b>	
<b>Transfer from (Surplus) Deficit</b>	
Capex*	Capital Expenditure creating a completely new asset or extending or renewing an existing asset to provide the same or greater service than it currently provides e.g. extending a sewer pipe to increase capacity.
Loan Repayments	Repaying of loans raised for capital expenditure.
Payments to Reserves	Transferring money into a Reserve account held for special purpose. This includes transfers from Development Contribution revenue to Development Contribution Reserves.
Less Depreciation not Funded	The portion of depreciation that the Council does not intend to fund from revenue.
<b>Total Funding Requirement</b>	<b>Net cost of operations plus Capex, loan repayments and payments to reserves.</b>
<b>FUNDED BY</b>	
Depreciation Reserve	Using funds from depreciation reserves.
Development Contributions Reserve	Using funds from Development Contribution Reserves to provide new assets or extension of existing assets to cater for increased demand due to growth.
Loans Raised	Borrowing money to pay for new assets, parts of assets, or to fund temporary deficits.
Operational Reserve	Using funds from operational reserves to provide an asset or to assist with maintaining existing assets or services e.g. using reserve funds to pay for capital expenditure or operational projects.
Sale of Assets	Revenue to be raised from the sale of assets belonging to this activity.
<b>Total Funding Applied</b>	<b>The balance of funds required to operate this activity.</b>
<b>*CAPITAL EXPENDITURE</b>	This shows how the capital expenditure is split to fund level of service improvements, versus population growth and/or renewal works.

# *Corporate & District Activities*

## **Ngā Mahinga Matakite a Rohe**



*Communications, Finance, Customer Services, Corporate Information,  
Corporate Property, Human Resources, District Income and Expenditure*

## WHAT ARE CORPORATE AND DISTRICT ACTIVITIES

Every organisation needs to develop, manage and maintain internal systems to provide effective and efficient services. Corporate and District Activities are substantial functions of the Council and while they do not fall within the Groups of Activities they do impact on their budgets.

This section of the Annual Plan outlines the expected costs associated with these activities and identifies some of the key projects planned for the 2011/12 year.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
1,719	Depreciation	2,256	1,813	(443)
220	Interest Paid	209	247	38
(1,444)	Operations	(2,264)	(1,566)	698
<b>495</b>	<b>Total Expenditure</b>	<b>201</b>	<b>494</b>	<b>293</b>
<b>REVENUE</b>				
0	Development Contributions	0	0	0
250	User Fees & Charges	238	209	29
(186)	General Rates	(995)	(186)	(809)
772	Interest Income	918	1,434	(516)
922	Sundry Income	907	975	(68)
100	Subsidies & Grants	0	0	0
649	Targeted Rates	0	59	(59)
<b>2,507</b>	<b>Total Revenue</b>	<b>1,068</b>	<b>2,491</b>	<b>(1,423)</b>
<b>(2,012)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(867)</b>	<b>(1,997)</b>	<b>(1,130)</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
(2,012)	Transfer from (surplus)/deficit	(867)	(1,997)	(1,130)
1,535	Capex *	3,267	2,225	(1,042)
703	Loan Repayments	1,651	673	(978)
1,835	Payments to Reserves	823	1,738	915
(185)	less Depreciation not Funded	0	(383)	(383)
<b>1,876</b>	<b>Total Funding Requirement</b>	<b>4,874</b>	<b>2,256</b>	<b>(2,618)</b>
<b>FUNDED BY</b>				
915	Depreciation Reserve	1,226	1,175	51
0	Development Contribution Reserve	0	0	0
512	Loans Raised	2,050	1,080	969
450	Operational Reserve	1,606	0	1,606
0	Sale of Assets	0	0	0
<b>1,877</b>	<b>Total Funding Applied</b>	<b>4,882</b>	<b>2,256</b>	<b>2,626</b>
<b>* CAPITAL EXPENDITURE</b>				
915	Level of Service	2,172	1,228	(936)
0	Growth	176	112	(64)
620	Renewals	927	885	(6)

## CORPORATE AND DISTRICT ACTIVITIES

### WHAT WE DO AND WHY WE DO IT

Corporate and District Activities supports the delivery of the Council's projects, plans and activities. Corporate and District Activities include:

**Communications:** The Council provides the communications activity to inform, engage and enable the community to better understand what the Council does so they can be a part of decisions and projects. Community engagement is a major part of the Council activities and some types of public communications are required by law. The Local Government Act 2002 requires the Council to consult with its community and facilitate public debate about matters being considered by the Council.

**Finance:** This internal activity provides financial and rating services to support the Council's activities. It is responsible for developing and providing effective mechanisms to monitor and report on the Council's financial performance.

**Customer Services:** The Council needs efficient and consistent customer services to meet the continually changing expectations of its customers. This activity manages these expectations and ensures the agreed appropriate service is provided in accordance with the customer service standards and charter.

**Corporate Information:** This activity delivers information services to internal and external customers. Providing the right tools and information at the right time and place enables efficient, effective, and prudent management. The Corporate Information activity is the guardian of the Council's data, information and knowledge assets which must be securely managed for current and future generations. The Council must also comply with relevant legislation such as the Public Records Act 2005 (PRA) and the Electronic Transactions Act 2002 (ETA) regarding the creation, collection, retention, and archiving of information.

**Corporate Property:** Corporate property includes assets that provide essential services to the community and those that are supported by the local community. There are 20 properties in total, which include the Civic Centre, Museum and Gallery, the Whakatane Airport Terminal Building, Workshops, Depots, Libraries, and the Dog Pound.

**Human Resources:** The purpose of this activity is to attract, retain, up skill, motivate and reward high calibre employees capable of having a positive impact in their areas of responsibility and delivering on the Annual plan and LTCCP/LTP work programmes for which they are responsible. As at 30 April 2011 the Whakatane District Council employed 156 full time equivalent employees (excluding casuals).

**District Income and Expenditure:** District income is applied to reduce the general rate requirement in other council activities. This revenue is sourced from commissions, petrol tax, interest and other sundry revenue.

### WHAT KEY ACHIEVEMENTS ARE WE PLANNING FOR THE YEAR

#### Electronic Content Management System:

The Electronic Content Management System is the system used by the Council to store its electronic files. This three year project involves the implementation of a new system to manage all of the Council's records and electronic information. The system enables the Council to meet its Central Government regulatory requirements. The system is now operational across all of the Council and the project is now focused on improvement and migration of legacy information.

#### Implementation of Compliance and Regulation

**Information Systems Solutions:** The Council will continue to implement information systems to increase the effective processing and management of regulatory and compliance related processes.

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**The community is provided with up-to-date, factual information about Council's current and planned activities.**

Satisfaction with Council's provision of information. 2008 CSI score 64.2 or higher (Fair: Needs improvement).

Byways is produced and distributed quarterly to every household and non-resident ratepayer.

**The community and the Council have access to accurate and timely financial information.**

Rates assessments are issued to ratepayers within a timely manner and contain accurate information.

Ratepayers are given at least three weeks notice to pay a rates instalment.



**Online (Web) Service Development:** The Council is currently analysing the communities requirements for online services. At the completion of this review the Council will further develop systems to deliver online web services to the community.

**Microsoft Office Upgrade:** The Council will prepare for and implement the current version of Office productivity software. This will involve a programme of modifying relevant enterprise applications and of up-skilling current employees.

**New Geographic Information Systems:** The Council will upgrade its outmoded Geographic Information Systems (GIS) as part of a regional joint councils initiative with Bay of Plenty Local Authority Shared Services (BOPLASS).

**Refurbishment of Civic Centre Library:** With the Library and Exhibition Centre underway in 2011/12, the old library in the Civic Centre will be refurbished into Council office space. This will cost \$352,000 in the 2011/12 year.

*The Council's newsletter, Byways is distributed to every household in the District through the Bay Weekend*

## HOW ARE THESE ACTIVITIES FUNDED

The operational costs associated with corporate and district activities are funded by charging overheads on other activities. Capital expenditure is generally funded by way of corporate loans or depreciation funding. The interest from these loans is also allocated as overheads while the principal repayment is collected through the general rate.

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Due to other priorities, some larger projects under the Corporate Information activity have been rescheduled to the 2012/13 year. This includes the scanning of the physical property files. As a result, there will be a decrease in capital expenditure during 2011/12
- Direct costs for the Finance activity have increased from that in the LTCCP. This is due to the additional costs associated with preparing the LTP 2012-22 e.g. increased audit costs.
- The Council is a member of the Local Authority Protection Programme (LAPP) which is a scheme designed to provide some insurance for the underground assets of Local Authorities. Due to the scale of destruction in Christchurch as a result of the Earthquakes during 2010/11, the LAPP fund has been exhausted. A strategy has been proposed by LAPP that the scheme fund could be reinstated within 5 years, subject to no disasters. To achieve this position, the Council has budgeted to increase its contributions from \$40,000 to \$160,000 in line with the strategy.
- Bad debt expenditure has also attributed to the increase in direct costs. This is mainly due to the economic climate and people entering into hardship. However, this has been offset with savings and cuts across the Finance activity.
- Depreciation expenses have increased due to asset revaluations and the purchase of new assets.
- Within the corporate and district income activity, additional rates of \$550,000 are included to reduce overdrawn operating reserve balances from the 2008/09 year deficit.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**The community has access to Council's activities through fully competent and efficient Service Centres.**

Satisfaction with overall service from Customer Service/ Front Desk staff. 2008 CSI score 75.2 or higher (Very good service).

85% of non direct dial telephone calls answered within 30 seconds.

**Customer service efficiency is maximised through staff access to high quality information systems.**

All users have access to Information systems during business hours with at least 99% availability.

*Leadership*  
**Te Poumanukura**



*Governance, Community Support, Strategy and Policy*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group of activities, the Council provides leadership, community representation, advocacy, consultation, monitoring, planning, stewardship and accountability to the residents and ratepayers of the Whakatane District. In addition, the Council is responsible for the provision and allocation of community grants. The Council also develops formal policies and the Long Term Plan (Long Term Council Community Plan).

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
0	Depreciation	0	0	0
7	Interest Paid	8	7	(1)
2,770	Operations	2,917	3,001	84
<b>2,777</b>	<b>Total Expenditure</b>	<b>2,925</b>	<b>3,008</b>	<b>83</b>
<b>REVENUE</b>				
0	Development Contributions	0	0	0
0	User Fees & Charges	0	0	0
2,309	General Rates	2,531	2,597	(66)
0	Interest Income	0	0	0
58	Sundry Income	0	2	(2)
0	Subsidies & Grants	0	0	0
404	Targeted Rates	409	415	(6)
<b>2,771</b>	<b>Total Revenue</b>	<b>2,940</b>	<b>3,014</b>	<b>(74)</b>
<b>6</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(15)</b>	<b>(6)</b>	<b>9</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
6	Transfer from (surplus)/deficit	(15)	(6)	9
0	Capex *	0	0	0
6	Loan Repayments	6	6	(0)
0	Payments to Reserves	10	0	(10)
0	less Depreciation not Funded	0	0	0
<b>12</b>	<b>Total Funding Requirement</b>	<b>1</b>	<b>0</b>	<b>(1)</b>
<b>FUNDED BY</b>				
0	Depreciation Reserve	0	0	0
0	Development Contribution Reserve	0	0	0
0	Loans Raised	0	0	0
11	Operational Reserve	0	0	0
0	Sale of Assets	0	0	0
<b>11</b>	<b>Total Funding Applied</b>	<b>0</b>	<b>0</b>	<b>0</b>

# GOVERNANCE

## WHAT WE DO AND WHY WE DO IT

Governance of the Council is a key activity, supporting and guiding everything else that the Council does. The elected members of the Council provide direction to the Council, ensuring that it is able to offer value for money and prudent management contributing to community outcomes. The elected members are the community's representatives, making decisions on behalf of and in the interests of the community. The Council is required by the Local Government Act 2002 to be open, transparent and democratically accountable. This means the Council must conduct its business in public in a way that is easily understood and contributed to by the community.

The incoming Council that was elected in October 2010 has introduced a new governance structure which sees most of the Council's business addressed at committee level. There are two new committees, the Monitoring and Policy Committee and the Projects and Services Committee. All Councillors are members of both committees. The Council believes that this enables its business to be conducted in public in a way that is easily understood and contributed to by the community.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



STRONG,  
TRANSPARENT AND  
OPEN LEADERSHIP

## WHAT WE ARE GOING TO DO

**Community Board Discretionary Funds:** Each Community Board of the District has a discretionary fund (ranging from \$5,000-\$50,000) available for community groups and projects that benefit their ward. The Community Boards include: Rangitaiki (formerly Edgecumbe/ Tarawera), Murupara, Ohope Beach, Taneatua, and Whakatane.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,953
Revenue	1,953
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

### The Council makes decisions in an open and transparent manner.

- » All meetings are publicly notified and agendas of the Council, its committees and community boards are available.
- » Satisfaction with the opportunities Council provides for community involvement in decision making scores 58.5 or higher (Needs significant improvement) in Council's Perception Survey.

### Elections and representation reviews are conducted in accordance with the Local Electoral Act 2001 and participation is encouraged.

- » Any by-elections conducted in accordance with Local Electoral Act.

### Māori have the capacity and the opportunity to contribute to Council decision making.

- » Eight or more Iwi Liaison Committee meetings held during the year.
- » Māori satisfaction with the opportunities Council provides for community involvement in decision making scores 58.4 or higher (Needs significant improvement) in Council's Perception Survey.

## COMMUNITY SUPPORT

### WHAT WE DO AND WHY WE DO IT

The Council provides community support by providing funding for community projects; recognising voluntary organisations' contributions to the community; supporting and encouraging interaction and exchange with other cultures and recognising elderly people's contribution to the District. This activity is a key part of the Council's work to support the social and cultural well being of the citizens of this District. It also includes civic ceremonies such as ANZAC Day.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



STRONG,  
TRANSPARENT AND  
OPEN LEADERSHIP

### WHAT WE ARE GOING TO DO

**Community Grants:** The Council will provide \$200,000 (including \$70,000 from the Harbour Fund) in the way of grants to community groups and voluntary organisations to acknowledge and better enable them to contribute to the wellbeing of the Whakatane District. Applications for Community Grants are called for in July of each year.

### Iwi Liaison Committee Discretionary Fund:

This discretionary fund of \$10,000 provides financial assistance to support, promote, encourage, and celebrate Māori culture and language in the Whakatane District. Applications are accepted throughout the year subject to funding availability.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	198
Revenue	204
<b>Net Cost (Surplus) of Operations</b>	<b>(6)</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Community groups, voluntary organisations and landowners are supported in contributing to the social, environmental, cultural and economic wellbeing of the Whakatane District.**

- » \$305,000 of community funding distributed in accordance with Council policy (note: this amount is sourced from general rates, harbour fund, and external agencies and distributed as a function of the Community Support activity). This includes the following funds:
  - » Community Boards discretionary funds.
  - » Iwi Liaison Committee discretionary fund.
  - » Annual Grants.
  - » Multiple Year Funds.
  - » Lease Subsidies.

## STRATEGY AND POLICY

### WHAT WE DO AND WHY WE DO IT

This activity delivers quality strategy and policy advice for elected members and staff to enable effective decision making and long-term planning. The Council makes decisions and sets direction to promote the social, cultural, environmental and economic wellbeing of the District's communities, and contribute to the good governance of these communities. Making good decisions and effectively setting direction requires a framework to provide long-term stability and consistency of approach. This activity also includes developing and consulting on planning and accountability mechanisms as required under the Local Government Act 2002, such as the Long Term Plan and the Annual Plan.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



### WHAT WE ARE GOING TO DO

**Corporate Planning:** The Council is required to produce a Long Term Plan (LTP) every three years and an Annual Plan in each intervening year. During 2011/12 we will produce an LTP covering the 2012-22 financial years. The LTP project is a key project for the Council in 2011/12 year and involves work across the Council. The programme of work to develop the LTP includes projects such as a review of funding and financial policies, Asset Management Plans, a level of service review and development of a financial strategy (further information is included under Key Issues.)

**Policy development:** During 2011/12 the Council will continue its programme of developing new policies and reviewing existing policies. However, the budget in this area has been reduced to offset the increased requirements of developing the LTP 2012-22.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	856
Revenue	856
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The community outcomes reporting project has been cancelled as a result of the Local Government Act 2002 Amendment Act 2010, which removed the requirements to undertake this work.
- Additional provision has been made for a Māori Policy Analyst which reflects the decisions made under Community Development in the LTCCP. The costs associated with this will be shared with the Resource Management - Policy activity.
- Some costs for this activity have been moved from other activities since the original budget was set in the LTCCP. This includes costs from Communications, Finance and Māori Policy Analyst projects.
- The review of the Alcohol Policy has been deferred because of the alcohol reviews at Central Government level. This will now progress under the Community Development activity following the enactment of the Alcohol Reform Bill.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**The Council will develop and maintain strategies, policies and plans that support sustainable development and the needs of the community.**

- » Perception that the Council makes good long term decisions scores 47.4 or higher (Needs significant improvement) in Council's Perception Survey.
- » Council's Policy framework drafted and review schedule completed. A third of policies reviewed as per schedule.

# *Transport Networks & Safety*

Ngā Huarahi ara Rau



*Transport Networks, Road Safety, Parking Enforcement*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Generally, this group of activities is provided by Council in response to needs and aspirations of the community to achieve transport services that will, where necessary, conform to national funding criteria, prudent use of resources and expectations of safety, sustainability and comfort.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
6,214	Depreciation	5,648	8,098	2,450
397	Interest Paid	519	624	105
7,371	Operations	7,800	7,145	(655)
<b>13,982</b>	<b>Total Expenditure</b>	<b>13,967</b>	<b>15,867</b>	<b>1,900</b>
<b>REVENUE</b>				
355	Development Contributions	374	192	182
446	User Fees & Charges	417	465	(48)
0	General Rates	0	0	0
0	Interest Income	0	0	0
151	Sundry Income	310	194	116
6,188	Subsidies & Grants	6,658	4,520	2,138
6,403	Targeted Rates	9,058	6,840	2,218
<b>13,543</b>	<b>Total Revenue</b>	<b>16,817</b>	<b>12,211</b>	<b>4,606</b>
<b>439</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(2,851)</b>	<b>3,656</b>	<b>6,506</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
439	Transfer from (surplus)/deficit	(2,851)	3,655	6,506
7,394	Capex *	8,642	4,088	(4,554)
1,146	Loan Repayments	411	820	409
834	Payments to Reserves	393	545	152
(3,866)	less Depreciation not Funded	(2,423)	(6,744)	(4,321)
<b>5,947</b>	<b>Total Funding Requirement</b>	<b>4,172</b>	<b>2,364</b>	<b>(1,808)</b>
<b>FUNDED BY</b>				
2,556	Depreciation Reserve	3,228	1,332	1,896
45	Development Contribution Reserve	63	12	51
2,513	Loans Raised	854	1,020	(166)
808	Operational Reserve	0	0	0
25	Sale of Assets	26	0	26
<b>5,947</b>	<b>Total Funding Applied</b>	<b>4,171</b>	<b>2,364</b>	<b>1,807</b>
<b>* CAPITAL EXPENDITURE</b>				
1,807	Level of Service	1,827	878	(949)
87	Growth	389	8	(381)
5,500	Renewals	6,426	3,202	(3,224)



## TRANSPORT NETWORKS

### WHAT WE DO AND WHY WE DO IT

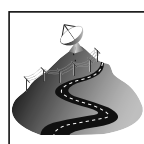
The Council provides roading, airports, pedestrian and parking facilities and public transport infrastructure for the sustainable, safe, convenient, comfortable and cost effective movement of people and goods throughout the District, as well as to destinations outside the District. It benefits residents, businesses and the District as a whole. There are a number of legislative requirements that the Council needs to comply with in this activity including the Land Transport Management Act 2003, Local Government Acts 1974 and 2002 and the Resource Management Act 1991.

The transportation network mainly consists of roads, footpaths and car parking along with associated services such as street lighting, road markings, bridges and cycleways. The roading network consists of approximately 902kms of predominantly rural roads (82%). Over 76% of the network is sealed, which is well above the national average of 60%. Currently there are approximately 175 million vehicle kilometres travelled on the network each year with approximately 72% of this traffic being on the arterial and collector roads.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



PROSPEROUS  
ECONOMY



HIGH-QUALITY  
AFFORDABLE  
INFRASTRUCTURE

### WHAT WE ARE GOING TO DO

**Operating and Maintaining the Existing Local Road Network:** In an attempt to maintain rates at an affordable level for the community, the Council has reduced its maintenance budget for the 2011/12 year by \$1.50m. The reductions are across a number of areas including pavement and lighting renewals, with the largest reduction coming from road reseals.

Programmes such as cycling and walking programmes, which were a key focus of the previous Government, will not be continued in 2011/12 due to changes in Central Government funding priorities.

#### New and Improved Infrastructure for Local Roads

The Council intends to undertake a number of capital improvement projects in the 2011/12 year that enhance the existing road network or cater for changing demands. The total cost for these projects in the 2011/12 year is \$500,000 (including NZTA subsidy of \$275,000). The programme of improvements has been reduced from that in the LTCCP as detailed later in this section.

Key projects for the 2011/12 year include:

- Wainui Road widening
- Thornton Road curve realignment investigations
- Thornton Road widening.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

### Provide a reliable, safe and maintained transport network.

- » Satisfaction with the surface of the roads being maintained (e.g. lack of potholes, cracks, bumps etc) scores 68 or higher (Good service but with potential for improvement) in Council's perception survey.
- » 95% of customer service requests responded to appropriately and within timeframes in maintenance contract.
- » 95% of road network compliant with New Zealand Transport Agency average road roughness limits.
- » Less than 10% of road crashes identify the road as a contributing factor (measured as a 5 year average).

## WHAT WILL THIS ACTIVITY COST?

	Annual Plan 2011/12 \$000
Expenditure	15,119
Revenue	11,405
<b>Net Cost of Service (Surplus)</b>	<b>3,714</b>
Capital Expenditure	4,088

## LAND TRANSPORT PROGRAMME

Following an amendment to the Land Transport Management Act in August 2008, Land Transport Programmes are prepared regionally rather than at a district level.

Information about the Bay of Plenty Regional Land Transport Programme can be obtained from Bay of Plenty Regional Council offices, by phoning 0800 368 267, or from [www.boprc.govt.nz](http://www.boprc.govt.nz)

## ROUTE SECURITY

Historically there have been a number of occasions when access between Opotiki and Whakatane has been cut off due to flooding and slips on both the state highway and the alternative detours on local roads in both the Whakatane and Opotiki districts. Bay of Plenty Regional Council has proposed in their Annual Plan to make funding available in the 2011/12 financial year to improve route security in the Eastern Bay of Plenty. The preferred option is to consider the link between Whakatane and Opotiki via Wainui Road. The Whakatane District Council will be working in partnership with BOPRC, Opotiki District Council and NZTA to identify the key sites and to progress the required works over the 2011/12 financial year.

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Direct costs have been reduced by \$1.50m to ease the rating impact. There has been a reduction in the maintenance work scheduled for 2011/12. These reductions will not have a significant impact on levels of service in the first year and a full review of the roading schedule will take place alongside the Council's LTP 2012-22 during 2011/12.
- Funding of seal extensions, that was scheduled at a cost of \$400,000 in 2011/12, has been removed from the budget.
- Reinstatement and improvements works required as a result of the floods during 2010/11 have meant an increase in loan costs during 2011/12.
- The reduction in operational expenditure means that some projects which were planned will not occur in 2011/12. These projects include:
  - Linking Mill Road to Phoenix Drive
  - Road construction of the Matata Refuge Reserve costing \$270,000 in 2011/12
  - Construction of the Tarawera River Western Access costing \$125,000 in 2011/12
  - Reduction in expenditure on pedestrian facilities in urban areas, rural areas and Matata, due to changes in central government funding priorities
  - Reduction in expenditure on cycle facilities in urban areas, also due to changes in central government funding priorities.
- Projects which will occur but which differ to the LTCCP include:
  - New footpaths in Matata - \$11,000 (reduced from \$20,000 due to changes in central government funding priorities)

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide a quality roading network compliant with all statutory and regulatory requirements.**

- » 100% compliance with transport related statutory and regulatory requirements according to NZTA procedural audits (3 yearly).

**Route security is maintained.**

- » Access is restored following emergency road closure incidents within timeframes in maintenance contract.
- » One bridge spans the Whakatane River providing access to Whakatane urban area (two bridges by 2017).

# ROAD SAFETY

## WHAT WE DO AND WHY WE DO IT

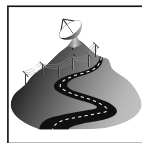
The Council is the lead agency in the Eastern Bay cluster (Whakatane, Kawerau and Opotiki District Councils) for road safety education, advertising and co-ordination. NZTA, Police, ACC and the Bay of Plenty Regional Council are key stakeholders along with local agencies who belong to the Road Safety Committee. The activities are provided in response to central government requirements identified in the Land Transport Amendment Act 2008, Government Policy Statement targets, and community aspirations. NZTA are a major funder of the cost of the road safety activity with funding also coming from the three Eastern Bay of Plenty District Councils and the Bay of Plenty Regional Council. ACC are key contributors financially in their identified target areas. Financial and in kind support is also received from business and local communities.

The main activity is the co-ordination of education programmes and advertising to address the causes of serious and fatal crashes in the Eastern Bay. There are key partners in the community such as the Probation Service and Community Drug and Alcohol Services that deliver ongoing projects. The Annual Road Safety Action Plan is brought into effect through the Eastern Bay Road Safety Committee and employment of Road Safety/Sustainable Transport personnel.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



SAFE CARING  
COMMUNITY



HIGH-QUALITY  
AFFORDABLE  
INFRASTRUCTURE

## WHAT WE ARE GOING TO DO

**Annual Road Safety Programmes:** The Road Safety Programme has been refocused for 2011/12 to ensure alignment with the Government's new Road Safety Strategy, "Safer Journeys to 2020". The purpose of the programme is to provide road safety education and advertising specifically targeted to the Eastern Bay of Plenty and the areas where our communities have been identified as being most at risk. The 'at risk' areas to which the programme has been targeted are:

- **Safer Road Use – Alcohol:** Includes general and Marae based programmes, working with Police and the Courts with repeat offenders, youth education, student support programmes and drink / drive campaigns.
- **Safer Road Use – Speed:** Includes programmes around speed and schools, youth targeted programmes and advertising campaigns.
- **Safer Road Use – Motorcycles:** General motorcycle safety programmes and campaigns.
- **Safer Vehicles – Restraints:** Seat belts and child restraint programmes and advertising.
- **Safer Roads and Roadsides – Pedestrians and Cyclists:** 'Bikewise' cycle promotion and cycle safety programmes.
- **Safer Road Use – Fatigue:** Continuation of the annual Waioeka Gorge fatigue stop promotion.

These targeted areas are all identified as high risk in the Communities at Risk Register developed by the New Zealand Transport Agency

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide programmes that help reduce the incidence and severity of crashes in the District and help to reduce road travel demand.**

- » Satisfaction with the safety of our roads scores 68.4 or higher (Good service but with potential for improvement) in Council's Perceptions Survey.
- » At least 30 annual road safety and travel demand programmes delivered.

### WHAT WILL THIS ACTIVITY COST?

	Annual Plan 2011/12 \$000
Expenditure	387
Revenue	387
<b>Net Cost of Service (Surplus)</b>	<b>0</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The change of Central Government and recent completion of the Safer Journeys to 2020 Strategy has resulted in a change to the priorities and funding schemes available to the Council from NZTA. The scope and nature of projects undertaken under this activity will have to be adjusted to meet the priorities of the Central Government's Safer Journeys Strategy in order to access funding.
- Direct costs are down from what is stated in the LTCCP. This is due to the reduced programme schedule as a result of reduced funding in some areas such as the cycling and walking programmes.



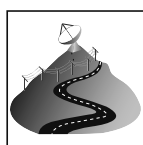
## PARKING ENFORCEMENT

### WHAT WE DO AND WHY WE DO IT

The Council provides parking enforcement services in response to community needs and aspirations for safety and convenience. The parking provisions are governed by the Traffic and Speed Limits Bylaw as well as relevant sections of the Land Transport Act 1998 and traffic regulations. Monitoring is focused on the central business districts of Whakatane and Kopeopeo. Enforcement activities are aimed at motorists overstaying their parking time, but also include the issuing of infringement notices for expired warrants and registrations, damaged/smooth tyres and illegal parking within defined areas.

This activity supports safety on the road by identifying vehicles that do not comply with regulations around road worthiness. Associated processes include prosecutions and court appearances as well as responding to complaints. The Council is proactive in promoting Whakatane's parking regulations and promotes the message of responsible driver behaviour towards parking requirements. This service ensures a turnover of vehicles in key areas to manage traffic flow.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



HIGH-QUALITY  
AFFORDABLE  
INFRASTRUCTURE



PROSPEROUS  
ECONOMY

### WHAT WE ARE GOING TO DO

The Council will continue to provide parking enforcement services. These will monitor overstaying of parking times but also includes the issuing of infringement notices for expired warrants and registrations, damaged/smooth tyres and illegal parking within defined areas.

Under legislation, any revenue gained from this activity can only be used for transport related expenditure and must only be applied to the area from which it was collected.

### WHAT WILL THIS ACTIVITY COST?

	Annual Plan 2011/12 \$000
Expenditure	361
Revenue	419
<b>Net Cost of Service (Surplus)</b>	<b>(58)</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No significant differences.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Parking enforcement maximises the availability of parking and ensures that vehicles are safe.**

- » Satisfaction with Council parking in Whakatane score 69.9 or higher (Good service but with potential for improvement) in Council's Perceptions Survey.
- » Regular patrols are carried out in Whakatane and Kopeopeo for parking and road worthiness including:
  - » Whakatane; 3 patrols per day.
  - » Kopeopeo; 5 patrols per week.

# *Water-Related Services*

## **Ngā Ratonga a Wai**



*Water, Wastewater, Stormwater, Trade Waste*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

This group of activities is undertaken to provide and maintain efficient, reliable and safe water, wastewater, stormwater and trade waste services. The Council undertakes the activities in this group because of statutory obligations and public demand. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide these water services to those communities that have been serviced.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

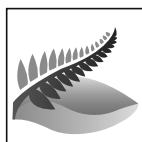
Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
3,771	Depreciation	4,148	4,210	62
834	Interest Paid	1,109	1,004	(105)
5,529	Operations	6,213	5,413	(800)
<b>10,134</b>	<b>Total Expenditure</b>	<b>11,470</b>	<b>10,627</b>	<b>(843)</b>
<b>REVENUE</b>				
232	Development Contributions	245	80	165
172	User Fees & Charges	99	173	(74)
32	General Rates	29	18	11
0	Interest Income	0	0	0
110	Sundry Income	0	100	(100)
6,345	Subsidies & Grants	3,184	2,921	263
7,148	Targeted Rates	9,802	8,140	1,662
<b>14,040</b>	<b>Total Revenue</b>	<b>13,359</b>	<b>11,432</b>	<b>1,927</b>
<b>(3,906)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(1,889)</b>	<b>(805)</b>	<b>1,084</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
(3,906)	Transfer from (surplus)/deficit	(1,889)	(805)	1,084
11,987	Capex *	7,428	8,429	1,001
756	Loan Repayments	715	838	123
403	Payments to Reserves	245	358	113
(2,307)	less Depreciation not Funded	(1,917)	(2,696)	(779)
<b>6,934</b>	<b>Total Funding Requirement</b>	<b>4,582</b>	<b>6,124</b>	<b>1,542</b>
<b>FUNDED BY</b>				
1,747	Depreciation Reserve	1,235	1,340	(105)
58	Development Contribution Reserve	225	224	1
4,319	Loans Raised	3,115	4,258	(1,143)
599	Operational Reserve	8	302	(294)
0	Sale of Assets	0	0	0
<b>6,723</b>	<b>Total Funding Applied</b>	<b>4,583</b>	<b>6,124</b>	<b>(1,541)</b>
<b>* CAPITAL EXPENDITURE</b>				
9,832	Level of Service	5,290	5,446	156
77	Growth	402	756	354
2,078	Renewals	1,736	2,227	491

# WATER

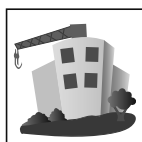
## WHAT WE DO AND WHY WE DO IT

Water is an essential resource in our community and the Council is charged with ensuring water is of a high standard, is safe to drink and that supply is adequate for all the community. In response to this the Council manages a number of water supply assets for the District and is required to adhere to a number of statutory requirements, standards and policies. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide water services to those communities that have been serviced.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

## WHAT WE ARE GOING TO DO

### Whakatane Water Treatment Plant Filter Upgrade:

This is the final year of a project to upgrade the water treatment plant filters at a cost of \$300,000 in 2011/12. This project is designed to improve the performance and efficiency of the treatment plant and improve water quality.

### General Reticulation Upgrade Water Supply Ohope – Stage 2:

The Council is undertaking a project to upgrade reticulation in the Ohope water scheme. With stage 1 completed, the Council will commence with stage 2 of a general reticulation upgrade in 2011/12. The planned upgrade will increase the level of service provided to the Ohope Beach Community. The upgrade will also increase the capacity of the systems to meet future demand in the Ohope area.

**Rangitaiki Plain Irrigation Strategy:** The purpose of the Strategy is to determine whether it is possible to significantly facilitate and enhance agricultural and horticultural production and associated economic growth through an efficient, integrated and sustainable local authority led Community Irrigation Scheme and associated infrastructure. The Strategy is a joint study together with the Bay of Plenty Regional Council. Fifty percent of the funding will come from the Ministry of Agriculture and Forestry with the remainder of the cost being shared between the Bay of Plenty Regional Council and the Council.

**Plains Water Supply:** Testing of the Paul Road bore has been completed and this water source is recognised as being of sufficient quality and quantity to be able to supply the Plains Water Scheme on a long term basis as one of a number of sources. Resource consent to abstract water from this bore for community water supply has been obtained by the Council. Consultation with the major stakeholders of the scheme is programmed to be undertaken in 2011/12 regarding the development of a 50 year strategy for the Plains Water Scheme. The Council has allocated \$30,000 to this strategy from the Plains Water Scheme reserve account.

**Plains Water Connections Upgrade:** The Council will continue to replace the Plains Water connections and install back-flow preventers where these are not already installed. \$50,000 has been provided in the 2011/12 year which forms the final year of a three year programme.

**General Renewals and Replacements:** The Council will continue to provide for the maintenance of the Whakatane and the Plains Water supply network at a total cost of \$255,000 for the 2011/12 year. This includes the ongoing programme of progressively replacing aging or faulty pipes, connections and meters across all schemes. Connections and meters will also be replaced in Whakatane at a cost of \$100,000 in the 2011/12 year. This is an ongoing programme of replacements needed to upgrade aging meters and components.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide a continuous, safe, uninterrupted, and cost effective water system throughout the District's urban, residential and commercial areas that complies with drinking water and fire standards.**

- » Satisfaction with the overall quality and reliability of the mains water scores 73.7 or higher (Very good service) in Council's Perception Survey
- » Less than 30 incidences leading to complaints regarding taste and odour of water.
- » 95% of water supply systems with adequate pressure to fill a 15 litre bucket in one minute.



### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	5,697
Revenue	4,827
<b>Net Cost (Surplus) of Operations</b>	<b>870</b>
Capital Expenditure	2,261

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Ohope Reservoir Roof Replacement**  
 The Ohope reservoir roof replacement is a new project which will cost \$175,000. The project has been brought about due to the fact that the roof condition is beyond repair and is in need of replacement.
- Plains Water Land Purchase**  
 The Council will purchase the land for the Paul Road bore as it is an important water supply asset for the Plains Water Scheme. Negotiations are in progress and are expected to be completed in the 2011/12 year.



### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

- » Number and level of water supply gradings received.  
 (The Ministry of Health grades water quality between A & E for water source and between a & e for water reticulation. A indicates the highest standard and e lowest. U stands for ungraded)

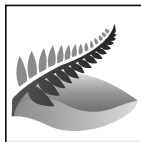
Whakatane	Aa
Ohope	Aa
Edgecumbe	Db
Matata	Ab
Murupara	Ab
Taneatua	Ab
Ruatoki	Aa
Waimana	Aa
Plains	Db
Te Mahoe	Aa

# WASTEWATER

## WHAT WE DO AND WHY WE DO IT

The Council is responsible for the provision and management of six wastewater schemes situated at Whakatane, Ohope, Edgecumbe, Taneatua, Murupara, and Te Mahoe. The Council's key focus is to ensure wastewater is managed in an appropriate way. The Council maintains a number of assets to provide this service including treatment plants, pump stations, trunk mains, mains and service lines.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

*Many of the Council's wastewater projects are reliant on central government funding*

## WHAT WE ARE GOING TO DO

**Whakatane Pipe Renewals:** The Council will continue with the third year of a ten year project to progressively replace or reline aging pipes in Whakatane. In the 2011/12 year the Whakatane pipe renewals will occur at a cost of \$250,000.

**McAlister Street Pipe Upgrade:** The McAlister Street pipe upgrade project installation is expected to cost \$638,000 in the 2011/12 year. The purpose of this multi-year project is to upgrade the wastewater pipelines in McAlister Street. This stage of the project will be completed in 2011/12.

**Matata Wastewater System Development:** Since 2003, the Council has intended to construct a wastewater system for Matata as a solution to stream and land contamination from domestic septic tanks. This project was delayed by the Matata debris flows in 2005. The cost estimate for the project was originally \$4.48m and the Council had secured a subsidy from the Ministry of Health of \$3.72m. Project estimates have substantially increased since the original proposal to around \$10m due to a change in system design and disposal method. To partially offset cost increases, a more feasible option is being pursued involving piping wastewater to Edgecumbe and increasing the capacity of the Edgecumbe treatment plant to cope with the additional waste stream.

The Council has received a subsidy for the Matata Wastewater system development from the Ministry of Health of \$6.72 million which is 85% of the total cost of the project. The Council will be looking at how to fund the remaining 15% cost of the project. The Council will consult with the community regarding funding options. The Council has also made submissions to the Bay of Plenty Regional Council requesting their support for this project. (For more information see the Key Issues chapter of this Annual Plan).

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**To provide high quality, efficient and reliable wastewater systems that are affordable and meet the reasonable needs of the urban and commercial communities**

- » Satisfaction with having a reliable disposal of waste water and sewerage scores 79 or higher (Exceptional performance) in Council's Perception Survey.
- » 90% of blockages and breakages affecting the system in Whakatane are responded to within one hour. (Note: Actual works required to remedy breakages and blockages will vary according to the extent of fault).
- » 90% of blockages and breakages affecting the system in other urban areas are responded to within three hours. (Note: Actual works required to remedy breakages and blockages will vary according to the extent of fault).

**Ohope Treatment Plant Investigations:**

Investigations and design for the Ohope wastewater treatment plant upgrade have been undertaken to improve performance. Construction will occur in 2011/12 at a cost of \$500,000.

**Edgecumbe Wastewater System upgrade:**

There are three projects scheduled to take place in 2011/12 to reduce the frequency of wastewater spills:

- The first project of the Edgecumbe Wastewater System upgrade is the reticulation repairs and upgrades to the pumping system that are planned to be completed in 2011/12, with some funding from the Local Authority Protection Programme Disaster Fund (LAPP).
- The second project involved the ongoing project of pump station upgrades. Work to upgrade the pump station, taking place during 2010/11, was planned to be continued in 2011/12. However, external funding towards the next phase of the pump station upgrade (which will provide more storage for the pump station) is not available due to the Sanitary Works Subsidy Scheme no longer receiving applications for funding. As a result, this part of the project is now subject to the success of the upgrade projects during 2010/11 and the reticulation repairs planned for 2011/12.
- The third project of the pump replacement is completely funded by the Council. The cost of this project is \$37,500 in the 2011/12 year.

(For more information see the Key Issues chapter of this Annual Plan).

**WHAT WILL THIS ACTIVITY COST**

	Annual Plan 2011/12 \$000
Expenditure	2,953
Revenue	5,015
<b>Net Cost (Surplus) of Operations</b>	<b>(2,061)</b>
Capital Expenditure	5,580

**WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP**

- No key differences

**WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR**

**To provide high quality, efficient and reliable wastewater systems that are affordable and meet the reasonable needs of the urban and commercial communities cont.**

- » High quality and effective reticulated wastewater systems are provided in:
  - Whakatane
  - Edgecumbe
  - Murupara
  - Matata
  - Taneatua
  - Te Mahoe
  - Ohope
- » No wastewater related resource consent infringement and abatement notices received from the Regional Council.

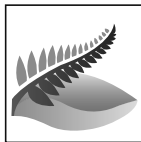
# STORMWATER

## WHAT WE DO AND WHY WE DO IT

The Council manages stormwater systems in Whakatane, Taneatua, Otawairere, Matata, Te Mahoe, Edgecumbe, Te Teko, Ohope, Murupara and Taiwhakaea. Each of these locations has its own issues and geographical challenges to ensure stormwater is effectively and efficiently managed and causes little disruption in the community. The Council provides stormwater systems because of statutory obligations and public demand.

The design standard for Whakatane's urban stormwater reticulation system is to cope with a one in 10 year event with no surface flooding and a one in 50 year event with surface flooding drained away using overland flow paths. Low-lying parts of the Whakatane urban area have stop-banks as protection from the Whakatane River. The river and stopbanks are managed by the Bay of Plenty Regional Council. Through the town there are canals and open drains that link to pumps. The higher parts of the urban area channel high volumes of stormwater to the lower areas of town.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

*75% of stormwater systems in Whakatane are built to meet one in 10 year rainfall events*

## WHAT WE ARE GOING TO DO

**Whakatane and Ohope Stormwater Catchment Management Project:** A joint project being undertaken by the Council and the Bay of Plenty Regional Council is looking to mitigate flooding by taking a whole of catchment approach to designing solutions to mitigate flooding in the Whakatane and Ohope stormwater systems. This project has come about as a result of the floods in 2010. During 2011/12 the joint working group will work on the findings of the 2010/11 investigations to develop the options and implement the projects. At this stage the physical works are undetermined but there are likely to be many projects identified and prioritised to mitigate flood hazards in these urban areas. (For more information see the Key Issues section of this Annual Plan).

**General maintenance:** The Council will continue to provide for the maintenance of stormwater systems during the 2011/12 year.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide a quality continuous, safe, uninterrupted, and cost effective urban stormwater system accessible throughout Whakatane (including Otawairere), Ohope, Edgecumbe, Matata, Murupara, Taneatua, Te Mahoe and Te Teko.**

- » Satisfaction with the overall effectiveness of the stormwater systems scores 64.0 or higher (Fair: needs improvement) in Council's Perception Survey.
- » All blockages affecting the system in Whakatane are responded to within one hour. (Note: Actual works required to remedy blockages will vary according to the extent of fault).
- » All blockages affecting the system in other urban areas are responded to within three hours. (Note: Actual works required to remedy blockages will vary according to the extent of fault).
- » 75% of storm-water systems are built to meet one in ten year rainfall event.

**McAlister Pump Station Upgrade:** The Council had planned to undertake an upgrade of the main pump station to minimise the flooding risk to the Apanui catchment. At present the Council has undertaken a study using a hydraulic model to identify the upgrade requirements of this pump station and of other future capital works required to address the stormwater issue in the Whakatane town. The funds are allocated in the next financial year to continue this study. Following the studies a new capital works programme will be prepared and will be included in the LTP 2012-22

**Whakatane Pump Station Electrical Improvements:** This project involves upgrading the electrical and telemetry systems in order to improve operational efficiencies. The cost of this for the 2011/12 year will be \$160,000.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,849
Revenue	1,462
<b>Net Cost (Surplus) of Operations</b>	<b>388</b>
Capital Expenditure	588

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Direct costs have been reduced by \$160,000 due to reduced maintenance and consultant costs.
- A project will be implemented to construct a sand sausage along the western side of Maraetotara Stream to prevent further erosion and to reduce the current risk to assets in the reserve. The estimated cost of the project is approximately \$80,000.

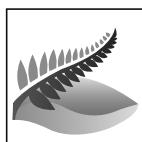


# TRADEWASTE

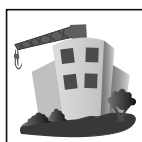
## WHAT WE DO AND WHY WE DO IT

Tradewaste refers to waste discharged into the Council's wastewater system from industrial and commercial premises. The Council undertakes this activity because of statutory obligations. The main objectives are to protect the environment, people and community assets required for essential services.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

## WHAT WE ARE GOING TO DO

The Council will continue to implement the new trade waste charges which were introduced through the Trade Waste Bylaw during 2009/10.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	128
Revenue	128
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Fees and charges have increased due to the new trade waste charging regime.
- Direct costs for this activity have decreased due to this activity now being managed internally.

# Waste

## Ngā Parapara



*Waste Reprocessing, Waste Disposal, Waste Recycling*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group of activities, the Council provides services for refuse collection, recycling and reprocessing of waste, and waste disposal. The Council undertakes the activities within this group in response to the needs and aspirations of the people of the District for aesthetic and health reasons. The activities undertaken within this group contribute towards the implementation of the Council's Zero Waste Policy.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
35	Depreciation	885	73	(812)
333	Interest Paid	512	332	(180)
4,683	Operations	5,291	4,849	(442)
<b>5,051</b>	<b>Total Expenditure</b>	<b>6,688</b>	<b>5,254</b>	<b>(1,434)</b>
<b>REVENUE</b>				
146	Development Contributions	155	53	102
1,148	User Fees & Charges	2,499	1,238	1,261
115	General Rates	212	133	79
0	Interest Income	0	0	0
0	Sundry Income	343	0	343
733	Subsidies & Grants	529	875	(346)
4,353	Targeted Rates	3,936	4,190	(254)
<b>6,495</b>	<b>Total Revenue</b>	<b>7,674</b>	<b>6,489</b>	<b>1,185</b>
<b>(1,445)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(986)</b>	<b>(1,235)</b>	<b>(249)</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
(1,445)	Transfer from (surplus)/deficit	(986)	(1,235)	(249)
2,547	Capex *	1,515	2,180	665
224	Loan Repayments	281	270	(11)
596	Payments to Reserves	155	143	(12)
0	less Depreciation not Funded	0	(73)	(73)
<b>1,922</b>	<b>Total Funding Requirement</b>	<b>965</b>	<b>1,285</b>	<b>320</b>
<b>FUNDED BY</b>				
497	Depreciation Reserve	0	0	0
354	Development Contribution Reserve	330	492	(162)
1,071	Loans Raised	633	793	(158)
0	Operational Reserve	0	0	0
0	Sale of Assets	0	0	0
<b>1,922</b>	<b>Total Funding Applied</b>	<b>963</b>	<b>1,285</b>	<b>(320)</b>
<b>* CAPITAL EXPENDITURE</b>				
2,349	Level of Service	1,376	1,975	599
197	Growth	138	205	67
0	Renewals	0	0	0



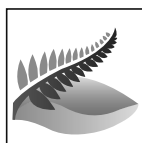
## WASTE REPROCESSING

### WHAT WE DO AND WHY WE DO IT

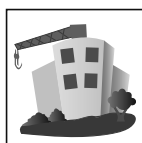
This activity involves diverting and reprocessing of materials out of the waste stream allowing them to be reused rather than wasted. This activity helps to reduce waste, reduce reliance of fresh raw materials and reduce the dependence on landfills as a waste management option.

The activity includes the provision of kerbside greenwaste collection services, green waste services at transfer stations and concrete reprocessing. The Waste Reprocessing activity has grown with the development of a composting plant to divert further organic waste out of the waste stream.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

### WHAT WE ARE GOING TO DO

#### Diverting materials out of the waste stream:

Following closure of the Burma Road landfill in December 2009 the Council has placed a greater priority on diverting and reprocessing of materials out of the waste stream for reuse. Diverting materials such as green waste and concrete out of the waste stream reduces the costs of solid waste disposal outside the District. The Council's Waste Management and Minimisation Plan will also be implemented in 2011/12.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	873
Revenue	873
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Direct costs are expected to decrease by \$290,000 due to the operation of the proposed new green waste processing plant. The remainder of the budgeted amount has been reallocated across the other waste activities.

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The community has access to kerbside collection, disposal and recycling facilities, including disposal of special waste, (hazardous waste).

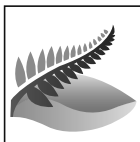
- » The proportion of waste to landfill is decreased to 55% compared to green waste and recycling.

# WASTE RECYCLING

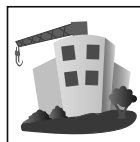
## WHAT WE DO AND WHY WE DO IT

Recyclables are collected in tandem with general refuse and can also be dropped off, free of charge, to any of the Council's transfer stations. The materials currently being recycled via the domestic crate service include paper, cardboard, plastics (grades 1 and 2), glass (clear, green, brown), tin cans and aluminium cans and plastic bags. Larger items such as household appliances, steel, cars, timber, tyres etc can be taken to either the Murupara and Minginui Transfer Stations or the Whakatane Recycling Centre, where they are sorted for shipping.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

## WHAT WE ARE GOING TO DO

**Recycling Services:** Implementation of the Waste Management and Minimisation Plan will occur in the 2011/12 year. This will include initiating more projects and working with the community towards zero waste.

**Whakatane Recycling Park Improvements:** During the 2011/12 year the Council will continue with annual minor works to improve the Whakatane Recycling Park at a cost of \$20,000 per annum.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,417
Revenue	1,562
<b>Net Cost (Surplus) of Operations</b>	<b>(145)</b>
Capital Expenditure	20

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

No key differences.



## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The community has access to kerbside collection, disposal and recycling facilities, including disposal of special waste, (hazardous waste).

- » Satisfaction with Kerbside recyclable collection scores 81.2 or higher (Exceptional performance) in Council's Perceptions Survey.
- » Satisfaction with Council run recycling facilities in Whakatane and Murupara scores 82.4 or higher (Exceptional performance) in Council's Perceptions Survey.

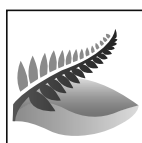
## WASTE DISPOSAL

### WHAT WE DO AND WHY WE DO IT

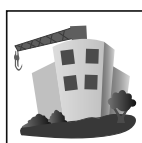
The Council's waste disposal services contribute to community wellbeing by providing facilities and opportunities that enable the community to dispose of their waste so as to protect public health and minimise harmful environmental effects.

The Council provides kerbside refuse collection services to approximately 12,700 households in the District and operates waste transfer stations in Whakatane, Murupara and Minginui. With the closure of the Burma Road landfill in December 2009 there are no operational landfills within the District. Residual waste (non reusable or recyclable) will be transported and disposed of outside the District until another disposal option is finalised.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

### WHAT WE ARE GOING TO DO

**Resource Consent for new Landfill:** The LTCCP includes budget for the construction of a new landfill in the district in the 2013/14 year. The total cost of the project (including obtaining resource consents) is anticipated to be around \$11.00m. The Council recognises that only a regional landfill is economic and therefore the Council will be seeking contributions towards the project from other territorial authorities and key stakeholder agencies. During the 2011/12 year the Council will lodge an application for resource consent. The cost for obtaining resource consent has increased to \$1.75m.

**Murupara Landfill Capping/Retirement:** This project is a further stage of capping the retired Murupara landfill. The total cost for the 2011/12 year is \$110,000.

**Burma Road Landfill Gas Collection and Capping:** The Burma Road landfill was successfully retired in the 2010/11 year. In the 2011/12 year the final stage of landfill capping will be completed and the gas will be collected. This will cost \$300,000.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	2,963
Revenue	4,054
<b>Net Cost (Surplus) of Operations</b>	<b>(1,092)</b>
Capital Expenditure	2,160

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- With costs higher than expected and recoveries lower than expected, the Council has had to adjust budgets for the solid waste activities resulting in higher fees and charges, as well as increases to the Refuse Removal Targeted Rates and the Refuse Disposal Uniform Annual Charge.
- Costs of obtaining a resource consent for the new landfill have increased for the 2011/12 year by \$750,000, as the costs were deferred from 2010/11.
- During three peak weeks of summer, the Council will provide an extra kerbside waste and recycling collection for Ohope. This will be funded through the Ohope waste collection targeted rate.

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The community has access to kerbside collection, disposal and recycling facilities, including disposal of special waste, (hazardous waste).

- » Satisfaction with residential refuse collection scores 83.6 or higher (Exceptional performance) in Council's Perceptions Survey.
- » A transfer station is provided in:
  - » Murupara
  - » Whakatane
  - » Minginui
  - » Ruatahuna
- » Number of landfills in the District is reduced to 0 (Waste disposed of outside the District).

# *Environmental Sustainability*

**Te Pūtaiao**



*Resource Management - Consents,  
Resource Management - Policy*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group the Council develops Planning Policy and implements it primarily through the administration of the District Plan. This activity processes resource consent applications to use, develop and subdivide land and monitors compliance with the conditions of consent. The Council also develops and monitors the District Plan, associated strategies and policy, as well as assessing the state of the environment.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
0	Depreciation	0	0	0
53	Interest Paid	64	89	25
2,218	Operations	2,443	2,212	(231)
<b>2,271</b>	<b>Total Expenditure</b>	<b>2,507</b>	<b>2,301</b>	<b>(206)</b>
<b>REVENUE</b>				
0	Development Contributions	0	0	0
699	User Fees & Charges	1,072	422	650
747	General Rates	677	1,188	(511)
0	Interest Income	0	0	0
153	Sundry Income	109	130	(21)
0	Subsidies & Grants	0	0	0
0	Targeted Rates	0	0	0
<b>1,599</b>	<b>Total Revenue</b>	<b>1,858</b>	<b>1,740</b>	<b>118</b>
<b>671</b>	<b>Net Cost (Surplus) of Operations</b>	<b>649</b>	<b>562</b>	<b>(87)</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
671	Transfer from (surplus)/deficit	649	562	(87)
0	Capex *	0	0	0
9	Loan Repayments	801	90	(711)
0	Payments to Reserves	0	0	0
0	less Depreciation not Funded	0	0	0
<b>680</b>	<b>Total Funding Requirement</b>	<b>1,450</b>	<b>652</b>	<b>(798)</b>
<b>FUNDED BY</b>				
0	Depreciation Reserve	0	0	0
0	Development Contribution Reserve	0	0	0
680	Loans Raised	635	652	(17)
0	Operational Reserve	815	0	815
0	Sale of Assets	0	0	0
<b>680</b>	<b>Total Funding Applied</b>	<b>1,450</b>	<b>652</b>	<b>798</b>

## RESOURCE MANAGEMENT - CONSENTS

### WHAT WE DO AND WHY WE DO IT

The Council has a statutory obligation to administer the Resource Management Act 1991 (RMA). The RMA requires all councils to be responsible for the provisions of the Act relating to the subdivision, use and development of land. In order to meet its obligations under the RMA, the Council processes and determines resource consent applications to use, develop and subdivide land and then monitors compliance with the conditions of consent to ensure negative effects on the environment are avoided, remedied or mitigated.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



### WHAT WE ARE GOING TO DO

In the 2011/12 year the Council will continue to provide resource consent services in accordance with obligations under the RMA.

These obligations may be subject to change over the course of the year with the RMA currently under review. The Council will continue to monitor the review and respond to any legislative changes as and when necessary.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,104
Revenue	1,104
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Direct costs have reduced by \$87,000 in the 2011/12 year as a result of staff leaving without replacement due to reduced numbers of resource consent applications being received. This is the result of the economic recession and changes to the District Plan.
- There are a number of costs within this activity that are of public rather than private benefit. These cost items include objections and appeals, customer service, complaints monitoring, project costs and government initiatives (such as amendments to legislation). The Council has increased the proportion to a 50:50 split of these costs that is funded through general rates rather than user fees and charges.
- Expected income from user fees and charges is budgeted to decrease by \$280,000 to more accurately reflect the public benefit activities undertaken.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Resource Management Act (RMA) administrative services are provided to facilitate environmentally sustainable development within the Whakatane District.**

- » Satisfaction with Council's resource consent process scores 62 or higher (Fair: Needs improvement) in Council's Perception Survey.
- » 11.4 working days is the average time for processing resource consents.
- » 20 working days is the average time for processing subdivision consents.

# RESOURCE MANAGEMENT - POLICY

## WHAT WE DO AND WHY WE DO IT

The RMA requires the Council to have a District Plan setting out objectives, policies and rules with regard to the subdivision, use and development of land.

This activity involves preparing the plans and policies that implement the RMA, such as the District Plan, while also providing input to regional and national resource management frameworks. In addition there is a need to ensure that resource management planning processes are firmly supported by long term objectives and direction.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

**Whakatane District Plan Review:** In July 2009 the Council commenced a three year project to review the Whakatane District Plan at a total expected cost of \$1.87m. The 2011/12 year forms the third year of the project. The costs associated with this project in 2011/12 are needed to finalise the proposed District Plan.

Some of the key issues considered through the District Plan Review process include the provisions relating to indigenous biodiversity, rural subdivision and urban growth.

The Council will also be supporting the Rangitaiki River Forum by providing technical assistance.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,198
Revenue	636
<b>Net Cost (Surplus) of Operations</b>	<b>562</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The District Plan review project is in its third year of a three year project. Direct costs have increased for the 2011/12 year mainly because of these reasons:
  - The Council has included provision for some expert advice when submissions are received.
  - The Council has included provision to support the Rangitaiki River Forum in the amount of \$10,000. The forum is a Joint Committee of the Bay of Plenty Regional Council, the Whakatane District Council and Iwi representation from Ngāti Manawa, Ngāti Whare, Tuwharetoa Bay of Plenty Settlement Trust and Ngāti Awa. The forum will be formed following the enactment of the recent Ngāti Manawa and Ngāti Whare Claims Settlement Bill.
  - Additional provision has been made for a Māori Policy Analyst to support this activity. This cost is shared with the Strategy and Policy activity.
- Debt servicing costs have increased as it was anticipated that the District Plan review debt was to be retired with the proceeds of the sale of Pensioner Housing.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The Whakatane District Plan is made operative.

- » Second generation Whakatane District Plan notified

# Community Safety

Te Whakamaru o Tū



*Licensing, Environmental Health, Regulation Monitoring  
Community Development, Building, Animal Control*



## WHAT THIS GROUP OF ACTIVITIES INCLUDES

The activities within this group are undertaken by the Council in response to various aspects of community safety and wellbeing. In most cases the Council is obligated by act to provide these services to the community. Within this group of activities the Council provides a variety of consents, licenses and certificates and also conducts monitoring and inspections to safeguard the community. The Council also provides information and complaints services under this group of activities.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
3	Depreciation	6	0	(6)
0	Interest Paid	0	0	0
2,787	Operations	2,993	2,758	(235)
<b>2,790</b>	<b>Total Expenditure</b>	<b>2,999</b>	<b>2,758</b>	<b>(241)</b>
<b>REVENUE</b>				
0	Development Contributions	0	0	0
1,488	User Fees & Charges	1,706	1,358	348
1,036	General Rates	948	1,140	(192)
0	Interest Income	0	0	0
329	Sundry Income	359	390	(31)
43	Subsidies & Grants	92	120	(28)
0	Targeted Rates	0	0	0
<b>2,896</b>	<b>Total Revenue</b>	<b>3,105</b>	<b>3,008</b>	<b>97</b>
<b>(106)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(106)</b>	<b>(250)</b>	<b>(144)</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
(106)	Transfer from (surplus)/deficit	(106)	(250)	(144)
0	Capex *	16	100	84
0	Loan Repayments	0	0	0
150	Payments to Reserves	100	150	50
0	less Depreciation not Funded	0	0	0
<b>44</b>	<b>Total Funding Requirement</b>	<b>10</b>	<b>0</b>	<b>(10)</b>
<b>FUNDED BY</b>				
0	Depreciation Reserve	6	0	6
0	Development Contribution Reserve	0	0	0
0	Loans Raised	0	0	0
44	Operational Reserve	4	0	4
0	Sale of Assets	0	0	0
<b>44</b>	<b>Total Funding Applied</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>* CAPITAL EXPENDITURE</b>				
0	Level of Service Growth Renewals	15	100	85

## LICENSING (LIQUOR & GAMBLING)

### WHAT WE DO AND WHY WE DO IT

The Council has a statutory obligation to undertake this activity. Under the provisions of the Sale of Liquor Act 1989 the Council takes on the role of a District Licensing Agency. The Gambling Act 2003 requires councils to develop and administer policies for class four venues (gaming machine venues excluding casinos) and for board venues (TABs).

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



SAFE CARING  
COMMUNITY



HEALTHY PEOPLE AND  
QUALITY HOUSING

*The Council carries out controlled purchase operations in conjunction with the Police and Toi Te Ora Public Health Service*

### WHAT WE ARE GOING TO DO

The Sale of Liquor Act 1989 is currently under review. Given the stage of the review, it is still unclear exactly what the implications will be for the Council. However, it is likely that the review will lead to more work for local Councils with greater responsibility and accountability and an increase in localised decision-making. Any changes as a result of the review should be cost recoverable and therefore cost neutral. The Alcohol Reform Bill is expected to be adopted in 2011/12.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	120
Revenue	120
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Alcohol sales and gaming machines are available only at licensed premises managed by qualified people.**

- » All licensed premises are inspected for compliance with the Sale of Liquor Act, at least once per annum, with enforcement action initiated against any non-complying premises.
- » At least one controlled purchase operation undertaken in conjunction with Police and Toi Te Ora Public Health Service with enforcement action initiated against non-complying premises.

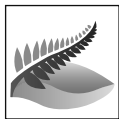
# ENVIRONMENTAL HEALTH

## WHAT WE DO AND WHY WE DO IT

The Council will continue to provide environmental health services over the 2011/12 year including licensing of registered premises and responding to nuisance complaints.

Amendments to the Food Act 1981 are likely to progress during the 2011/12 year. It is likely that under the proposed new regulatory regime Council's responsibility will change to an audit role for a widened range of food premises. Changes to the activity are pending finalisation of changes to the legislation.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



SAFE CARING COMMUNITY



HEALTHY PEOPLE AND QUALITY HOUSING

## WHAT WE ARE GOING TO DO

The Council will continue to provide environmental health services over the 2011/12 year including licensing of registered premises and responding to nuisance complaints.

Substantive amendments to the Health Act 1956 and Food Act 1981 are proposed by the Government. These are likely to progress during the 2011/12 year.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	240
Revenue	240
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.

*All food premises are inspected at least once a year*

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

### The environmental health of the community is maintained or enhanced

- » Satisfaction that Environmental Health Services are making the environment a healthier place to live scores 69.6 or higher (Good service but potential for improvement) in Council's Perception Survey. Environmental health includes; public health, food, noise and litter.

### Food premises operating in the Whakatane District comply with relevant regulations/legislation.

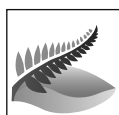
- » All food premises are inspected at least once per annum and registrations are issued in accordance with regulations of relevant legislation. Enforcement action is initiated against non-complying premises.

# REGULATION MONITORING

## WHAT WE DO AND WHY WE DO IT

Bylaws have been developed generally in response to public demand to deal with issues of nuisance, public health and safety and offensive behaviour. The Council also has statutory obligations under the provisions of the Local Government Acts 1974 and 2002 and the Litter Act 1979. The main duties include monitoring: public places (licensing of street stalls, the removal of obstructions in public places (e.g. overgrown trees on footpaths), and considering applications for parades), environmental nuisances such as accumulation of rubbish and urban rubbish fires, prevention of the spread of fires involving vegetation, responding to complaints about long grass in urban areas, barbecue permit conditions, prohibition of fires in urban areas during periods of high fire risk, and removing vehicles parked in the wrong place, and dealing with abandoned cars.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



SAFE CARING COMMUNITY

## WHAT WE ARE GOING TO DO

The Council will continue to provide services over the 2011/12 year to protect public health and safety. This includes providing a service to respond to issues and complaints in a timely manner.

**Litter Act:** The Council will enforce the infringement provisions in the Litter Act 1979 in the 2011/12 year as a result of increased amounts of litter and dumping around the area. Council staff now have the ability to issue infringement notices for the offence of littering under the Litter Act 1979.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	80
Revenue	80
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The Council administers and enforces bylaws to deal with issues that create nuisance to the community.

- » 100% of urgent complaints and infringements responded to within 1 hour.
- » 100% of non urgent complaints and infringements responded to within 24 hours.

# COMMUNITY DEVELOPMENT

## WHAT WE DO AND WHY WE DO IT

The Council provides this activity to offer support, coordination and direction to the community in order to enhance the social wellbeing of all. Social wellbeing refers to those aspects of life that we care about as a community which contribute to our individual happiness, quality of life and welfare.

The key areas of work in this activity include projects to enhance community safety e.g. CCTV cameras and graffiti removal. Also the development of strategies and policies to outline the Council's direction on social issues facing the community such as gambling, alcohol and youth policies.

This activity also administers the Youth Council which provides youth input into the Council's decision making.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

**Whakatane District Youth Council (WDYC):** Funding of \$3,000 has been provided for the WDYC in the 2011/12 year. The Youth Council meets to discuss youth issues, provide a youth perspective on Council projects and progress youth projects and events.

**Community Strategy:** The Council has developed a Community Strategy which was adopted on 20 May 2011. Copies of the Strategy are available from the Council's website [www.whakatane.govt.nz](http://www.whakatane.govt.nz).

The purpose of the strategy is to identify key social issues facing the district, and set a direction and capacity for how the Council will respond to community needs. The Strategy proposes a number of projects for 2011/12, including; establishing a response to issues of gang behaviour and family violence, developing an Older Person's Policy and reviewing the Council's Community Funding Policy.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	173
Revenue	273
<b>Net Cost (Surplus) of Operations</b>	<b>(100)</b>
Capital Expenditure	100

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The Council will enter into the second stage of the CCTV system upgrade. This project follows on from the 2010/11 hardware upgrade. Funding through grants and subsidies will be used to upgrade the CCTV system in order to improve reliability and for expansion of the network. Monitoring of footage will continue to be undertaken by the local police.
- Due to external funding being discontinued, the programme of work previously undertaken by this activity, namely Crossroads, Tag-Off, I Saw and Street Ambassadors are not likely to be continued in 2011/12. Because of the work being discontinued, this has decreased direct costs for the year and a corresponding decrease is seen in income for subsidies and grants.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

Community safety is fostered through a range of subsidised programmes and coordinated projects.

- » At least 4 safer communities programmes and projects developed and implemented.
- » Four or more Whakatane District Youth Council meetings held during the year.

## BUILDING

### WHAT WE DO AND WHY WE DO IT

The Council has statutory responsibilities under the Building Act 2004 and its regulations to ensure that buildings are safe for users and that they have attributes that contribute appropriately to the health, physical independence, and wellbeing of people who use them. Buildings also need to be designed, constructed, and able to be used in ways that promote sustainable development. The building activity includes the processing of building consents and project information memoranda, inspections of building work, issuing of code of compliance certificates and compliance schedules, and monitoring and enforcing of building warrants of fitness.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



### WHAT WE ARE GOING TO DO

#### Earthquake-prone Buildings Identification:

During 2010/11 a review of the Council's Policy and identification of buildings within the CBD occurred. Approximately two-thirds of buildings assessed so far have been identified as potentially earthquake-prone. The Council has removed the funding for 2011/12 to identify earthquake-prone buildings within the Whakatane District, in an attempt to reduce the rates increase. The Earthquake-prone Buildings Policy was adopted by the Council on 12 May 2011 (see the Council's website [www.whakatane.govt.nz](http://www.whakatane.govt.nz)).

**Review of the Building Act 2004:** Changes to the Building Act 2004 have already been made and further changes may affect this activity over the course of the 2011/12 year. While amendments to the Act have not had a major impact on this activity to date, the Council will remain informed, responding to legislative changes as and when necessary.

The Council will continue to provide building consent and inspection services in accordance with responsibilities under the Building Act 2004.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,546
Revenue	1,696
<b>Net Cost (Surplus) of Operations</b>	<b>(150)</b>
Capital Expenditure	0

The surplus above is to fund the contingency budget for weather tightness claims.

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The full cost of the building accreditation process is to be recovered from applicants applying to the Building Consent Authority (BCA) for a building consent.
- The Council's contingency budget for weather tightness claims was increased in 2010/11 from \$100,000 to \$150,000 each year to more accurately reflect the expected level of claim settlements. This higher level of budget has been continued in 2011/12.
- There are a number of costs within this activity that are of public rather than private benefit. These cost items include customer service, complaints monitoring, project costs and government initiatives (such as amendments to legislation). The Council is proposing to increase the proportion of these costs that is funded through general rates rather than user fees and charges. The proportions are proposed to change to 75% private benefit, 25% public benefit.
- Expected income from user fees and charges is budgeted to decrease by \$160,000 to more accurately reflect the public benefit activities undertaken.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

- » **New buildings and buildings with public access are healthy and safe.**
- » All new buildings and buildings with public access comply with the building code or enforcement action is taken.

#### High quality outcomes for building consent and code compliance applications are provided in a timely and professional manner.

- » Satisfaction with the Council's building consent process scores 62 or higher (Fair: Needs improvement) in Council's Perception Survey.
- » 13.7 working days is the average time for processing building consents.

# ANIMAL CONTROL

## WHAT WE DO AND WHY WE DO IT

The Council has a statutory obligation to undertake this activity. The Council's authority comes from the Dog Control Act 1996, the Dog Control Amendment Act 2003 and the Stock Impounding Act 1955. This activity also implements the Dog Control and Control of Animals Bylaws and the Stock Control Bylaw. Animal control services are provided 24 hours, seven days a week. Annual registration activity includes processing applications, annual inspections to check on animal welfare issues and registrations. Prosecutions are initiated against owners of unregistered dogs. Relevant records are maintained for the Council and Government in the National Dog Database. The District has about 6000 dogs and 4000 owners.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

The Council will continue to provide Animal Control services over the 2011/12 year to protect public safety. This includes undertaking an annual dog registration process and providing a 24 hour service to respond to animal complaints.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	599
Revenue	599
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.

*The Whakatane District is home to about 6000 registered dogs*

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Public safety and comfort is protected and the public are aware of their rights and responsibilities.**

- » Response initiated to aggressive dog complaints within 1 hour.
- » Response initiated to roaming stock complaints within 1/2 hour.
- » Response initiated for other complaints within 24 hours.
- » Satisfaction with Council's dog control service scores 66.6 or higher (Fair: Needs improvement) in Council's Perception Survey.

# Arts & Culture

## Ngā Mahi Toi Whakairo

**Blown glass** The technique of forming an object by inflating a 'gob' of molten glass gathered on the end of a blowpipe. The maker blows air into the pipe and then forms the piece by swinging or rolling or shaping with various tools and then inflating to the desired size.

**Incalmo Method** A glassblowing technique used to create horizontal or vertical bands of colour by forming and connecting cylinders of coloured glass.



Library, Museum & Gallery



## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group of activities, the Council provides libraries, located in Whakatane, Murupara, Edgecumbe and Ohope that provide a collection of print, audio, visual, full text online databases and internet access. The Council also provides a Museum & Gallery that accommodates a collection, displays, and genealogical and general archival research. The gallery offers communal space for a changing range of arts and crafts. Activities include acquisition and collection management, developing and maintaining community archives, public programmes and provision of information.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
185	Depreciation	263	260	(3)
125	Interest Paid	284	191	(93)
2,524	Operations	2,899	2,646	(253)
<b>2,834</b>	<b>Total Expenditure</b>	<b>3,446</b>	<b>3,097</b>	<b>(349)</b>
<b>REVENUE</b>				
5	Development Contributions	6	18	(12)
40	User Fees & Charges	125	23	102
1,160	General Rates	1,201	1,249	(48)
0	Interest Income	0	0	0
128	Sundry Income	134	57	77
625	Subsidies & Grants	69	992	(923)
1,453	Targeted Rates	1,848	1,693	155
<b>3,411</b>	<b>Total Revenue</b>	<b>3,383</b>	<b>4,032</b>	<b>(649)</b>
<b>(578)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>63</b>	<b>(935)</b>	<b>(998)</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
(578)	Transfer from (surplus)/deficit	63	(935)	(998)
1,178	Capex *	208	1,352	1,144
95	Loan Repayments	67	44	(23)
5	Payments to Reserves	6	18	12
(82)	less Depreciation not Funded	(135)	(69)	66
<b>619</b>	<b>Total Funding Requirement</b>	<b>208</b>	<b>410</b>	<b>202</b>
<b>FUNDED BY</b>				
158	Depreciation Reserve	125	158	(33)
0	Development Contribution Reserve	0	0	0
461	Loans Raised	83	252	(169)
0	Operational Reserve	0	0	0
0	Sale of Assets	0	0	0
<b>619</b>	<b>Total Funding Applied</b>	<b>208</b>	<b>410</b>	<b>(202)</b>
<b>* CAPITAL EXPENDITURE</b>				
1,060	Level of Service	83	1,234	1,151
0	Growth	0		0
118	Renewals	125	118	(7)

# LIBRARY

## WHAT WE DO AND WHY WE DO IT

There is one main library in Whakatane and three community libraries located in Edgecumbe, Ohope and Murupara. The Council provides library services because of public advocacy and demand, and endorses the educational, leisure and community value that libraries provide. The services provided in libraries allow access to print, audio and visual materials, online databases, internet access and a social meeting space/place. The library collection includes approximately 65,000 items available for issue.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



DIVERSE, CREATIVE AND  
ACTIVE COMMUNITY



EDUCATION AND  
TRAINING  
OPPORTUNITIES FOR ALL

## WHAT WE ARE GOING TO DO

**Arts and Culture Project:** In 2009 the Council purchased the former Briscoes building in the Esplanade Mall, Whakatane as the site for the development of an improved Library & Exhibition Centre. The existing Museum & Gallery building is to be converted into a Research, Storage and Archive Facility.

This project is the result of community consultation and the desire of the community to seek the re-adaptation of existing buildings to provide a cost effective community project.

Construction on the Library and Exhibition Centre (LEC) will begin in July 2011 with an expected opening date in March 2012. Exhibitions will include permanent items from the Museum & Gallery collection. (For further information on the Arts and Culture Project see the Key Issues Chapter.)

**Renewal of Library Collection:** The Council will continue its programme of replacing old and damaged items, and updating collections with new materials at a cost of \$119,000 in 2011/12.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,751
Revenue	1,843
<b>Net Cost (Surplus) of Operations</b>	<b>(93)</b>
Capital Expenditure	457

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The Council ensures that all members of the community have ready access to a wide range of resources for information, education, leisure and cultural enrichment.

- » Satisfaction with the library scores 79.4 or higher (Exceptional performance) in Council's Perception Survey.
- » 46% of population hold library membership (2004 national standard at least 35%).
- » 8.5 or more library issues per capita
- » 58% of lending collection is aged under 5 Yrs.
- » A building has been retrofitted and retro-furnished as a new dedicated library facility

## MUSEUM AND GALLERY

### WHAT WE DO AND WHY WE DO IT

The Museum and Gallery collects, preserves/conserves, records, researches and showcases our cultural heritage to our community and the world. The Council provides this activity in response to public advocacy and demand, and endorses the educational, leisure and community value of these facilities.

The Museum collection is estimated to hold 60,000 - 100,000 items including:

- Objects (social and natural history, taonga Māori, ethnology)
- Pictorial (fine arts and photography)
- Museum and community archives and research collections

The Whakatane Museum and Art Gallery is a major repository for artifacts, museum and community archives in the Whakatane District. The artifacts and archives held within the museum have grown to become an important collection incorporating a wide variety of heritage material and reflects important aspects of Whakatane's cultural and social history.

Significant work is ongoing to inventory the entire collection so that accurate information can be provided, an accurate valuation can be established, researchers have access to more digital material and items can be easily identified and located. Currently collections are being gifted to the Museum and Gallery faster than they can be considered for the collection.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



### WHAT WE ARE GOING TO DO

**Arts and Culture Project:** Alongside the development of a new Library and Exhibition Centre, the existing Museum and Gallery building in Boon Street will be refitted as a research, storage and archive facility. The Research, Storage and Archive Facility (RSA) is expected to begin after the Library and Exhibition Centre is completed.

**Collections Management:** The Council will undertake multiple projects related to the management of museum collections. These include re-housing the collection in museum quality storage and putting the now digitalised collection and also the HD London Research Library online.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,347
Revenue	2,188
<b>Net Cost (Surplus) of Operations</b>	<b>(842)</b>
Capital Expenditure	895

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Capital expenditure has increased from that proposed in the LTCCP, as the Arts and Culture project will now convert the existing Museum & Gallery building into a facility that meets the international guidelines for the long term care and protection of community archives and collections.
- A review of the long-term governance of Arts and Culture will take place during 2011/12.

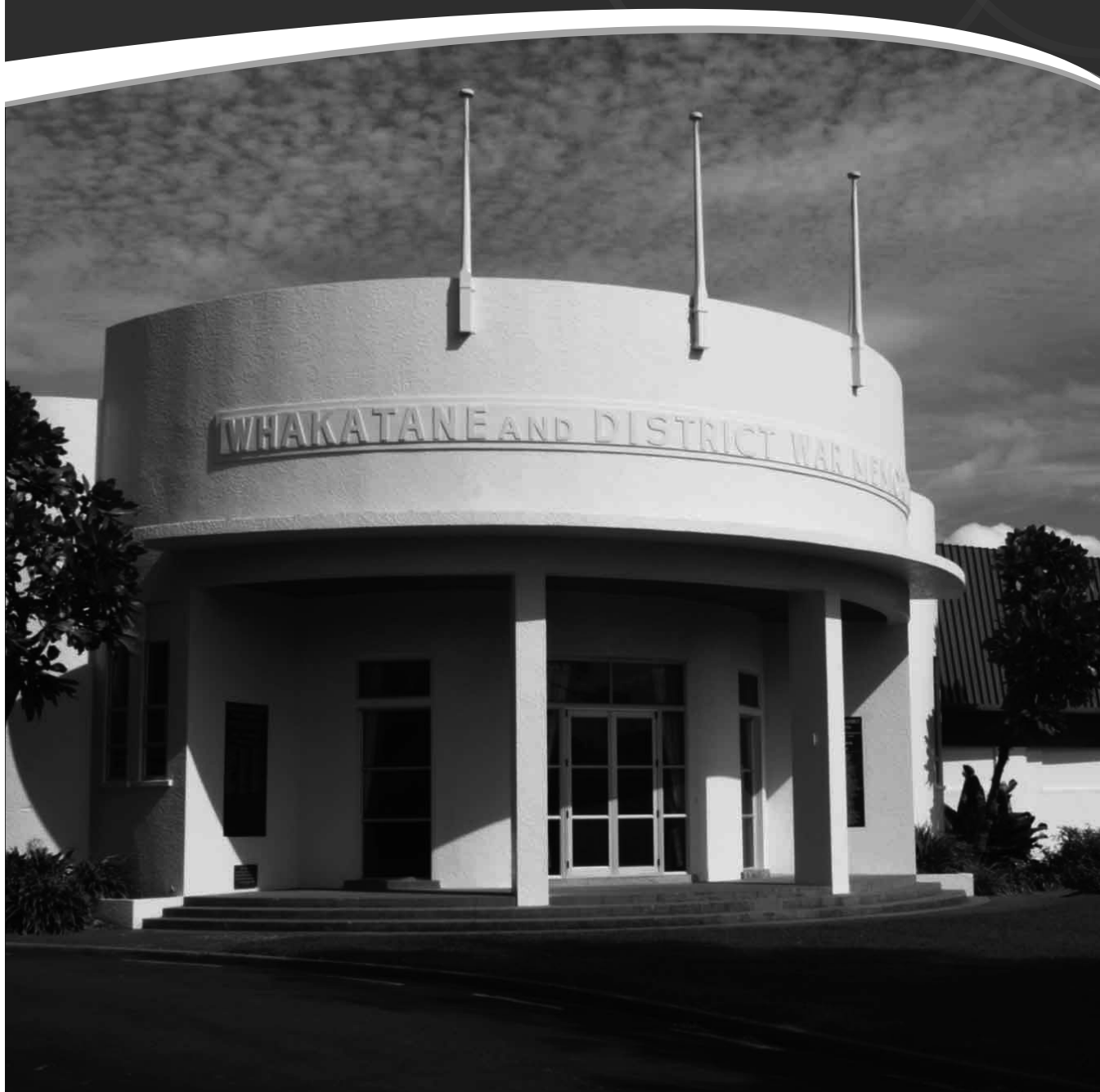
## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The Council provides dynamic facilities and services that help create a strong sense of community pride and identity, reflecting the heritage and culture of our region.

- » Satisfaction with Museum and Gallery facility & amenities in Boon Street scores 71 or higher (Good service but with potential for improvement) in Council's Perception Survey.
- » 10,316 Museum and Gallery admissions or higher.

# *Community Property*

## **Ngā Rawa o Te Hāpori**



*Pensioner Housing, Halls, Commercial Property*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group of activities the Council is responsible for the prudent management of community property. Properties are held either for the delivery of services to the community, including halls and pensioner housing, or for strategic and investment purposes.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

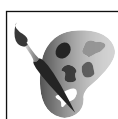
Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
596	Depreciation	179	605	426
28	Interest Paid	17	40	23
831	Operations	759	1,036	277
<b>1,455</b>	<b>Total Expenditure</b>	<b>955</b>	<b>1,681</b>	<b>726</b>
<b>REVENUE</b>				
62	Development Contributions	66	55	11
461	User Fees & Charges	354	665	(311)
380	General Rates	458	475	(17)
0	Interest Income	0	0	0
0	Sundry Income	0	0	(0)
135	Subsidies & Grants	96	41	55
0	Targeted Rates	0	0	0
<b>1,038</b>	<b>Total Revenue</b>	<b>974</b>	<b>1,236</b>	<b>(262)</b>
<b>417</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(20)</b>	<b>445</b>	<b>464</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
417	Transfer from (surplus)/deficit	(20)	445	464
243	Capex *	251	148	(103)
48	Loan Repayments	20	43	23
522	Payments to Reserves	2,516	406	(2,110)
(497)	less Depreciation not Funded	(81)	(385)	(304)
<b>732</b>	<b>Total Funding Requirement</b>	<b>2,686</b>	<b>657</b>	<b>(2,030)</b>
<b>FUNDED BY</b>				
142	Depreciation Reserve	137	94	43
0	Development Contribution Reserve	0	0	0
0	Loans Raised	0	0	0
130	Operational Reserve	99	213	(113)
460	Sale of Assets	2,450	350	2,100
<b>732</b>	<b>Total Funding Applied</b>	<b>2,686</b>	<b>657</b>	<b>2,030</b>
<b>* CAPITAL EXPENDITURE</b>				
125	Level of Service	85	80	(5)
0	Growth	0		0
118	Renewals	166	68	(98)

## PENSIONER HOUSING

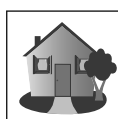
### WHAT WE DO AND WHY WE DO IT

Currently the Council owns six housing complexes for the elderly. There are four housing developments in Whakatane which provide 79 rentable units, and two properties in Murupara which provide a further seven rentable units. The Council has provided this activity in response to public demand.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



DIVERSE, CREATIVE AND ACTIVE COMMUNITY



HEALTHY PEOPLE AND QUALITY HOUSING

### WHAT WE ARE GOING TO DO

**Pensioner Housing:** The Council has resolved not to proceed with the divestment of the pensioner housing portfolio.

Through the Council's LTCCP 2009-19, the Council resolved to divest its pensioner housing portfolio. The decision to sell pensioner housing units was made subject to some strict criteria put in place to protect the welfare of current and future tenants. This decision followed a comprehensive review of Council services that extended to all aspects of Council operations as well as governance and included a detailed analysis of funding options. It was expected that the sale of the pensioner housing units would realise \$3.5m (May 2010 estimate) providing benefits for the wider community by retiring debt over a ten year period.

Amendments to the Local Government Act 2002 no longer require the Council to make an Amendment to its LTCCP as a result of this decision. However it is signalled as a Key Issue in this Annual Plan as it will have financial implications compared to the LTCCP.

With a decision not to proceed with the sale of pensioner housing, the total impact of not retiring debt as intended will result in an increased rate requirement of 12.06% over a ten year period above what was planned in the LTCCP 2009-19.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	490
Revenue	470
<b>Net Cost (Surplus) of Operations</b>	<b>20</b>
Capital Expenditure	83

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Revenue from the sale of pensioner housing will not be realised, contributing 2.9% to the rates increase in 2011/12.
- Direct costs associated with this activity have increased as a result of the Council's decision to not sell pensioner housing.
- The income from rentals has increased in this activity from that proposed in the LTCCP. This is the result of an increase in rentals in line with the Council's Policy that these are set at 80% of market rates and due to the Council continuing to receive rentals as a result of the Council's decision not to sell pensioner housing.
- The performance target below will not be achieved in the 2011/12 year following the decision not to proceed with the sale of pensioner housing. This performance target will be reviewed during 2011/12 through the Council's LTP 2012-22.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

### Affordable pensioner housing provided to people who meet the Whakatane District Council eligibility criteria

- » 22 pensioner housing units provided (i.e. 29 units divested during the year).

Note: This performance target is not expected to be achieved in the 2011/12 year (see comment under "What are the Key Differences from the LTCCP").

# HALLS

## WHAT WE DO AND WHY WE DO IT

There are a number of urban and rural community based halls in the Whakatane District including the Whakatane War Memorial Hall. Eleven of these halls are Council-owned and are located in Whakatane, Edgecumbe, Murupara, Ohope, Manawahe, Galatea, Te Teko, Waimana, Otakiri, Awakeri and Taneatua. There is no legislative requirement for the Council to be involved in the provision of community halls.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

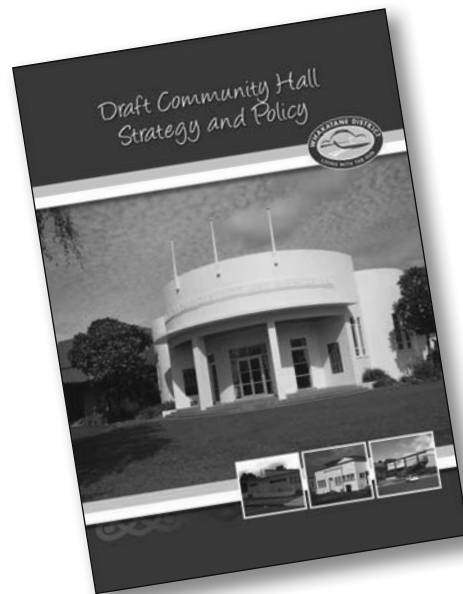
**Urban and Rural Community Halls:** Following on from the development of a Community Halls Strategy and corresponding policies and principles in 2010/11, the Council will continue to investigate the appropriate future management of the halls. Action Plans will be developed in partnership with Hall Committees to set out the specific actions to identify and implement the optimum solution for each hall, in a staged approach. The Action Plans will work to ensure that the communities' needs for halls is met, that communities take active roles in managing the halls and that a preferred framework is agreed while reducing the net cost to ratepayers.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	757
Revenue	528
<b>Net Cost (Surplus) of Operations</b>	<b>228</b>
Capital Expenditure	38

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.



## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**High quality, affordable and available facilities will be provided throughout the district to engender community spirit and encourage recreational and learning activities**

- » Satisfaction with public halls scores 70.2 or higher (Good service but with potential for improvement) in Council's Perception Survey.
- » The Council provides four urban public halls and one rural public halls.

# COMMERCIAL PROPERTY

## WHAT WE DO AND WHY WE DO IT

The Whakatane District Council owns a number of properties that are held for strategic and or investment purposes. These assets include rental housing, commercial tenancies and the plant nursery.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

**Divestment of commercial properties:** As indicated in the LTCCP, the Council has identified a number of commercial properties or portions of those properties, for potential divestment. During 2011/12 the Council will be looking to divest 40 Te Tahī Street, Whakatane. Other commercial properties will be retained and will continue to be managed prudently.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	435
Revenue	238
<b>Net Cost (Surplus) of Operations</b>	<b>197</b>
Capital Expenditure	27

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The direct costs of this activity have gone up as a result of increased rates on commercial properties and overheads allocated to this activity, but not budgeted for through the LTCCP.
- The income for this activity from rentals has decreased due to the sale of commercial properties during 2010/11 as indicated in the 2010/11 Annual Plan.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

- » There are no non-financial performance targets for this activity.



# *Recreation & Community Facilities*

**Te Whare Tapere o Tanerore me nga hua ka  
puta ma Te Hapori**



*Parks & Reserves, Cemeteries & Crematorium, Public Conveniences, Aquatic Centres,  
Ports & Harbour, Recreation & Sports Fields, Visitor Information*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group of activities the Council provides a range of public facilities, spaces and services, primarily in response to the recreational and social needs of the community. This includes parks and open spaces, harbour and port assets, cemeteries and crematorium, public conveniences, swimming pools and visitor information services.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
1,433	Depreciation	1,401	1,634	234
281	Interest Paid	360	396	36
6,219	Operations	5,039	5,585	546
<b>7,933</b>	<b>Total Expenditure</b>	<b>6,800</b>	<b>7,615</b>	<b>815</b>
<b>REVENUE</b>				
118	Development Contributions	125	137	(12)
2,528	User Fees & Charges	2,802	2,710	92
1,127	General Rates	780	1,186	(406)
0	Interest Income	0	0	0
66	Sundry Income	28	42	(14)
158	Subsidies & Grants	11	10	1
3,535	Targeted Rates	3,865	4,092	(227)
<b>7,532</b>	<b>Total Revenue</b>	<b>7,611</b>	<b>8,177</b>	<b>(566)</b>
<b>401</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(811)</b>	<b>(562)</b>	<b>249</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
401	Transfer from (surplus)/deficit	(811)	(562)	249
4,188	Capex *	3,037	1,819	(1,218)
346	Loan Repayments	769	397	(372)
1,861	Payments to Reserves	2,663	2,215	(448)
(578)	less Depreciation not Funded	(367)	(749)	(382)
<b>6,218</b>	<b>Total Funding Requirement</b>	<b>5,291</b>	<b>3,120</b>	<b>(2,171)</b>
<b>FUNDED BY</b>				
1,077	Depreciation Reserve	2,433	773	1,660
32	Development Contribution Reserve	52	49	3
2,718	Loans Raised	433	254	179
2,391	Operational Reserve	1,806	2,044	(236)
0	Sale of Assets	565	0	565
<b>6,218</b>	<b>Total Funding Applied</b>	<b>5,289</b>	<b>3,120</b>	<b>2,171</b>
<b>* CAPITAL EXPENDITURE</b>				
356	Level of Service	453	428	(25)
32	Growth	52	49	(3)
3,799	Renewals	2,531	1,342	(1,189)

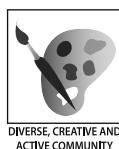
# PARKS AND RESERVES

## WHAT WE DO AND WHY WE DO IT

The Council is responsible for the maintenance and development of community reserves, esplanade, conservation and coastal reserves, local reserves, significant sites and utility and road reserves throughout the District.

Active and passive reserves contribute to the health and vitality of the District by enhancing individual health and well being, including personal development and quality of life, increasing social cohesion and people’s sense of belonging and promoting healthy communities. Recreation facilities attract visitors and therefore provide economic benefits to the District. Reserves are provided to support the maintenance of sites with historical, cultural or environmental significance.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

**Maraetotara, Ohope playground development:** During the 2011/12 year, the Council will undertake the redevelopment and upgrade of the playground in Maraetotara, Ohope, at a cost of \$112,125.

The consultation and concept plan were completed in the 2010/11 year.

**Coastal Land Acquisition:** The Council will continue with its programme to acquire coastal land to provide improved coastal access for the community at a cost of \$254,000.

**Pacific Park Landscaping:** This project involves landscaping along Pacific Park, Coastlands Beach, improving public access and supporting a natural beach environment. The cost of this project is \$52,000 during 2011/12.

**Drinking Water Fountains:** The Council will continue with its programme to install drinking water fountains across the District in recreational areas at a cost of \$9,000 during 2011/12.

**Harbour Beautification:** During 2011/12 the Council will continue with a number of projects along the harbour at a cost of \$100,000. This will include installing a number of display boards along the Whakatane River that provide information about the local area and signal areas of interest and describe the history of Whakatane.

This project also involves extending/raising flood walls and raising roadways along the southern side of the eastern infill to meet Regional Council flood protection levels. The work gives the Council the opportunity to make landscape improvements in the same area.

The Council will also look at upgrading some of the existing lighting along the river walkway to extend the LED lighting currently installed along the Warren Cole Walk & Cycleway.

### Matata Coastal Reserve Access Development:

This project involves improving vehicle parking and pedestrian access to and along the Matata coastline. This will assist the Council to control vehicles on beaches. In the Whakatane District, vehicles are restricted to access beaches only for the launching of vessels. The bylaws protect beach users, sand dunes along the beach and plants and birds (including the New Zealand dotterel).

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Providing parks and reserves to promote opportunities for education, maintaining wildlife habitats and protecting sacred sites for current and future residents and visitors to the District.**

- » Satisfaction with parks and reserves in the Whakatane District scores 75.9 or higher (Very good service) in Council’s Perception Survey.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	3,103
Revenue	2,677
<b>Net Cost (Surplus) of Operations</b>	<b>426</b>
Capital Expenditure	955

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- As a result of increased contract costs, the direct costs for this activity have increased.
- A number of small renewal projects have been re-scoped, or works already completed, resulting in \$56,000 of capital works no longer being required for 2011/12.
- The Council has resolved to support the Cycle Action Whakatane request to join a partnership to develop a cycle park in Whakatane, including a pump track, skills course and track circuit.

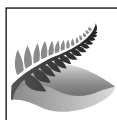


## CEMETERIES AND CREMATORIUM

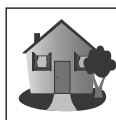
### WHAT WE DO AND WHY WE DO IT

The Council manages six cemeteries, while the Awakaponga cemetery is managed by a Trust on behalf of the Council. In 2009 the Council built a crematorium facility at Hillcrest Cemetery. The provision of cemeteries by local authorities is provided for by the Burials and Cremations Act 1964.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



HEALTHY PEOPLE AND QUALITY HOUSING

### WHAT WE ARE GOING TO DO

The Council will continue to maintain and manage the District's cemeteries and the new Whakatane Crematorium. This includes an annual programme of expanding the Whakatane Cemetery berm area.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	346
Revenue	339
<b>Net Cost (Surplus) of Operations</b>	<b>7</b>
Capital Expenditure	11

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Renewal work that was scheduled to be completed at the Taneatua Cemetery was completed during 2010/11 resulting in a reduction from the LTCCP budget of \$10,000.
- The number of cremations over burials has been higher than anticipated. This has led to a reduction in the expected income from the cemetery, which has been partially offset by an increase in expected income from the crematorium.

*The number of burials has reduced as a result of the new Whakatane Crematorium*

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

Appropriate and sufficient cemetery and crematorium services are available to residents

- » Satisfaction with cemeteries scores 81.2 or higher (Exceptional performance) in Council's Perception Survey.
- » Provision/operation of a crematorium facility in the District.

# PUBLIC CONVENIENCES

## WHAT WE DO AND WHY WE DO IT

The Council maintains thirty-six public conveniences at various reserves and recreational locations. Provision of public conveniences is a statutory responsibility.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

The Council will continue to maintain existing public conveniences, providing budget for renewals during the 2011/12 year.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	590
Revenue	685
<b>Net Cost (Surplus) of Operations</b>	<b>(95)</b>
Capital Expenditure	36

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- No key differences.



## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Adequate public conveniences will be provided where required by the community**

- » Satisfaction with public toilets scores 69.2 or higher (Good service but with potential for improvement) in Council's Perception Survey.

## AQUATIC CENTRES

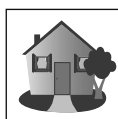
### WHAT WE DO AND WHY WE DO IT

The Council has two swimming pools, the Whakatane District Aquatic Centre and the Murupara Swimming Pool (also known as A H Lynd Memorial Baths). The Council provides these facilities as a result of public advocacy and demand. Recreation facilities contribute to the health and vitality of the District by enhancing individual health and well being, including personal development and quality of life, increasing social cohesion and people's sense of belonging and promoting healthy communities. Recreation facilities also attract visitors and therefore provide economic benefits to the District.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



DIVERSE, CREATIVE AND ACTIVE COMMUNITY



HEALTHY PEOPLE AND QUALITY HOUSING

### WHAT WE ARE GOING TO DO

The contract for operating the Aquatic Centre will come to an end in December 2011. The Council will re-tender the contract for the continued operation of the facility.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,168
Revenue	1,204
<b>Net Cost (Surplus) of Operations</b>	<b>(37)</b>
Capital Expenditure	0

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- During 2010 a project was undertaken to repair the Whakatane District Aquatic Centre. As a result of this project, the debt servicing costs of this activity have increased, to pay for the loan to undertake the repairs. The Council is undertaking steps to recover the cost of the repairs from the architects.
- Also as a result of this project and a new operational contract, the direct costs of operating the new Aquatic Centre may vary, with a new operational environment. Direct costs have consequently been budgeted to increase.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**High quality, affordable and safe aquatic facilities will be provided in Whakatane and Murupara**

- » Satisfaction with swimming pools scores 77 or higher (Excellent service) in Council's Perception Survey.
- » Council provided aquatic centres open to the public:
  - » Murupara Swimming Pool.
  - » Whakatane District Aquatic Centre

## PORTS AND HARBOUR

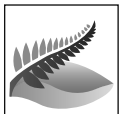
### WHAT WE DO AND WHY WE DO IT

The Council undertakes this activity in consideration of public advocacy and demand as well as statutory responsibilities. A total of 45 sites form part of the harbour assets of Whakatane. These assets include: wharves, jetties, access ways, launching ramps, and navigational aids at Whakatane; a wharf, slipway and launching ramp at Ohiwa harbour; and a launching ramp and jetty at Thornton.

These facilities provide commercial berthage and access to the sea for commercial fishing.

The port income supports waterfront enhancement development and navigational channel maintenance at Whakatane.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



DIVERSE, CREATIVE AND ACTIVE COMMUNITY



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

### WHAT WE ARE GOING TO DO

**Harbour Access:** The Council is undertaking a project to improve boating access to the Whakatane harbour. While design solutions and consultation have taken place, a final design has not yet been confirmed. However the final works will require resource consent, and therefore a budget of \$500,000 has been allocated for 2011/12. Commencement of the resource consent process is subject to Council approval once a preferred option has been determined.

**Whakatane Town Vision Development Plan:** In the 2010/11 year the Town Vision Advisory Board established its work programme to progress the Town Vision Development Plan. The aim of this Plan is to restore connections with the river, create a vibrant and active environment and establish a community/cultural heart within the town centre. The Advisory Board will work with the Council and community to achieve the goals of the Vision. The Town Vision Plan is available on the Council's website [www.whakatane.govt.nz](http://www.whakatane.govt.nz).

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	1,427
Revenue	2,274
<b>Net Cost (Surplus) of Operations</b>	<b>(847)</b>
Capital Expenditure	592

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- **Whakatane Harbour Renewals:** The Council has made a decision to progress with managed replacement of the wharf rather than a continued refurbishment. As a result the budget implications in the 2011/12 year are a significant decrease (\$879,000) in capital expenditure for this project.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide safe access to rivers and coastal water within the general vicinity of the Whakatane CBD, Ohiwa Harbour and Thornton domain.**

- » Satisfaction with harbour facilities in Whakatane CBD including the port and surrounding environment scores 79.5 (Excellent service) in Council's Perception Survey.
- » Satisfaction with boat ramps in Whakatane town scores 79 or higher (Exceptional performance) in Council's Perception Survey.
- » Satisfaction with boat ramp, playground, toilets and wharf facilities at Port Ohope scores 76.1 (Very good service) in Council's perception survey.
- » Satisfaction with facilities at Thornton domain scores of 73.4 or higher (Very good service) in Council's Perception Survey.



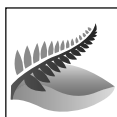
## RECREATION AND SPORTS FIELDS

### WHAT WE DO AND WHY WE DO IT

The Council provides the activity in response to public advocacy and demand. The activity contributes to the health, vitality and wellbeing of the District, enhances social cohesion, increases people's sense of belonging and healthy communities. The Council has adopted the strategies associated with the Active Eastern Bay - physical activity report which provided a clear set of priorities for the enhancement and development of existing and new recreation and leisure services in the Whakatane District.

The Council is a large investor in physical activity through recreation and sporting assets. As stewards of public assets the Council wants these assets to be used to the maximum community benefit. These resources can be used for structured recreation and provide opportunities for "daily life" physical activity.

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



DIVERSE, CREATIVE AND ACTIVE COMMUNITY



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

### WHAT WE ARE GOING TO DO

**Renewal and maintenance works:** During the 2011/12 year the Council will continue to provide for the renewal and maintenance of recreation and sporting assets.

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	494
Revenue	512
<b>Net Cost (Surplus) of Operations</b>	<b>(17)</b>
Capital Expenditure	223

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Detailed scoping of lighting renewal work in Te Teko is required prior to any works being undertaken. This scoping will take place during 2011/12, with any physical works to be included in the LTP. As a result expenditure on renewals has decreased by \$289,000.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Adequate sports fields/grounds are provided to meet the needs of users and are kept to a high standard by regular mowing, herbicide applications and specialised turf grass treatments.**

- » Satisfaction with sports grounds scores 77 or higher (Excellent service) in Council's Perception Survey.
- » 100% compliance with contract specifications for sports-fields within the Whakatane District based on monthly audits.
- » 91% compliance with turf grass field recommendations provided by the New Zealand Turf Grass Institute through annual assessments.

# VISITOR INFORMATION

## WHAT WE DO AND WHY WE DO IT

The Council undertakes the visitor information activity as part of the national Visitor Information Network. The Visitor Centre, located in Whakatane, provides local and regional information as well as booking services for transport, tours, accommodation and activities. The visitor information activity represents and promotes tourism operators, and encourages tourism and business activity.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



## WHAT WE ARE GOING TO DO

**Visitor Information services:** During the 2011/12 year the Council will continue to provide visitor information and booking services. Services will be provided through access to the Whakatane Information Centre on 364 days of the year and through the website: [www.whakatane.com](http://www.whakatane.com).

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	486
Revenue	486
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Through the LTCCP process the services provided under the Visitor Information activity were erroneously included as part of the Council Controlled Organisation known as Toi Economic Development Agency. As part of this Annual Plan, Visitor Information has been included as one of the Council's 36 activities. This will not affect the level of funding required or the level of service provided.
- The Customer Services Centre has taken over operations of the Visitor Information Centre and there is a requirement to align the activities of the Visitor Information Centre with the practices of the Customer Services Centre. This has resulted in an increase in direct costs of \$23,000 for the 2011/12 year.
- The lease costs for the Visitor Information Centre have been reassessed for the 2011/12 year and the result is a decrease in the required lease for the centre from \$48,000 to \$33,000.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Ensure quality customer communication, consultation and service provided at the Visitor Information Centre.**

- » 85% satisfaction with the quality of information provided from the Information Centre.

**The Visitor Information Centre is available when needed.**

- » Provide access to visitor information on 364 days of the year.

# *Hazard Management*

## Te Haumarū o Rehua



*Emergency Management, Disaster Mitigation*

## WHAT THIS GROUP OF ACTIVITIES INCLUDES

Within this group of activities the Council undertakes projects to mitigate the effects of natural hazards and raise the level of protection from future hazard events. The Council also maintains preparedness for civil defence emergencies, responds to events, assists with the recovery and educates the community.

## GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
19	Depreciation	11	1	(10)
624	Interest Paid	768	584	(184)
429	Operations	446	457	11
<b>1,072</b>	<b>Total Expenditure</b>	<b>1,225</b>	<b>1,042</b>	<b>(183)</b>
<b>REVENUE</b>				
0	Development Contributions	0	0	0
0	User Fees & Charges	0	0	0
354	General Rates	492	430	62
0	Interest Income	0	0	0
15	Sundry Income	16	11	5
150	Subsidies & Grants	0	57	(57)
656	Targeted Rates	745	567	178
<b>1,175</b>	<b>Total Revenue</b>	<b>1,253</b>	<b>1,065</b>	<b>188</b>
<b>(104)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(28)</b>	<b>(23)</b>	<b>5</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
(104)	Transfer from (surplus)/deficit	(28)	(23)	5
336	Capex *	77	39	(38)
302	Loan Repayments	337	344	7
0	Payments to Reserves	0	0	0
0	less Depreciation not Funded	0	0	0
<b>534</b>	<b>Total Funding Requirement</b>	<b>386</b>	<b>360</b>	<b>(26)</b>
<b>FUNDED BY</b>				
30	Depreciation Reserve	0	0	0
0	Development Contribution Reserve	0	0	0
216	Loans Raised	0	0	0
288	Operational Reserve	386	360	26
0	Sale of Assets	0	0	0
<b>534</b>	<b>Total Funding Applied</b>	<b>386</b>	<b>360</b>	<b>26</b>
<b>* CAPITAL EXPENDITURE</b>				
216	Level of Service	77	39	(38)
0	Growth	0	0	0
120	Renewals	0	0	0

# EMERGENCY MANAGEMENT

## WHAT WE DO AND WHY WE DO IT

The emergency management activity is made up of three functions:

**Civil Defence:** The Civil Defence function includes running planning and preparedness exercises, training and maintaining teams of personnel including an urban search and rescue crew, and public education about preparedness and response. Civil Defence planning is undertaken on a regional basis through the Bay of Plenty Civil Defence Emergency Management Group (CDEMG). The Council has a statutory responsibility pursuant to the Civil Defence Emergency Management Act 2002 to plan and provide for civil defence management within the District.

**Rural Fire:** The Whakatane District Council is a Rural Fire Authority. Rural Fire services are funded from Council rates and by Government for suppression costs and subsidies for equipment. Rural Fire Authorities focus on vegetation wildfires. The specialist service is influenced by weather, topography and vegetation type. A seven day-a-week, 24 hour service must be provided. The Council has a statutory obligation with respect to rural fire control.

**Hazardous Substances:** The Council attends incidents involving hazardous substances in an advisory capacity to the New Zealand Fire Service and the Police.

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



SAFE CARING  
COMMUNITY

## WHAT WE ARE GOING TO DO

**Reorganisation of Civil Defence:** At a regional level, the Civil Defence Emergency Management Group (CDEMG) has initiated a range of changes regarding the organisation of Civil Defence Emergency Management Activities in the Bay of Plenty.

This has included the appointment of an Emergency Management Coordinator for the Eastern Bay of Plenty. Over the course of the 2011/12 year the organisation of services at a sub-regional level will be explored further, to understand where synergies may be achieved.

**Reorganisation of Rural Fire:** Within New Zealand there are currently over 80 rural fire authorities, working together with a large number of other local and regional stakeholder groups. However, there is a general awareness across the sector that better results could be achieved through the pooling of resources. The National Rural Fire Authority has produced a strategy for enlarged rural fire districts and this may affect how the Council delivers rural fire services in the 2011/12 year.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	458
Revenue	497
<b>Net Cost (Surplus) of Operations</b>	<b>(39)</b>
Capital Expenditure	39

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Investigations are taking place into alternatives for the Tsunami Warning System which will be more cost effective and appropriate for the District.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**The Council is able to effectively respond to, manage and recover from, emergency management incidents.**

- » Local Civil Defence Emergency Management Plan is updated during the year.
- » Civil Defence and Rural Fire equipment is maintained on a fortnightly basis.
- » Regular and ongoing training is undertaken by the Civil Defence and Rural Fire team on a weekly basis with focus alternating between the two functions.
- » Participation in one or more simulated events or training exercises during the year.
- » Selection of and approval of an appropriate tsunami warning systems by the Bay of Plenty Civil Defence Emergency Management Group individual territorial authorities.

# DISASTER MITIGATION

## WHAT WE DO AND WHY WE DO IT

The Council undertakes disaster mitigation works to protect the community from the risk of future natural hazards. Current mitigation works were proposed following the flooding, debris flow and landslip events in 2004 and 2005. Without these works, residents would continue to be exposed to future disasters. Several projects involve working with Ontrack, NZTA and the Bay of Plenty Regional Council, each of which is responsible for project costs within their area of responsibility.

## WHICH COMMUNITY OUTCOME DOES THIS CONTRIBUTE TO



SAFE CARING COMMUNITY



STRONG, TRANSPARENT AND OPEN LEADERSHIP



HIGH-QUALITY AFFORDABLE INFRASTRUCTURE

## WHAT WE ARE GOING TO DO

The Matata Disaster Mitigation Regeneration work is made up of five projects including; the Awatarariki Debris Detention Structure; Awatarariki Stream and Lagoon Works; Ohinekoao Stream Works; Waimea Stream Works; Waitepuru Bunding and Stream Works. The majority of these projects have now been completed.

Pending finalisation of the resource consent process, it is expected that the Awatarariki Debris Structure will begin construction during the 2011/12 year with funding carried forward from the previous year.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	584
Revenue	567
<b>Net Cost (Surplus) of Operations</b>	<b>16</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Interest costs have decreased from the LTCCP due to the fact that projects requiring the loan have been delayed.

*Construction of the Awatarariki Debris Structure in Matata is expected to begin this year*

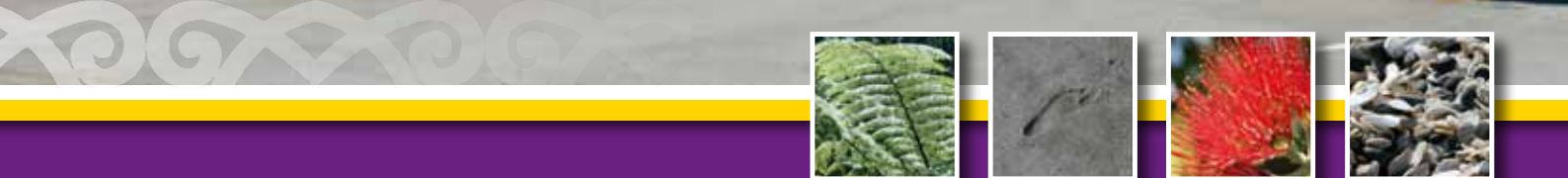
## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

Identified natural hazards will be considered and prioritised to reduce risk to public safety.

- » Consider and prioritise natural hazard and identify actions to reduce risk to public safety.
- » Prioritised actions are undertaken within specified timeframes, reducing risk to public safety.

# Council Controlled Organisations

Ngā Roopu Mahi Tahī-ā-Te  
Kaunihera o Whakatāne



## INTRODUCTION

A Council Controlled Organisation (CCO) is a company or organisation in which a Council or Councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers. The Whakatane District Council is a shareholder in three CCOs including the Whakatane Airport, Toi Economic Development Agency (Toi EDA) and the Bay of Plenty Local Authority Shared Services Limited (BOPLASS Ltd).

The following pages summarise the information required under the Local Government Act 2002 relating to CCOs.

## WHAKATANE AIRPORT

### ABOUT THIS CCO

The Whakatane Airport is a Council-Controlled Trading Organisation (CCTO) under the Local Government Act 2002. The airport is seen as a valued community asset, which contributes to residents' quality of life and it is considered crucial to the economic well-being of the district.

The primary objective of the airport is to provide goods or services for the community. It makes a social contribution rather than a financial return. Accordingly, the airport is designated as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### SHAREHOLDERS

The airport is a joint venture operation between the New Zealand Government (Ministry of Transport) and the Whakatane District Council with each party owning a 50% share. Responsibility for the level of maintenance and operation of the airport rests with the Whakatane District Council.

### POLICIES AND OBJECTIVES IN REGARD TO OWNERSHIP AND CONTROL

To promote a safe, accessible, affordable and reliable air transport system for the benefit of the economic and social development of the Eastern Bay of Plenty region.

To ensure the facility is maintained at its present level and increased wherever practicable and economic.

To ensure that the airport is administered efficiently and effectively to the benefit of scheduled flight operations.

### NATURE AND SCOPE OF ACTIVITIES

**Aviation Services:** The airport is maintained as a non-certificated aerodrome in accordance with the Civil Aviation Authority requirements. The scheduled flight services currently provided by Air New Zealand, using their 19 seater Beech 1900D aircraft, are able to be operated under the aerodromes non-certificated status. If passenger numbers were to increase to the point where larger aircraft were required, the aerodrome would be required to become certificated. Air New Zealand Link provides daily return services to Auckland and in the summer to Wellington.

**Leases:** Land surplus to the airport's present operational requirements is leased for grazing. Areas of the terminal building are leased for activities compatible with the operation of an airport. Lease of airport land is also available to commercial operators and associated industry.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

	Measure	Target 2011/12
<b>Cost Performance</b>	Operate and maintain the airport's assets within an operational expenditure budget (excluding corporate overheads and depreciation)	Whakatane total budget (surplus) / deficit (\$3,508)
		Pavement resurfacing \$204,000
		Airport Security - Perimeter Fence Upgrade \$61,000
	<b>Target</b>	
<b>Function Performance</b>	The airport is maintained as a non-certificated aerodrome in accordance with Civil Aviation Authority aerodrome design for aircraft having a seating capacity of less than 30 passengers.	





# TOI ECONOMIC DEVELOPMENT AGENCY (TOI EDA)

## ABOUT TOI EDA

Toi EDA is the Eastern Bay of Plenty Regional Economic Development Agency set up by three territorial authorities (Kawerau, Opotiki and Whakatane) and Te Runanga o Ngāti Awa on behalf of the Mataatua Iwi Forum.

The primary objective of the Toi EDA is to make a positive difference to the Eastern Bay of Plenty economy by supporting sustainable business and industry and increasing productivity by focusing on the region’s natural and human resources. Toi EDA provides goods or services for the community of social benefit rather than making a financial return. Accordingly, it is designated as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

## TOI EDA AS AN EXEMPT CCO

On 24 February 2010 the Council resolved that Toi EDA would become an exempt Council Controlled Organisation (CCO) under the Local Government Act 2002. As a CCO, Toi EDA was required by legislation to meet a number of reporting requirements that were considered onerous and expensive in relation to its size. Exemption from these requirements will allow Toi EDA to focus more of its limited resources on economic development. As an exempt CCO the reporting requirements of Toi EDA will be similar to those of other Council activities.

This change will not affect the nature or delivery of the services delivered by Toi EDA.

## TRUSTEES

Toi EDA operates under a Trust Deed. Toi EDA’s trustees are experienced business people and community leaders who play a vital role in leading and guiding the organisation. They bring with them a wealth of experience and skills spanning commercial, finance, governance and business development, as well as entrepreneurial skills.

The Trustees’ role is to:

- Provide strategic leadership and oversee strategy.
- Meet and network with key stakeholders.
- Provide advocacy.
- Ensure sustainable economic development.
- Monitor progress.
- Provide governance.
- Generate ideas / foster growth.
- Influence the community and stakeholders.
- Support staff.
- Take positions / prepare submissions on major developments.
- Perform a custodial role over resources.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

	Measure	Target 2011/12
Cost Performance	To attract more people to visit and live in the region by developing and implementing a co-ordinated marketing strategy	\$55,000
	To identify, support and grow events that attract visitors and promote the Eastern Bay of Plenty	\$45,000
	To implement Toi-EDA economic development strategy goals	\$80,000
	To attract visitors to the Eastern Bay of Plenty during the Rugby World Cup	\$20,000

## SIGNIFICANT POLICIES AND OBJECTIVES IN REGARD TO OWNERSHIP AND CONTROL

- To attract people to work, live and play in the Eastern Bay of Plenty.
- To encourage alignment of Māori economic development and Toi-EDA activity.
- To support and develop industry.
- To advocate for improved infrastructure and transportation.
- To foster communication with the community and partners.
- To secure and diversify the Toi-EDA funding base.

## NATURE AND SCOPE OF ACTIVITIES

- Developing and implementing a co-ordinated marketing strategy to attract more people to visit and live in the region.
- Identify, support and grow events that attract visitors and promote the Eastern Bay of Plenty.
- Advocate for new facilities and event resources.
- Promote conference opportunities.
- Implementing economic development projects.

***TOI EDA Vision:***  
***“Tini o Toi – kia tipu,  
 kia puawai”***  
***(To create, grow and blossom  
 the myriads of Toi)***

**TOI EDA**  
 Eastern Bay of Plenty Economic Development Agency

Home About Toi-EDA Activities Latest News Economic Development The Region Contact Us

*Kia ora and welcome to...*

**Toi-EDA - Eastern Bay of Plenty Regional Economic Development Agency**  
 Toi-EDA is the Eastern Bay of Plenty Regional Economic Development Agency set up by the three territorial authorities (Kawerau, Opoiti and Whakatane) and the regional Council Bay of Plenty Regional Council, working together with local iwi.

With the recent adoption of an ambitious economic development plan, Toi-EDA has a strong focus on its vision of enhancing the Eastern Bay of Plenty's economic growth and resultant wealth for its people.

The trust structure of Toi-EDA is designed to overcome previous problems with obtaining government funding. It is run by talented professionals with years of experience with the Eastern Bay of Plenty Development Board.

Toi-EDA plays an important role in the Bay of Plenty regional partnership representing the Eastern Bay of Plenty. The focus is on projects relating to energy, forestry, aquaculture, transport and logistics and marine industry. Further information is available in [Bay of Connections](#)

The organisation operates under the umbrella of a wider BOP partnership with two other groups under it, Tauranga's [Priority One](#) and the [Rotorua District Council](#). Toi-EDA maintains good working relationships with immediate neighbours – [Tauranga](#) and [Rotorua](#).

**Find information quickly:**

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www.opotikin.govt.nz  
 www.whakatane.govt.nz  
 www.kaweraudc.govt.nz

Visit the Toi Eda Website [www.toi-eda.co.nz](http://www.toi-eda.co.nz)



## BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES LIMITED (BOP LASS)

### ABOUT THIS CCO

The Whakatane District Council is a one-ninth shareholder in BoP LASS Limited. BoP LASS Limited was formed on October 15, 2007 to support councils that operate within the boundaries of the Bay of Plenty region.

The principal activities of BoP LASS Limited are to investigate, develop and deliver shared services, joint procurement and communications where and when that can be done more effectively for any combinations of some or all of the councils.

### GOVERNANCE

BoP LASS Limited will conduct itself in accordance with its constitution, its annual statement of intent, the provisions of the Companies Act 1993 and the Local Government Act 2002.

The Company is governed by its directors. To ensure total synergy between the companies' activities and its council shareholders' activities, the directors are also the chief executives of their respective council shareholders.

BoP LASS Limited has nine directors appointed by its shareholders. Unless otherwise agreed by the board, each appointee is the current (or acting) chief executive of the council shareholder including:

- Bay of Plenty Regional Council.
- Gisborne District Council.
- Kawerau District Council.
- Opotiki District Council.
- Rotorua District Council.
- Taupo District Council.
- Tauranga City Council.
- Western Bay of Plenty District Council.
- Whakatane District Council.

In addition, the Board may appoint up to three professional directors to supplement the directors'/ chief executives' expertise.

### POLICIES AND OBJECTIVES IN REGARD TO OWNERSHIP AND CONTROL

The objectives of BoP LASS Limited as stated in its statement of intent are as follows:

Working together with the full support and involvement of staff, we will provide benefit to councils and their stakeholders through improved levels of service, reduced costs, improved efficiency and/or increased value through innovation.

These will be achieved primarily through:

- Joint Procurement: Being the procurement of services or products by two or more councils from an external provider regardless of whether the service is paid for through BOPLASS or individually by participating councils.
- Shared Services: Being the participation of two or more councils in the provision of a common service which may be jointly or severally hosted.

***BoP LASS Vision:  
"Councils partnering for  
value and service"***

## NATURE AND SCOPE OF ACTIVITIES

The principle nature and scope of the activity of BoP LASS Limited is to:

- Use Joint Procurement to add value to goods and services sourced for its constituent councils
- Facilitate Shared Services that benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value.
- Pursue best practice in the management of all activities to obtain best value and minimise risk.
- Demonstrate fiduciary responsibility by ensuring that its activities are adequately funded from savings achieved, levies, council contributions, or government funding where available.
- Allow other councils or organisations to participate in its activities where this will benefit its constituent councils directly or indirectly.
- Represent the collective views of its shareholders in matters with which it is associated.



Completion of a fibre optic network with FX Networks was achieved through BoPLASS

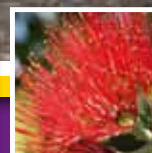
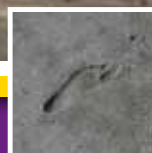
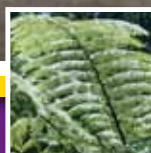
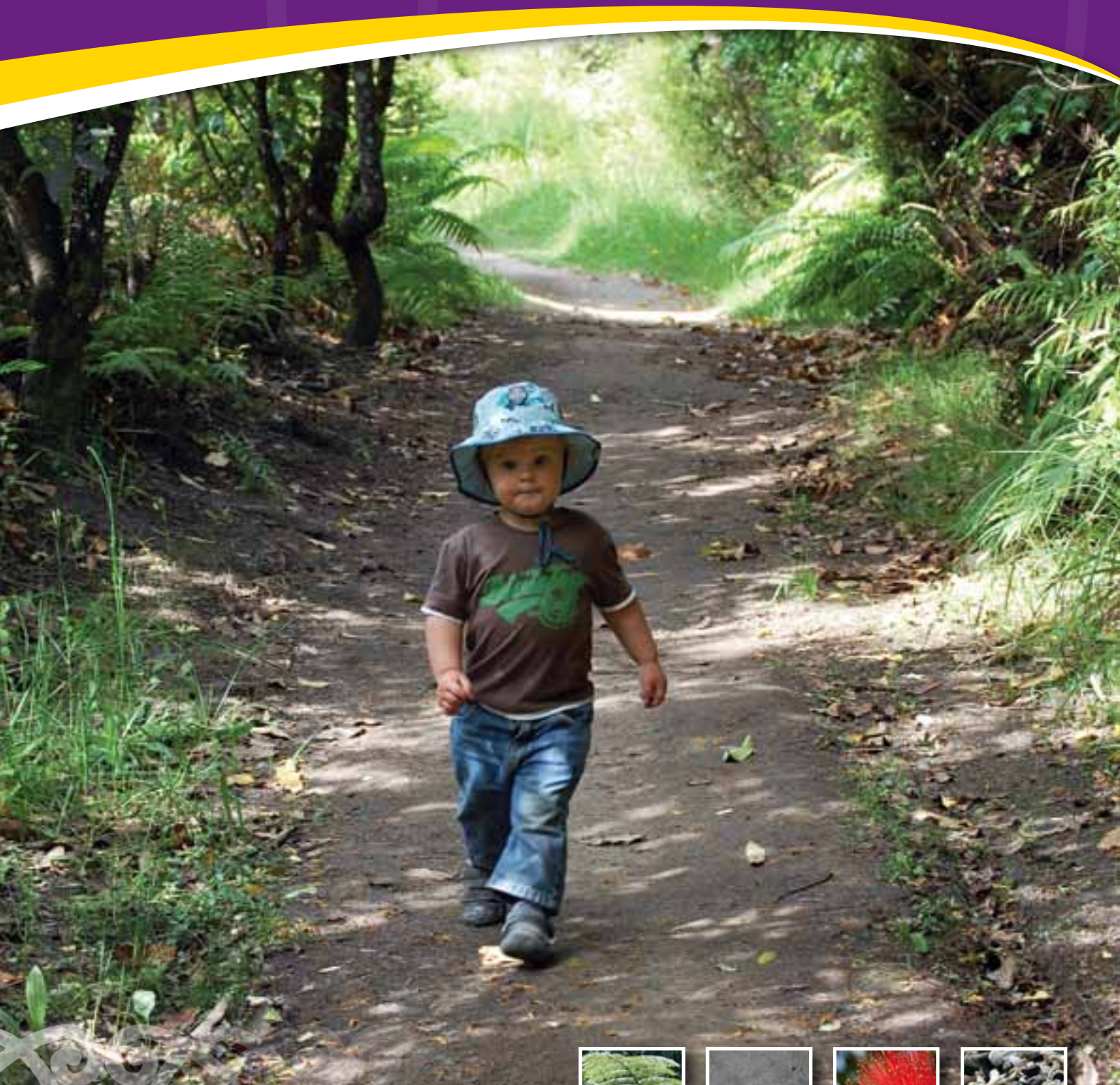
## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

To ensure the company continues to operate effectively in both governance and management terms over the next three years the targets are to:

- » Initiate at least one shared service each year and no less than two shared services successfully implemented within three years;
- » Implement Shared Services demonstrating best practice and added value to participating councils and stakeholders;
- » Facilitate a minimum of four Joint Procurement initiatives per year for goods and services from sources offering best value, service and/or continuity of supply;
- » Communicate with each shareholding council at appropriate levels with at least one meeting with each Executive Leadership Team per year;
- » Ensure sufficient income is available from activities to sustain a viable company.

# *Prospective Financial Statements*

Ngā Tirohanga Whakapaunga Pūtea Mō Te Tau



# PROSPECTIVE FINANCIAL STATEMENTS

## INTRODUCTION

In this chapter of the Annual Plan, information is provided on the Forecasted Financial Statements. The Groups of Activities chapter also includes financial information that should be read in conjunction with this section.

The sections within this chapter include the following:

## FORECASTING ASSUMPTIONS

This section identifies the assumptions that have been made in preparing forecast financial information for the year ahead.

## SIGNIFICANT ACCOUNTING POLICIES

This details the significant accounting policies that have been applied in the preparation of the forecasted financial information.

## FORECASTED FINANCIAL STATEMENTS

This section provides forecasted financial statements including:

- **Prospective comprehensive income:**  
This provides information on the surplus or deficit arising throughout the Plan impacting on the past and future comprehensive income. This aids the reader to differentiate between components of financial performance according to frequency, potential for gain and loss and predictability.
- **Prospective changes in equity:**  
Also known as net worth, equity is measured as the difference between the total value of assets and total liabilities. This statement presents a comprehensive measure of income. Accumulated equity represents the communities' investment in publicly owned assets resulting from past surpluses.

- **Prospective financial position:**

This presents information about the economic resources controlled by the Council. This information is useful in assessing the Council's ability to generate cash, provide services and for assessing future borrowing needs.

- **Prospective cash flows:**

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day to day cash management. It provides information about cash generation through Council activities to repay debt or to reinvest to maintain operating capacity.

## SUMMARY OF CAPITAL EXPENDITURE

This table outlines all capital projects planned for the 2011/12 year including how they are expected to be funded.

### CAUTIONARY NOTE

Actual financial results achieved for the period covered are likely to vary from the information presented and these variations may be material

# FORECASTING ASSUMPTIONS

Assumptions help to deal with the unknown of the future. The Council needs to make assumptions so it can understand the starting point used to prepare financial information, explain differences that may occur between what was forecast and what actually happens, and to ensure it appropriately identifies and evaluates possible risks.

The assumptions identified in this section provide an overview of those listed in the 2009-19 LTCCP. For more information, including a detailed breakdown of each assumption, refer to the LTCCP 2009-19, Volume 1, p.153.

Assumption	Risk	Risk Level
<b>Projected growth change factors</b>		
<p><b>Growth forecasting:</b> The Council expects a medium growth population projection for the District. This includes a slight increase in population for Whakatane urban areas including Coastlands and Ohope, and decreases for most rural areas.</p>	The risk is that where actual growth differs substantially from the assumption, growth related projects and work programmes will need to be adjusted.	Medium
<p><b>Potential social changes:</b> The Council acknowledges increasing socioeconomic vulnerability, particularly in rural parts of the District. It also assumes that the Whakatane urban area will age at a faster rate than the country as a whole.</p>	The risk is that where social change differs substantially from expectations the projects and work programmes may need to be adjusted to cater to changing community expectations and affordability.	High
<p><b>Potential climate change impacts:</b> This assumption acknowledges that climate change is likely to impact on various activities of Council. The Council accepts the need to assess the potential effects of climate change as these are largely unknown at this stage.</p>	The risk is that the District may experience effects of climate change in the short term, before the Council has established a policy position and instituted adaptation measures.	Low
<p><b>Rating base:</b> It is assumed that the number of rating units is expected to increase in line with the population growth assumptions. In addition it is assumed that rateable value will also increase. This will result in no additional rating burden on existing ratepayers.</p>	The risk is that the rating base will not increase as expected and there will be an additional rating burden on existing ratepayers.	Medium
<b>Major cost components</b>		
<p><b>Borrowing and expected interest rates:</b> The Council has a portfolio of debt that matures at various times. As loans mature they will need to be refinanced.</p>	The risk is that interest rates will be higher than forecast. Where this is the case, the increased cost of servicing borrowings will need to be passed on to the ratepayer.	Medium
<p><b>Renewability or otherwise of external funding:</b> It is assumed that the Council's portfolio of debt with differing maturity dates and new funding required, will be raised on favourable terms.</p>	The risk is the Council will be unable to raise new debt to fund approved capital works programmes. The risk is also that new debt raised will have unfavourable terms. A further risk is that Council will be unable to raise new debt to repay maturing debt on favourable terms.	Medium
<p><b>Cost factors:</b> The Council needs to base probable financial information on "best estimates" of what the Council realistically expects to occur. For this reason, the Council factors inflation into its financial forecasts. The Business and Economic Research Limited (BERL) price change estimates have been used to prepare the prospective financial statements. Due to uncertainty over the proposed Emissions Trading Scheme, The Council has not factored in potential increases in costs that would result.</p>	The risk is that the actual price of inputs and outputs will not increase at the rate assumed and the actual cost will be higher or lower than calculated.	Medium

Assumption	Risk	Risk Level
<p><b>Level of service:</b> The financial information included in the Annual Plan is based on levels of service established in the asset management plans and activity plans (for non asset based activities). The assumption is that the levels of service will not vary substantially from that set out in the Annual Plan.</p>	<p>The risk is that there will be an unexpected demand for increased levels of service which will have a significant financial impact.</p>	Medium
<p><b>Revaluation of assets:</b> Revaluations will be undertaken in accordance with the Council's Significant Accounting Policies. Through this process the Council makes assumptions on the expected value of its assets at the date of revaluation.</p>	<p>The risk is that there will be a material difference between estimated and actual revaluations of assets and/or that data collection of asset information finds more or higher value assets than currently recorded. This would result in a change to the depreciation expense.</p>	Medium
<p><b>Funding growth related development:</b> Infrastructure required for growth related development such as storm water, wastewater, water supply, roading, car-parking, solid waste, reserves and community infrastructure – will be funded via development contributions. Payment for this work is done in two ways. Firstly, the Council could pay for the work to be done and receive the money from the developer when the subdivision is complete. Secondly, the Council could fund the provision of capital infrastructure with a debt to be repaid when development contributions are received.</p>	<p>The risk is that there is less growth than estimated and the amount spent on the provision of capital infrastructure to anticipate the rate of growth is unable to be paid for by development contributions. There is also the risk that the development contributions are significantly less than what is predicted, but that the work must proceed in advance of the predicted level of growth being achieved. A further risk is that there is a lag between increased cost of the capital work and being able to recover that development contribution.</p>	Medium
<p><b>Resource consents/ designations:</b> The Council has programmed to apply for a number of resource consents for projects in this Annual Plan. It is assumed that the necessary consents with reasonable conditions will be granted in a timely manner as required.</p>	<p>The risk is that the consents could take longer to be granted than assumed, could include more stringent conditions than expected, or could fail to be granted. Where this occurs, projects may be delayed, may face increased costs, or may be discontinued due to cost or permission considerations.</p>	High
<p><b>Legislative demands on Council resources:</b> The Council acknowledges that legislative changes are currently being progressed by Central Government that will affect the Annual Plan work programme. The Council's work programme has been designed/adjusted to account for the expected outcome of legislative change where possible. Information about the legislative context of the Council's activities can be found in the groups of activity chapter of this Annual Plan.</p>	<p>The risk is that there will be major unexpected changes to the legislation that will cause significant changes to the services, their costs and recovery by the Council.</p>	High
<p><b>Service delivery options:</b> The assumption is that the current methods of service delivery will continue in the 2011/12 year. However, the Council is always reviewing methods of service delivery and if alternatives prove to be more cost effective, improve the levels of service to ratepayers, or reduce risk, they will be explored and implemented.</p>	<p>The risk is that more efficient and effective methods of service delivery will not be able to be implemented where the Council is unable to exit the existing method of service delivery.</p>	Low
<p><b>Failure of contractor services:</b> The assumption is that the Council will be able to engage suitably qualified and experienced contractors where required and that all contractors engaged to provide services for Council will do so within the agreed standards, deadlines and cost.</p>	<p>The risk is that there will be a shortage of contractors or that contractors will not deliver services and/or products to the agreed standards and specification within the agreed time and price.</p>	High



Assumption	Risk	Risk Level
<p><b>Preliminary cost estimates:</b> The costs listed for some projects are preliminary estimates based on information available at the time. Final costs may be subject to significant fluctuations.</p>	<p>The risk is that costs will be substantially different from those estimated. In such an event further public consultation will be sought before any significant change in the budgeted costs for these projects are approved.</p>	<p>Medium</p>
<p><b>Major Income components</b></p>		
<p><b>Roading subsidy rates:</b> The Council receives subsidies from the New Zealand Transport Agency for the operation and upkeep of the local road network in the District. This subsidy is termed Financial Assistance Rates (FARs). It is obtained through a number of criteria such as district valuation, kilometres of roads, ability to pay and other measures. An assumption is made on the level of financial assistance that will be obtained.</p>	<p>The risk is that the FAR will be adjusted downward or that policy priorities change and affect the availability of some subsidies. Where this is the case the relevant roading activity will need to be adjusted to meet Council's ability to pay and therefore impact on future levels of service.</p>	<p>Medium</p>
<p><b>Alternative funding sources:</b> The Council has included a number of projects in the Annual Plan work programme that are expected to receive substantial subsidies from a number of funding sources. In order to access subsidies the relevant project must meet certain criteria for the funding scheme. The Council will seek to access subsidies for projects in the areas of Arts and Culture, Sanitary Works and Drinking Water Works.</p>	<p>The risk is that expected subsidy available to the Council will be reviewed downward because of changes to the funding scheme or its eligibility criteria. Where this is the case the relevant project will not be progressed or will need to be adjusted to meet the Council's ability to pay and therefore impact on future levels of service.</p>	<p>High</p>
<p><b>Divestment of assets:</b> Revenue from the sale of assets has been included as a source of funds in this Annual Plan. This revenue will be used to retire debt and make principal repayments as the funds become available. The budgeted revenue from the sale of assets takes into account the expectation that not all the properties that Council is proposing to divest will be realised.</p>	<p>Should the revenue from these sales not generate the funds anticipated, the result will be an increase in the general and targeted rates to meet ongoing interest and principal repayments for these loans and impact on Treasury Policy limits.</p>	<p>High</p>
<p><b>Statements of fact</b></p>		
<p><b>Natural hazards:</b> The District is at risk to a range of natural hazards such as earthquakes, flooding, debris flows, slips and volcanic activity. The Council has made some provisions for hazard recovery and is a member of the Local Authority Protection Programme Disaster Fund Trust (LAPP). Central Government also shares responsibility alongside Local Government for disaster recovery and restoration activities after natural disasters have occurred.</p>	<p>The risk is that there will be a disaster event requiring emergency work that cannot be funded out of normal budgetary provisions. The potential effect of a disaster on the Council's financial position is dependent on the scale, duration and location of the event. The ability to fund costs related to a disaster may change through the financial year.</p>	<p>Medium</p>
<p><b>Fundamental business viability:</b> The Council provides strategic planning, environmental management and functioning network and utility services, amongst others, in line with regulatory standards. This plan assumes that Council has adequate staff and sufficient and planned capacity for the suitable provision of services. Many services could not be provided without information technology. In terms of data, the Council needs to provide technology support for approximately 41 different types of activities.</p>	<p>The risk is that the Council is unable to employ adequate human resources or maintain sufficient ICT infrastructure to ensure that Council provides sufficient services to an acceptable standard.</p>	<p>Medium</p>

Assumption	Risk	Risk Level
<p><b>Business continuity:</b> The Council requires substantial Information and Communication Technology (ICT) infrastructure to support continued operation and delivery of services. This Annual Plan assumes that the Council has the ICT infrastructure to support base services including in the event of a disaster.</p>	<p>The risk is that the Council's ability to function is severely disrupted in the event of a disaster affecting the District and that in the event of an ICT disaster, the Council will be unable to provide the necessary ICT services. The Council is undertaking a project to install core systems on another site.</p>	<p>High</p>
<p><b>Estimates of commitments and contingencies:</b> Contingencies are built into cost estimates for projects and may range between 0% for fully scoped projects up to 30% for projects in concept or preliminary design – depending on the type of project. Cost estimates may change for a range of reasons, scope change, fuel prices or cost of construction materials are common examples. All cost estimates and contingencies are updated annually when further information is available and when detailed design has been completed.</p>	<p>The risk is that should any significant unforeseen commitment or contingency occur, expenditure and required rates may be impacted upon.</p>	<p>Medium</p>
<p><b>Creation and realisation of investments, reserves and assets:</b> The Council will continue with the ownership of investments and reserves in accordance with its current practice, unless specified in the LTCCP. The capital expenditure programme represents creation of assets.</p>	<p>The risk is that should the Council sell its assets, the sale would only have a short term mitigating impact on rates increases if the proceeds of the sale went towards general rates rather than debt retirement.</p>	<p>Medium</p>

# SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to the Annual Plan 2011/12 unless otherwise stated. The financial report consists of the financial statements of Whakatane District Council (the Council) as an individual entity.

## A) BASIS OF PREPARATION

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

### i) Entities reporting

The financial statements are for the Council as a separate legal entity. The Council is designated as a public benefit entity for financial reporting purposes.

### ii) Statutory base

The Council is a local authority registered under the Local Government Act 2002. This Act requires compliance with New Zealand generally accepted accounting practice.

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and the Financial Reporting Act 1993.

### Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment, investment property and biological assets subject to agricultural activity.

### Critical accounting estimates

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

## B) PRINCIPLES OF CONSOLIDATION

### i) Joint ventures

The Council and the Ministry of Transport are 50/50 venturers in Whakatane Airport, which is a jointly controlled entity. The Council's interest in this jointly controlled entity is carried at cost in the Council's financial statements.

## C) FOREIGN CURRENCY TRANSLATION

### i) Functional and presentation currency

The Council's financial statements are presented in New Zealand dollars, which is the Council's functional and presentation currency.

### ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

## D) REVENUE RECOGNITION

Revenue comprises the fair value for the sale of goods and services, net of rebates and discounts. Revenue is recognised as follows:

### i) Rates

Rates are recognised when levied. Penalties and discounts relating to rates are included where applicable.

### ii) Traffic and parking infringements

Traffic and parking infringements are recognised when tickets are issued.

### iii) Licences and permits

Revenue derived from licences and permits are recognised on application.

**iv) Development & financial contributions**

Development contributions that impose specific and narrowly defined obligations on the Council are recognised as liabilities and released to revenue when the liability is extinguished. Other contributions are recognised when received and no longer refundable

**v) Sales of goods**

Sales of goods are recognised when the Council sells a product to the customer.

**vi) Sales of services**

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

**vii) Commission sales**

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission on the transaction.

The Council collects rating revenue on behalf of Environment Bay of Plenty (Bay of Plenty Regional Council) on an ongoing basis. This income is not included in the Statement of Financial Performance as it does not belong to the Council. It is however, included as a receipt and payment in the Statement of Cash Flows.

**viii) Rental revenue**

Rental revenue is recognised in the period that it relates to.

**ix) Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Council reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

**x) Dividend income**

Dividend income is recognised when the right to receive payment is established.

**xi) Donated, subsidised or vested assets**

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

**xii) Grants and subsidies**

Grants and subsidies received in relation to the provision of services are recognised on a percentage of completion basis. Other grants and subsidies are recognised when receivable.

**E) INCOME TAX**

The Council is exempt from income tax except Council's interest in the Whakatane Airport as a Joint Venture which is taxable and some port activities.

**F) GOODS AND SERVICES TAX (GST)**

The income statement has been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

**G) LEASES****i) The Council is the lessee**

Leases of property, plant and equipment, where the Council has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

**ii) The Council is the lessor**

When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Assets leased to third parties under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight line basis over the lease term.

## H) IMPAIRMENT OF ASSETS

Items of property, plant and equipment and intangible assets with finite useful lives are reviewed at each balance sheet date to determine whether there is any indication that the asset might be impaired. Where such an indication exists, the asset is tested for impairment by comparing its carrying value to its recoverable amount. Intangible assets with indefinite useful lives, intangible assets not yet available for use and goodwill are tested for impairment annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. Where the future economic benefits of the asset are not primarily dependent on its ability to generate net cash inflows, and where the Council would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

## I) CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

## J) RECEIVABLES

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of

estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

## K) INVENTORIES

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost, adjusted when applicable for any loss of service potential.

## L) NON CURRENT ASSETS HELD FOR SALE

Non current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non current asset is recognised at the date of derecognition. Non current assets are not depreciated or amortised while they are classified as held for sale. Non current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## M) INVESTMENTS AND OTHER FINANCIAL ASSETS

### i) Financial assets at fair value through profit or loss

This category has two sub categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

### ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Council provides money, goods or services directly to a

debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non current assets.

### iii: Held-to-maturity investments

Held-to-maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

### iv: Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date the date on which the Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

## N) DERIVATIVES

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Council designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges). The Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed. Movements in the hedging reserve in shareholders' equity are shown.

### i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

## ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non financial asset (for example, plant) or a non financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

## iii: Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

## O) FAIR VALUE ESTIMATION

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Council is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

## P) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of:

- Infrastructural assets, which are the fixed utility systems owned by Council. Each asset type includes all items that are required for the network to function (for example wastewater reticulation includes reticulation piping and wastewater pump stations).
- Restricted assets, which are buildings, parks and reserves owned by the Council, which cannot be disposed of because of legal or other restrictions, and provide a benefit or service to the community.
- Other assets, which include land, buildings, plant, library books, artefacts, equipment and motor vehicles.

Items of property, plant and equipment are initially recognised at cost, which includes purchase price plus directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

Infrastructural assets are revalued annually by external independent valuers.

Land and buildings (except for investment properties) are shown at fair value (which is based on periodic valuations by external independent valuers that are performed with sufficient regularity to ensure that the carrying value does not differ materially from fair value) less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any

gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Increases in the carrying amounts arising on revalued assets are credited to other reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. Depreciation commences when the asset is available for use.

The expected lives, in years, of major classes of fixed assets are as follows:

#### OPERATIONAL ASSETS:

Artefacts	N/A
Land	N/A
Buildings	40-100
Vehicles	5
Plant and machinery – heavy	8-12.5
Plant and machinery – light	2-5
Furniture and fittings	10
Library Books	7
Office equipment (including IT)	2-7

#### Infrastructure Assets:

Roading	
Land – road reserve	N/A
Road formation	To be assessed
Pavement base course	22-90
Sealed pavement surface	2-20
Unsealed roads	2-7
Traffic control device	50
Road signs and markers	7-15

#### OPERATIONAL ASSETS:

Kerbs and channels and cesspits	40-60
Surface water channel	15-50
Street railings	10-20
Traffic islands	50
Street lighting	10-50
Footpaths	20-50
Bridges – concrete	100
Bridges – wooden	30
Car-parks	50
Wharves (concrete)	50

#### Water:

Treatment plant – structure	70-90
Treatment plant – contents	15-50
Pump stations – structure	80-100
Pump stations – contents	10-50
Reservoirs – concrete and wooden	70-90
Water lines and service lines	50-80
Valves and hydrants	30-65
Water meters	15-25

#### Sewer:

Sewer lines and service lines	60-80
Manholes	70-80
Pump station – structure	60-70
Pump station – contents	12-25
Ponds – structure	60
Ponds – plant and equipment	15-25

#### Stormwater:

Stormwater lines	80
Manholes	70-80
Open drains and channels	50-90
Pump stations – structure	80-100
Pump station – contents	12-40
Retention dams	80-90
Floodgates	50

#### Refuse:

Whakatane landfill	8.5
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.



Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is Council policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

## Q) INVESTMENT PROPERTY

Investment property is held for long term rental yields and capital appreciation and is not occupied by the Council or held to meet service delivery objectives. Properties leased to third parties under operating leases will generally be classified as investment property unless:

- the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation
- the occupants provide services that are integral to the operation of the owner's business and/or these services could not be provided efficiently and effectively by the lessee in another location
- the property is being held for future delivery of services
- the occupier uses services of the owner and those services are integral to the reasons for their occupancy of the property.

Investment property is carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are recorded in the income statement as part of other income.

## R) INTANGIBLE ASSETS

### i) Computer software

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised

development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost over the period of the expected benefit, which varies from 3 to 10 years. Acquired computer software and software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 10 years.

Cost associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives not exceeding 10 years.

### ii) Easements

Easements are recognised at cost, being purchase price and any directly attributable costs in bringing the asset to its intended use. Easements have an indefinite useful life and consequently are not amortised, but are instead tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

## S) BIOLOGICAL ASSETS

### i) Forests

Forest assets are predominantly standing trees which are managed on a sustainable yield basis. These are shown in the balance sheet at fair value less estimated point of sale costs at harvest. The costs to establish and maintain the forest assets are included in the income statement together with the change in fair value for each accounting period.

The valuation of forests is based on discounted cash flow models where the fair value is calculated using cash flows from continued operations; that is, based on sustainable forest management plans taking into account growth potential. The yearly harvest from forecast tree growth is multiplied by expected wood prices and the costs associated with forest management, harvesting and distribution are then deducted to derive annual cash flows.

The fair value of the forest assets is measured as the present value of cash flows from one growth cycle based on the productive forest land, taking into consideration environmental, operational and market restrictions. Forest assets are valued separately from the underlying freehold land.

## T) TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## U) BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. All borrowing costs are expensed. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

## V) PROVISIONS

Provisions are recognised when: the Council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

### i) Landfill post-closure costs

The Council, as operator of the Whakatane and Murupara landfills, has a legal obligation under the resource consent, to provide ongoing maintenance and monitoring services at the landfill sites after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure costs arises. The provision is based on all the costs involved to remediate and monitor the landfill post-closure. A provision has been made for those old landfill sites now closed in Te Teko, Matata, Taneatua, Awatapu and Murupara.

Provision is made for the present value of closure and post-closure costs. The calculations assume no change in the legislative requirements or technological changes for the closure and post-closure treatment. The discount rate used reflects current market assessments of the time value of money.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits. Components of the capitalised landfill asset are depreciated over their useful lives, generally being the life of the landfill or a particular cell.

## W) EMPLOYEE BENEFITS

### i) Wages & salaries, annual leave & sick leave

Liabilities for wages and salaries, including non monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

### ii) Long service leave and gratuities

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The council does not have any gratuities payable.

### iii) Retirement benefit obligations

The council currently has one employee on a defined benefit scheme. Under the defined benefit scheme, the employee is entitled to benefits on retirement, disability or death from the Council's multi-employer benefit scheme. The Council has insufficient information and cannot follow defined benefit accounting, so the scheme is accounted for as a defined contribution plan. Contributions are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset if a cash refund or a reduction in the future payments is available.

## **X) PUBLIC EQUITY**

Public equity is the community's interest in the Council as measured by the value of total assets, less total liabilities. Public equity is segregated and classified into a number of reserves to enable clearer identification of the specified uses the Council makes of its accumulated surpluses. Reserves are a component of equity generally representing a particular use for which various parts of equity have been assigned.

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council, and which may not be revised by the Council without reference to the courts or a third party. Restricted reserves may be legally restricted. Transfer from these reserves may be made only for certain specified purposes or if certain specified conditions are met.

Council-created reserves are part of the accumulated balance and are established at the will of the Council. The Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserves are where land, buildings and forestry have been revalued, with the increase in asset value being credited to an asset revaluation reserve.

## **Y) INTERNAL TRANSACTIONS**

Each significant activity is stated after the recording of internal costs and revenues. In order to present a true and fair view in the cost of services statements of Council, the support service costs have been fully allocated to the activities. This method has no effect on the operating result for the year. All significant internal transactions have been eliminated in the financial statements.

# FORECAST FINANCIAL STATEMENTS

## PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>INCOME</b>				
23,999	Revenue from Activities	22,665	18,940	3,725
7,265	General Rates * Note 1	6,938	8,319	(1,381)
24,879	Targeted Rates * Note 2	29,955	26,381	3,574
740	Vested Assets	733	740	(7)
918	Development Contributions	971	536	435
90	Finance Income*	70	75	(5)
<b>57,891</b>	<b>Total Income</b>	<b>61,332</b>	<b>54,991</b>	<b>6,341</b>
<b>EXPENDITURE</b>				
24,174	Other Expenses	25,045	24,128	(917)
10,344	Personnel Costs	10,888	10,145	(743)
13,976	Depreciation and amortisation expense	14,878	16,727	1,849
2,252	Finance Costs*	3,078	2,196	(882)
<b>50,745</b>	<b>Total Expenditure</b>	<b>53,889</b>	<b>53,197</b>	<b>(692)</b>
<b>7,145</b>	<b>Net Surplus/(Deficit)</b>	<b>7,443</b>	<b>1,794</b>	<b>(5,649)</b>
<b>Other comprehensive income</b>				
18,854	Gains on asset revaluation	14,726	14,726	0
1,735	Gains on revaluation of Investment Property	1,310	1,310	0
<b>27,737</b>	<b>Total comprehensive income for the year</b>	<b>23,479</b>	<b>17,830</b>	<b>(5,649)</b>

\* Excludes Internal Borrowing Interest.

## NOTES TO THE STATEMENT OF PROSPECTIVE COMPREHENSIVE INCOME

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>* Note 1: General Rates By Activity</b>				
2,309	Leadership	2,531	2,597	(66)
1,036	Community Safety	948	1,140	(192)
747	Environmental Sustainability	677	1,188	(511)
354	Hazard Management	492	430	62
1,160	Arts and Culture	1,201	1,249	(48)
1,127	Recreation and Community Facilities	780	1,186	(406)
380	Community Property	458	475	(17)
115	Waste	212	133	79
0	Transport Networks and Safety	0	0	0
32	Water-related services	29	18	11
191	Reportable Council-controlled organisations	605	96	515
<b>7,451</b>	<b>Total General Rates</b>	<b>7,932</b>	<b>8,506</b>	<b>(574)</b>
(690)	Less Corporate & District Activities Funds Applied	(995)	(506)	(489)
504	plus operating reserve balances repaid	0	320	(320)
<b>7,265</b>	<b>General Rates Levied</b>	<b>6,938</b>	<b>8,319</b>	<b>(1,381)</b>

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>* Note 2: Targeted Rates By Activity</b>				
404	Leadership	409	415	(6)
0	Community Safety	0	0	0
0	Environmental Sustainability	0	0	0
656	Hazard Management	745	567	178
1,453	Arts and Culture	1,848	1,693	155
3,535	Recreation and Community Facilities	3,865	4,092	(227)
0	Community Property	0	0	0
4,353	Waste	3,936	4,190	(254)
6,403	Transport Networks and Safety	9,058	6,840	2,218
7,026	Water-related services	9,802	8,140	1,662
277	Reportable Council-controlled organisations	291	385	(94)
<b>24,109</b>	<b>Total Targeted Rates</b>	<b>29,955</b>	<b>26,322</b>	<b>3,633</b>
771	plus operating reserve balances repaid	0	59	(59)
<b>24,879</b>	<b>Targeted Rates Levied</b>	<b>29,955</b>	<b>26,381</b>	<b>3,574</b>

## RECONCILIATION OF ACTIVITY COST OF SERVICES TO PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>TOTAL OPERATING INCOME</b>				
<b>ACTIVITY COST OF SERVICE STATEMENTS</b>				
2,772	Leadership	2,940	3,013	(73)
2,896	Community Safety	3,105	3,008	97
1,600	Environmental Sustainability	1,857	1,740	117
1,175	Hazard Management	1,252	1,065	187
3,411	Arts and Culture	3,383	4,032	(649)
7,531	Recreation and Community Facilities	7,611	8,177	(566)
1,039	Community Property	975	1,236	(261)
6,496	Waste	7,674	6,489	1,185
13,543	Transport Networks and Safety	16,818	12,211	4,607
14,040	Water-related services	13,359	11,431	1,928
826	Reportable Council-controlled organisations	1,404	716	688
2,507	Corporate & District Activities	1,069	2,491	(1,422)
<b>57,836</b>	<b>Total Operating Income</b>	<b>61,447</b>	<b>56,610</b>	<b>5,837</b>
57,892	Total Income as per proposed Statement of Financial Performance	61,332	54,991	6,341
<b>(56)</b>	<b>Variance</b>	<b>115</b>	<b>619</b>	<b>(504)</b>
740	Vested Assets	733	740	(7)
(682)	Revenue from Internal Borrowing	(848)	(1,359)	511
<b>TOTAL OPERATING EXPENDITURE</b>				
<b>ACTIVITY COST OF SERVICE STATEMENTS</b>				
2,777	Leadership	2,925	3,008	83
2,790	Community Safety	2,999	2,758	(241)
2,271	Environmental Sustainability	2,507	2,302	(205)
1,072	Hazard Management	1,224	1,042	(182)
2,834	Arts and Culture	3,446	3,097	(349)
7,933	Recreation and Community Facilities	6,800	7,614	814
1,455	Community Property	955	1,681	726
5,051	Waste	6,688	5,254	(1,434)
13,982	Transport Networks and Safety	13,967	15,866	1,899
9,923	Water-related services	11,470	10,627	(843)
845	Reportable Council-controlled organisations	1,555	812	(743)
496	Corporate & District Activities	201	494	293
<b>51,427</b>	<b>Total Operating Expenditure</b>	<b>54,737</b>	<b>54,556</b>	<b>(181)</b>
50,745	Total Expenditure as per proposed Statement of Financial Performance	53,889	53,197	(692)
<b>682</b>	<b>Variance</b>	<b>848</b>	<b>1,359</b>	<b>511</b>
(682)	Cost of Internal Borrowing	(848)	(1,359)	(511)
<b>OTHER COMPREHENSIVE INCOME</b>				
1,735	Gains on revaluation of Investment Property	1,310	1,310	0
18,854	Gains on asset revaluation	14,726	14,726	0
<b>27,737</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>23,479</b>	<b>17,830</b>	<b>5,649</b>

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
471,818	<b>Accumulated Funds at the start of the year</b>	486,943	451,598	35,345
7,148	Net Surplus for the year	7,443	1,794	5,649
1,735	Gains on Revaluation of Investment Property	1,130	1,130	0
<b>480,701</b>	<b>Accumulated Funds at the End of the year</b>	<b>495,697</b>	<b>454,702</b>	<b>40,995</b>
108,018	<b>Asset Revaluation Reserves at the Start of the year</b>	126,872	196,704	(69,832)
18,854	Revaluation of Assets	14,726	14,726	0
<b>126,872</b>	<b>Asset Revaluation Reserves at the End of the year</b>	<b>141,598</b>	<b>211,430</b>	<b>(69,832)</b>
<b>607,574</b>	<b>Equity at the End of the Year</b>	<b>637,295</b>	<b>666,132</b>	<b>(28,837)</b>

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>Public Equity</b>				
468,398	Retained Earnings	483,134	442,139	42,377
12,303	Restricted Equity	12,563	12,563	0
126,872	Asset Revaluation Reserves	141,598	211,430	(69,832)
<b>607,574</b>	<b>Total Public Equity</b>	<b>637,295</b>	<b>666,132</b>	<b>(27,455)</b>
<b>Current Assets</b>				
627	Cash and Cash Equivalents	3,229	2,278	951
180	Other Current Assets	197	180	17
7,168	Trade and other Receivables	7,372	5,546	1,826
<b>7,975</b>	<b>Total Current Assets</b>	<b>10,798</b>	<b>8,004</b>	<b>2,794</b>
<b>Non Current Assets</b>				
0	Term Investments	0	0	0
52,778	Investment Property	54,088	36,770	17,318
589,210	Property, Plant & Equipment	615,566	689,324	(77,596)
<b>641,988</b>	<b>Total Non Current Assets</b>	<b>669,654</b>	<b>726,094</b>	<b>(60,278)</b>
<b>649,963</b>	<b>Total Assets</b>	<b>680,452</b>	<b>734,098</b>	<b>(57,484)</b>
<b>Current Liabilities</b>				
7,466	Trade and Other Payables	8,682	10,390	(1,708)
200	Employee Benefit Liabilities	212	1,348	(1,136)
3,192	Borrowings	3,174	4,000	(826)
<b>10,859</b>	<b>Total Current Liabilities</b>	<b>12,068</b>	<b>15,738</b>	<b>(3,670)</b>
<b>Non Current Liabilities</b>				
2,800	Provisions	2,527	1,011	1,516
28,731	Borrowings	28,563	51,217	(22,654)
<b>31,531</b>	<b>Total Non Current Liabilities</b>	<b>31,090</b>	<b>52,228</b>	<b>(21,138)</b>
<b>607,574</b>	<b>Net Assets</b>	<b>637,295</b>	<b>666,132</b>	<b>(32,675)</b>



## PROSPECTIVE STATEMENT OF CASHFLOWS

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
<b>Cash Flow from operating activities</b>				
<b>Cash will be provided from</b>				
32,145	Rates and Service Charges	36,893	34,700	2,193
918	Development Contributions	971	536	435
1,934	Sundry Income	2,231	1,903	328
7,452	User Fees	9,608	7,497	2,111
14,612	Subsidies & Grants	10,825	9,540	1,285
90	Interest Income - External	70	75	(5)
5,307	Regional Council Rates	5,903	5,903	0
<b>62,459</b>	<b>Total Operating Cash Provided</b>	<b>66,502</b>	<b>60,154</b>	<b>6,348</b>
<b>Cash was applied to</b>				
35,251	Suppliers and Employees	35,933	34,273	(1,660)
2,252	Interest on Public Debt	3,078	2,196	(882)
5,307	Regional Council Rates	5,903	5,903	0
<b>42,810</b>	<b>Total Operating Cash Applied</b>	<b>44,914</b>	<b>42,373</b>	<b>(2,541)</b>
<b>19,650</b>	<b>Net Cashflows from operating activities</b>	<b>21,588</b>	<b>17,781</b>	<b>3,807</b>
<b>Cash Flow from investing activities</b>				
<b>Cash will be provided from</b>				
485	Proceeds from sale of property, plant and equipment*	3,041	350	2,691
<b>485</b>	<b>Total Investing Cash Provided</b>	<b>3,041</b>	<b>350</b>	<b>2,691</b>
<b>Cash will be spent on</b>				
29,546	Purchase of property, plant and equipment	24,618	20,645	3,973
0	Purchase of investments	0	0	0
<b>29,546</b>	<b>Total Investing Cash Applied</b>	<b>24,618</b>	<b>20,645</b>	<b>3,973</b>
<b>(29,061)</b>	<b>Net Cashflows from investing activities</b>	<b>(21,577)</b>	<b>(20,295)</b>	<b>(1,282)</b>
<b>Cash Flow from financing activities</b>				
<b>Cash will be provided from</b>				
12,521	Loans raised	5,855	12,338	(6,483)
<b>12,521</b>	<b>Total Financing Cash Provided</b>	<b>5,855</b>	<b>12,338</b>	<b>(6,483)</b>
<b>Cash will be spent on</b>				
3,643	Repayment of public debt	5,068	7,537	2,469
<b>3,643</b>	<b>Total Financing Cash Applied</b>	<b>5,068</b>	<b>7,537</b>	<b>2,469</b>
<b>8,878</b>	<b>Net Cashflows from financing activities</b>	<b>786</b>	<b>4,801</b>	<b>(4,015)</b>
<b>(534)</b>	<b>Net increase (decrease) in cash held</b>	<b>797</b>	<b>2,287</b>	<b>(1,490)</b>
1,160	Plus opening cash balance	2,433	(9)	2,442
<b>627</b>	<b>Closing Cash Position</b>	<b>3,229</b>	<b>2,278</b>	<b>951</b>

\* The variance indicated from the Sale of Property Plant and Equipment is as a result of the Council's resolution through the 2010/11 Annual Plan process not to sell Pensioner Housing. The 2009-19 LTCCP forecasts were prepared using the assumption that Pensioner Housing would be sold over a three year period from 2010 through to 2013.

## SUMMARY OF CAPITAL EXPENDITURE

Project Name	2011/12	2011/12		Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCCP \$	Annual Plan \$	Depreciation								
<b>WATER-RELATED SERVICES</b>											
<b>Stormwater</b>											
Apanui - McAlister Street Pump Station Upgrades	163,000	163,000	48,900	114,100	0	0	0	0	0	0	163,000
Whakatane - Pump Station Electrical Improvements	150,000	160,000	0	160,000	0	0	0	0	0	0	160,000
Whakatane Stormwater - Camelia Park	10,465	10,465	0	10,465	0	0	0	0	0	0	10,465
Whakatane Stormwater Catchment Investigation	0	120,000	0	120,000	0	0	0	0	0	0	120,000
Ohope Stormwater Catchment Investigation	0	55,000	0	55,000	0	0	0	0	0	0	55,000
Sand Sausage Maraetotara Reserve	0	80,000	0	80,000	0	0	0	0	0	0	80,000
<b>Stormwater Total</b>	<b>323,465</b>	<b>588,465</b>	<b>48,900</b>	<b>539,565</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>588,465</b>
<b>Water</b>											
Whakatane - Mains Renewal	200,000	200,000	200,000	0	0	0	0	0	0	0	200,000
Whakatane - Pipe Sampling Programme	20,000	20,000	20,000	0	0	0	0	0	0	0	20,000
Whakatane - Connection & Meter Replacement	100,000	100,000	100,000	0	0	0	0	0	0	0	100,000
Whakatane - Pump Replacement (routine)	15,000	15,000	15,000	0	0	0	0	0	0	0	15,000
Whakatane West Semi-Rural reticulation Upgrade	200,000	200,000	0	200,000	0	0	0	0	0	0	200,000
Whakatane - WTP Filter media Replacement	300,000	300,000	300,000	0	0	0	0	0	0	0	300,000
Whakatane - WTP Minor Equipment Renewal	30,000	30,000	30,000	0	0	0	0	0	0	0	30,000
Ohope - Stage 2 General Reticulation Upgrades	496,860	546,860	0	486,705	60,155	0	0	0	0	0	546,860
Ohope Reservoir Roof Replacement	0	175,000	175,000	0	0	0	0	0	0	0	175,000
Awakeri/Whakatane West Reticulation Upgrades	188,338	188,338	0	160,087	28,251	0	0	0	0	0	188,338
Connection & Meter Replacement	50,000	50,000	50,000	0	0	0	0	0	0	0	50,000
Plains - Pipe Sampling Programme	26,000	26,000	26,000	0	0	0	0	0	0	0	26,000
Plains - Galvanised Iron Pipe Renewal Programme	54,375	54,375	54,375	0	0	0	0	0	0	0	54,375
Plains Water Land Purchase Paul Road Bore	0	355,000	0	355,000	0	0	0	0	0	0	355,000

Project Name	2011/12	2011/12	2011/12		Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCCP \$	Annual Plan \$	Depreciation	Depreciation								
<b>Water Total</b>	<b>1,680,573</b>	<b>2,260,573</b>	<b>970,375</b>	<b>970,375</b>	<b>1,201,793</b>	<b>88,405</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,260,573</b>
<b>Wastewater</b>												
Whakatane - Installation of 150 GM from MH 111/05 to McAlister Pumpstation	588,000	638,000	0	0	574,200	63,800	0	0	0	0	0	638,000
Whakatane - Pipe Condition Assessment	25,000	25,000	25,000	25,000	0	0	0	0	0	0	0	25,000
Whakatane - Sewer Reticulation Renewal	250,000	250,000	250,000	250,000	0	0	0	0	0	0	0	250,000
Ohope - WWTP Upgrade	500,000	500,000	0	0	430,000	70,000	0	0	0	0	0	500,000
Ohope - Pump Replacement	10,000	10,000	8,600	8,600	0	1,400	0	0	0	0	0	10,000
Edgecumbe - Pumpstation Upgrade & Additional Storage	114,000	114,000	0	0	19,380	94,620	0	0	0	0	0	114,000
Edgecumbe - Pump Replacement	37,500	37,500	37,500	37,500	0	0	0	0	0	0	0	37,500
Edgecumbe - Reticulation Upgrades	480,000	1,063,367	0	0	679,492	383,875	0	0	0	0	0	1,063,367
Matata - WWTP & Reticulation Construction	2,942,350	2,942,350	0	0	500,200	2,442,151	0	0	0	0	0	2,942,350
<b>Wastewater Total</b>	<b>4,946,850</b>	<b>5,580,217</b>	<b>321,100</b>	<b>321,100</b>	<b>2,203,271</b>	<b>135,200</b>	<b>2,920,646</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,580,217</b>
<b>WATER-RELATED SERVICES TOTAL</b>												
	<b>6,950,888</b>	<b>8,429,255</b>	<b>1,340,375</b>	<b>1,340,375</b>	<b>3,944,629</b>	<b>223,605</b>	<b>2,920,646</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,429,255</b>
<b>ARTS AND CULTURE</b>												
<b>Library</b>												
Library Mixed Collection Renewal	118,450	118,450	118,450	118,450	0	0	0	0	0	0	0	118,450
LEC Refurbishment (STAGE 2 -Loan Funded)	78,000	251,609	0	0	251,609	0	0	0	0	0	0	251,609
LEC Refurbishment (STAGE 2 - Grant Funded)	0	87,000	0	0	0	0	87,000	0	0	0	0	87,000
<b>Library Total</b>	<b>196,450</b>	<b>457,059</b>	<b>118,450</b>	<b>118,450</b>	<b>251,609</b>	<b>0</b>	<b>87,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>457,059</b>
<b>Museum And Gallery</b>												
Re-fit current museum display cabinets including new exhibition furniture and interior lighting.	0	40,000	40,000	40,000	0	0	0	0	0	0	0	40,000
RSA Facilities Retro-fit	0	855,000	0	0	0	0	855,000	0	0	0	0	855,000
<b>Museum And Gallery Total</b>	<b>0</b>	<b>895,000</b>	<b>40,000</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>855,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>895,000</b>
<b>ARTS AND CULTURE TOTAL</b>												
	<b>196,450</b>	<b>1,352,059</b>	<b>158,450</b>	<b>158,450</b>	<b>251,609</b>	<b>0</b>	<b>942,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,352,059</b>

Project Name	2011/12	2011/12	2011/12					General Rates	Total			
	LTCCP \$	Annual Plan \$	Plan \$	Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants			Other Reserves	Fees & Charges	Targeted Rates
<b>RECREATION AND COMMUNITY FACILITIES</b>												
<b>Parks and Reserves</b>												
Matata Coastal Reserve Access Development	27,830	27,830	0	27,830	0	0	0	0	0	0	0	27,830
Ohope Playground Development, Maraetotara	112,125	112,125	0	0	12,334	0	99,791	0	0	0	0	112,125
Whakatane - Pacific Park Landscaping	52,325	52,325	0	0	5,756	0	46,569	0	0	0	0	52,325
Harbour Beautification	101,200	101,200	0	0	0	0	101,200	0	0	0	0	101,200
Drinking Fountain Installations	8,970	8,970	0	0	987	0	7,983	0	0	0	0	8,970
Rural Playgrounds	10,000	10,000	8,900	0	1,100	0	0	0	0	0	0	10,000
Coastal Land Acquisition	253,750	253,750	0	225,838	27,913	0	0	0	0	0	0	253,750
Playground Renewals	5,060	5,060	5,060	0	0	0	0	0	0	0	0	5,060
Wairere Falls Reserve Upgrade	10,120	25,300	25,300	0	0	0	0	0	0	0	0	25,300
Community Reserves Renewals - Ohope	36,748	36,748	36,748	0	0	0	0	0	0	0	0	36,748
Community Reserves Renewals - Whakatane	251,935	92,500	92,500	0	0	0	0	0	0	0	0	92,500
ESP, CONS, Coast & Flood RES - Renewals - Ohope	16,699	0	0	0	0	0	0	0	0	0	0	0
Local Reserves Renewals - Coastlands	40,305	25,000	25,000	0	0	0	0	0	0	0	0	25,000
Local Reserves Renewals - Edgecumbe	69,383	10,500	10,500	0	0	0	0	0	0	0	0	10,500
Local Reserves Renewals - Matata	3,827	15,000	15,000	0	0	0	0	0	0	0	0	15,000
Local Reserves Renewals - Murupara	7,272	7,272	7,272	0	0	0	0	0	0	0	0	7,272
Local Reserves Renewals - Taneatua	41,924	10,500	10,500	0	0	0	0	0	0	0	0	10,500
Local Reserves Renewals - Te Teko	2,257	2,257	2,257	0	0	0	0	0	0	0	0	2,257
Local Reserves Renewals - Whakatane	77,540	77,540	77,540	0	0	0	0	0	0	0	0	77,540
Roading Reserve Renewals - Whakatane	33,200	22,000	22,000	0	0	0	0	0	0	0	0	22,000
Significant Sites Renewals - Matata	2,429	0	0	0	0	0	0	0	0	0	0	0
Significant Sites Renewals - Whakatane	28,760	39,000	39,000	0	0	0	0	0	0	0	0	39,000
Utility Reserves Renewals - Edgecumbe	10,155	2,500	2,500	0	0	0	0	0	0	0	0	2,500
Utility Reserves Renewals - Ohope	56,892	7,500	7,500	0	0	0	0	0	0	0	0	7,500
Utility Reserves Renewals - Whakatane	38,984	10,500	10,500	0	0	0	0	0	0	0	0	10,500
<b>Parks and Reserves Total</b>	<b>1,299,690</b>	<b>955,377</b>	<b>398,077</b>	<b>253,668</b>	<b>48,089</b>	<b>0</b>	<b>255,544</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>955,377</b>

Project Name	2011/12	2011/12		Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCCP \$	Annual Plan \$	Depreciation								
<b>Sports Fields</b>											
Sports Facilities Grounds Renewals - Awakeri	5,280	0	0	0	0	0	0	0	0	0	0
Sports Facilities Grounds Renewals - Edgecumbe	10,200	0	0	0	0	0	0	0	0	0	0
Sports Facilities Grounds Renewals - Matata	9,600	0	0	0	0	0	0	0	0	0	0
Sports Facilities Grounds Renewals - Murupara	16,200	16,200	16,200	0	0	0	0	0	0	0	16,200
Sports Facilities Grounds Renewals - Ohope	18,315	18,315	18,315	0	0	0	0	0	0	0	18,315
Sports Facilities Grounds Renewals - Taneatua	25,635	12,500	12,500	0	0	0	0	0	0	0	12,500
Sports Facilities Grounds Renewals - Te Teko	190,447	0	0	0	0	0	0	0	0	0	0
Sports Facilities Grounds Renewals - Whakatane	255,394	176,394	176,394	0	0	0	0	0	0	0	176,394
<b>Sports Fields Total</b>	<b>531,071</b>	<b>223,409</b>	<b>223,409</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>223,409</b>
<b>Cemeteries and Crematorium</b>											
Whakatane Cemetery Berms	11,212	11,212	0	0	1,233	0	0	9,979	0	0	11,212
Renewals - Taneatua	10,106	0	0	0	0	0	0	0	0	0	0
<b>Cemeteries and Crematorium Total</b>	<b>21,318</b>	<b>11,212</b>	<b>0</b>	<b>0</b>	<b>1,233</b>	<b>0</b>	<b>0</b>	<b>9,979</b>	<b>0</b>	<b>0</b>	<b>11,212</b>
<b>Public Conveniences</b>											
Renewals - Whakatane	36,179	36,179	36,179	0	0	0	0	0	0	0	36,179
<b>Public Conveniences Total</b>	<b>36,179</b>	<b>36,179</b>	<b>36,179</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,179</b>
<b>Ports and Harbour</b>											
Whakatane River Wharf Structures - Renewal	19,837	19,837	19,837	0	0	0	0	0	0	0	19,837
Harbour - Investigations	0	500,000	0	0	0	0	500,000	0	0	0	500,000
Harbour Renewals - Thornton	6,458	6,458	6,458	0	0	0	0	0	0	0	6,458
Harbour Renewals - Whakatane	945,223	66,186	66,186	0	0	0	0	0	0	0	66,186
<b>Ports and Harbour Total</b>	<b>971,518</b>	<b>592,481</b>	<b>92,481</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>592,481</b>
<b>RECREATION AND COMMUNITY FACILITIES TOTAL</b>	<b>2,859,776</b>	<b>1,818,658</b>	<b>750,146</b>	<b>253,668</b>	<b>49,322</b>	<b>0</b>	<b>755,544</b>	<b>9,979</b>	<b>0</b>	<b>0</b>	<b>1,818,658</b>

Project Name	2011/12											Total
	2011/12 LTCCP \$	Annual Plan \$	Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates		
<b>OVERHEAD ACTIVITIES</b>												
<b>Corporate Information</b>												
OBU Systems Development & Data Collection	0	69,500	0	69,500	0	0	0	0	0	0	0	69,500
PABX - Telephony	28,000	10,000	10,000	0	0	0	0	0	0	0	0	10,000
PCs and Peripherals	145,000	155,000	155,000	0	0	0	0	0	0	0	0	155,000
Network Hardware	45,000	45,000	45,000	0	0	0	0	0	0	0	0	45,000
IT Infrastructure - Central Hardware 600	145,000	200,000	200,000	0	0	0	0	0	0	0	0	200,000
Infrastructure Remote Monitoring	15,000	15,000	15,000	0	0	0	0	0	0	0	0	15,000
OBU Connectivity	25,000	0	0	0	0	0	0	0	0	0	0	0
Telework	40,000	10,000	10,000	0	0	0	0	0	0	0	0	10,000
Info Management- Capex	195,000	0	0	0	0	0	0	0	0	0	0	0
Infrastructure Remote Monitoring	115,000	0	0	0	0	0	0	0	0	0	0	0
Electronic Content Management System	710,000	55,000	0	55,000	0	0	0	0	0	0	0	55,000
Location Services implementation & investigation	50,000	65,000	65,000	0	0	0	0	0	0	0	0	65,000
Internet Public Interface Implementation	85,000	75,000	75,000	0	0	0	0	0	0	0	0	75,000
Ozone Development	85,000	50,000	0	50,000	0	0	0	0	0	0	0	50,000
Electronic Councilor Services	25,000	80,000	0	80,000	0	0	0	0	0	0	0	80,000
Intranet Development Implementation	85,000	75,000	75,000	0	0	0	0	0	0	0	0	75,000
Cross Platform Reporting - Acquisition	0	5,000	5,000	0	0	0	0	0	0	0	0	5,000
Cross Platform Reporting - Implementation	35,000	75,000	75,000	0	0	0	0	0	0	0	0	75,000
Aerial Photography Rural and Urban	70,000	70,000	70,000	0	0	0	0	0	0	0	0	70,000
Ibis Info Systems - Rates Modelling	0	13,750	0	13,750	0	0	0	0	0	0	0	13,750
<b>Corporate Information Total</b>	<b>1,898,000</b>	<b>1,068,250</b>	<b>800,000</b>	<b>268,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,068,250</b>
<b>OVERHEAD ACTIVITIES TOTAL</b>	<b>1,898,000</b>	<b>1,068,250</b>	<b>800,000</b>	<b>268,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,068,250</b>

Project Name	2011/12	2011/12		Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCPP \$	Annual Plan \$	Annual Plan \$									
<b>COMMUNITY PROPERTY</b>												
<b>Halls</b>												
Renewal - Halls - Urban	117,927	30,250	30,250	30,250	0	0	0	0	0	0	0	30,250
Renew & replace urban hall furniture & equipment	8,000	8,000	8,000	8,000	0	0	0	0	0	0	0	8,000
<b>Halls Total</b>	<b>125,927</b>	<b>38,250</b>	<b>38,250</b>	<b>38,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,250</b>
<b>Pensioner Housing</b>												
Improving Disabled Access to Council facilities	20,000	20,000	20,000	0	0	0	0	20,000	0	0	0	20,000
Annual Refurbishment - Pensioner Housing	60,000	60,000	60,000	0	0	0	0	60,000	0	0	0	60,000
Renewal - Veronica Flats	3,030	3,030	3,030	3,030	0	0	0	0	0	0	0	3,030
<b>Pensioner Housing Total</b>	<b>83,030</b>	<b>83,030</b>	<b>83,030</b>	<b>3,030</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>83,030</b>
<b>Commercial Property</b>												
Renewal - Strategic and Investment Property	27,000	27,000	27,000	0	0	0	0	0	0	0	27,000	27,000
<b>Commercial Property Total</b>	<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,000</b>	<b>27,000</b>
<b>COMMUNITY PROPERTY TOTAL</b>	<b>235,957</b>	<b>148,280</b>	<b>148,280</b>	<b>41,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,000</b>	<b>0</b>	<b>0</b>	<b>27,000</b>	<b>148,280</b>
<b>REPORTABLE COUNCIL-CONTROLLED ORGANISATIONS</b>												
<b>Whakatane Airport</b>												
Pavement Resurfacing	102,000	204,000	204,000	102,000	0	0	0	102,000	0	0	0	204,000
Runway Lighting and Navigational Aids Renewal	8,000	0	0	0	0	0	0	0	0	0	0	0
Airport Security -Perimeter Fence Upgrade	0	61,000	61,000	0	30,500	0	0	30,500	0	0	0	61,000
<b>Whakatane Airport Total</b>	<b>110,000</b>	<b>265,000</b>	<b>265,000</b>	<b>102,000</b>	<b>30,500</b>	<b>0</b>	<b>0</b>	<b>132,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>265,000</b>
<b>REPORTABLE COUNCIL-CONTROLLED ORGANISATIONS TOTAL</b>	<b>110,000</b>	<b>265,000</b>	<b>265,000</b>	<b>102,000</b>	<b>30,500</b>	<b>0</b>	<b>0</b>	<b>132,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>265,000</b>

Project Name	2011/12	2011/12		Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCPP \$	Annual Plan \$	Annual Plan \$									
<b>TRANSPORT NETWORKS AND SAFETY</b>												
<b>FA Local Roads Renewal &amp; Improvements</b>												
Renewals Unsealed Road Metalling	298,000	250,000	137,500	0	0	0	112,500	0	0	0	0	250,000
Renewals Sealed Road Resurface - Chip Seals	2,200,000	950,000	522,500	0	0	0	427,500	0	0	0	0	950,000
Renewals Sealed Road Resurfacing - Thin AC	350,000	100,000	55,000	0	0	0	45,000	0	0	0	0	100,000
Renewals Drainage Renewals - Culverts	145,000	180,000	99,000	0	0	0	81,000	0	0	0	0	180,000
Renewals Drainage Renewals - Kerb & Channel	379,000	200,000	110,000	0	0	0	90,000	0	0	0	0	200,000
Renewals Pavement Rehab - Ongoing	350,000	0	0	0	0	0	0	0	0	0	0	0
Renewals Pavement Rehab - Taneatua Road	0	175,217	77,095	19,274	0	0	78,848	0	0	0	0	175,217
Renewals Structures Component Replacements	130,000	135,902	74,746	0	0	0	61,156	0	0	0	0	135,902
Renewals Traffic Renewals - Carriage Light	123,000	128,584	70,721	0	0	0	57,863	0	0	0	0	128,584
Renewals Traffic Services Renewals - Signs	142,300	121,765	66,971	0	0	0	54,794	0	0	0	0	121,765
Improvements - General	70,000	0	0	0	0	0	0	0	0	0	0	0
Improvements - Shoulder Recon	29,000	30,317	0	14,552	0	3,638	12,127	0	0	0	0	30,317
Improvements - Taneatua Road Rehab	0	50,243	0	24,117	0	6,029	20,097	0	0	0	0	50,243
Improvements Bridge Replace - Luttrells Road	113,000	118,130	36,620	24,807	0	0	56,702	0	0	0	0	118,130
Improvements New - Mill Road to Phoenix Link	200,000	0	0	0	0	0	0	0	0	0	0	0
Improvements Minor	619,175	647,286	0	0	0	0	356,007	0	0	291,279	0	647,286
Pedestrian Facilities - Urban	143,000	0	0	0	0	0	0	0	0	0	0	0
Pedestrian Facilities - Rural	23,000	0	0	0	0	0	0	0	0	0	0	0
Pedestrian Facilities - Matata	23,000	0	0	0	0	0	0	0	0	0	0	0
Cycle Facilities - Urban	143,000	0	0	0	0	0	0	0	0	0	0	0
Reconstruction - Thornton Road Seal Widening	300,000	0	0	0	0	0	0	0	0	0	0	0
Reconstruction - Thornton Road Realignment	300,000	0	0	0	0	0	0	0	0	0	0	0
<b>FA Local Roads Renewal &amp; Improvements Total</b>	<b>6,080,475</b>	<b>3,087,444</b>	<b>1,250,154</b>	<b>82,750</b>	<b>9,667</b>	<b>1,453,594</b>	<b>0</b>	<b>291,279</b>	<b>0</b>	<b>3,087,444</b>	<b>0</b>	<b>3,087,444</b>
<b>FA Special Purpose Roads</b>												
Renewals - Unsealed Road Metalling	270,000	285,090	0	0	0	0	285,090	0	0	0	0	285,090
Renewals - Sealed Road Resurfacing	180,000	188,172	0	0	0	0	188,172	0	0	0	0	188,172
Drainage Renewals	98,000	123,822	0	0	0	0	123,822	0	0	0	0	123,822



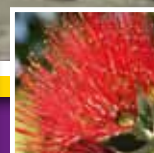
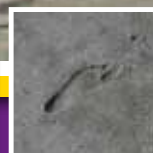
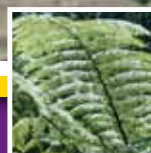
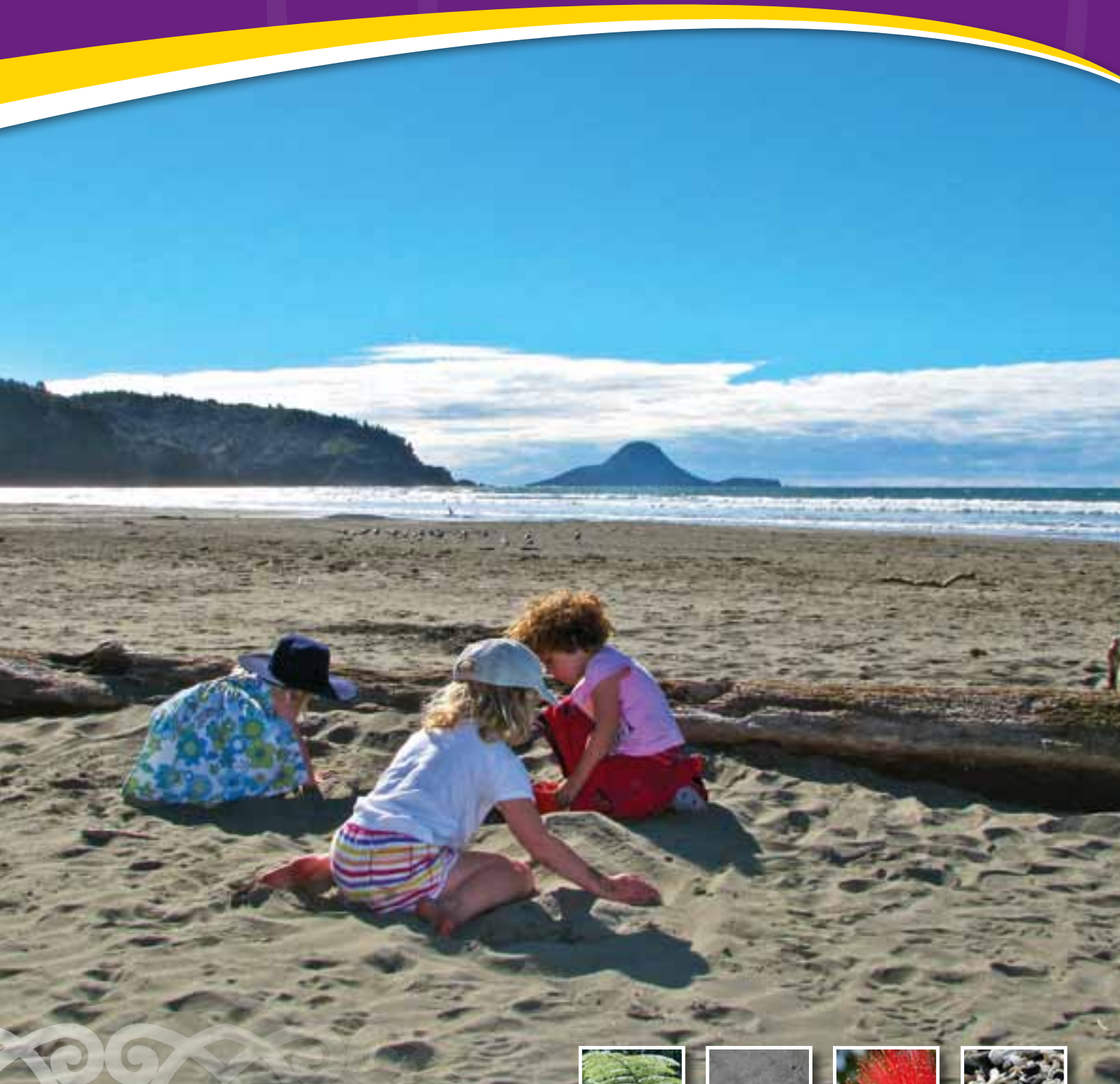
Project Name	2011/12	2011/12	2011/12		Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCCP \$	Annual Plan \$	Plan \$	Annual Plan \$									
Structure Compound Replacement - SH38	27,000	0	0	0	0	0	0	0	0	0	0	0	0
Renewals - Traffic Services - Street Lights	1,000	1,045	0	0	0	0	1,045	0	0	0	0	0	1,045
Renewals - Traffic Services - Signs	17,000	22,067	0	0	0	0	22,067	0	0	0	0	0	22,067
Improvements - Minor Improvements	85,000	88,859	0	0	0	0	88,859	0	0	0	0	0	88,859
Structure Compound Replacement - General	48,000	50,179	0	0	0	0	50,179	0	0	0	0	0	50,179
<b>Special Purpose Roads Total</b>	<b>726,000</b>	<b>759,234</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>759,234</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>759,234</b>
<b>NFA Transport</b>													
New Footpaths Matata	0	10,454	0	0	0	10,454	0	0	0	0	0	0	10,454
Drainage Renewals	20,000	0	0	0	0	0	0	0	0	0	0	0	0
Soakpit Renewals	20,000	20,000	20,000	0	0	0	0	0	0	0	0	0	20,000
Amenity Signs and Lighting Renewals	10,000	0	0	0	0	0	0	0	0	0	0	0	0
Xmas Lights Renewals	10,000	10,454	10,454	0	0	0	0	0	0	0	0	0	10,454
Footpath Renewal - Ongoing	111,400	0	0	0	0	0	0	0	0	0	0	0	0
New Kerbing & Drainage	20,000	20,908	20,908	0	0	0	0	0	0	0	0	0	20,908
Under Veranda Lighting Upgrades	15,000	15,681	0	0	0	0	0	0	0	15,681	0	0	15,681
Footpath Construction	20,000	20,908	0	0	0	0	0	0	0	20,908	0	0	20,908
Bus Shelter Construction	10,260	15,000	0	0	1,950	0	0	0	0	13,050	0	0	15,000
Broadband Ducting	20,000	50,000	0	0	0	0	0	0	0	50,000	0	0	50,000
Carpark Renewals	30,000	31,362	31,362	0	0	0	0	0	0	0	0	0	31,362
Pavement Renewals	150,000	0	0	0	0	0	0	0	0	0	0	0	0
New Road design & Land purchase	250,000	0	0	0	0	0	0	0	0	0	0	0	0
New Stock crossing signs	0	20,000	0	0	0	0	0	0	20,000	0	0	0	20,000
New Footpaths - Rural	0	10,454	0	0	0	10,454	0	0	0	0	0	0	10,454
Seal Extensions	0	16,000	0	0	0	16,000	0	0	0	0	0	0	16,000
<b>NFA Transport Total</b>	<b>686,660</b>	<b>241,221</b>	<b>82,724</b>	<b>36,908</b>	<b>1,950</b>	<b>36,908</b>	<b>1,950</b>	<b>0</b>	<b>20,000</b>	<b>99,639</b>	<b>0</b>	<b>0</b>	<b>241,221</b>
<b>TRANSPORT NETWORKS AND SAFETY TOTAL</b>													
	<b>7,493,135</b>	<b>4,087,899</b>	<b>1,332,878</b>	<b>119,658</b>	<b>11,617</b>	<b>119,658</b>	<b>11,617</b>	<b>2,212,828</b>	<b>0</b>	<b>20,000</b>	<b>390,918</b>	<b>0</b>	<b>4,087,899</b>

Project Name	2011/12	2011/12		Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCCP \$	Annual Plan \$	Annual Plan \$									
<b>REALLOCATED ACTIVITIES</b>												
<b>Operations Business Unit</b>												
Replacement of Parks small plant items	2,700	2,700	2,700	0	0	0	0	0	0	0	0	2,700
Replacement of Waterguard small plant items	8,500	8,500	8,500	0	0	0	0	0	0	0	0	8,500
Plant Replacement	35,000	9,000	9,000	0	0	0	0	0	0	0	0	9,000
<b>Operations Business Unit Total</b>	<b>46,200</b>	<b>20,200</b>	<b>20,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,200</b>
<b>Vehicle/Plant</b>												
Vehicle Replacements Council-wide (Renewals funded)	181,600	181,600	181,600	0	0	0	0	0	0	0	0	181,600
<b>Vehicle/Plant Total</b>	<b>181,600</b>	<b>181,600</b>	<b>181,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>181,600</b>
<b>Corporate Property Capital</b>												
OBU Furniture 2011/12	0	5,000	5,000	0	0	0	0	0	0	0	0	5,000
Renewal - Civic Centre	48,919	48,919	48,919	0	0	0	0	0	0	0	0	48,919
Renewal - OBU	7,590	7,590	7,590	0	0	0	0	0	0	0	0	7,590
Renewal - Arts and Culture	51,058	15,000	15,000	0	0	0	0	0	0	0	0	15,000
Renewal - Operational Facilities - Other	6,750	6,750	6,750	0	0	0	0	0	0	0	0	6,750
Revamp old museum for specialised RSA Facility	500,000	500,000	0	500,000	0	0	0	0	0	0	0	500,000
Interior Refurbishment of old library to office space	351,845	351,845	70,369	281,476	0	0	0	0	0	0	0	351,845
Replace screens, furniture & fittings	20,000	20,000	20,000	0	0	0	0	0	0	0	0	20,000
<b>Corporate Property Capital Total</b>	<b>986,162</b>	<b>955,104</b>	<b>173,628</b>	<b>781,476</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>955,104</b>
<b>REALLOCATED ACTIVITIES TOTAL</b>	<b>1,213,962</b>	<b>1,156,904</b>	<b>375,428</b>	<b>781,476</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,156,904</b>
<b>COMMUNITY SAFETY</b>												
<b>Safer Communities</b>												
CC TV (Renewal and restricted Reserve funding)	15,000	0	0	0	0	0	0	0	0	0	0	0
CC TV Renewals	0	100,000	0	0	0	0	100,000	0	0	0	0	100,000
<b>Safer Communities Total</b>	<b>15,000</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>COMMUNITY SAFETY TOTAL</b>	<b>15,000</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>

Project Name	2011/12	2011/12		Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates	Total
	LTCCP \$	Annual Plan \$	Annual Plan \$									
<b>WASTE</b>												
<b>Waste Disposal</b>												
Gas Collection & Capping - Burma Road Landfill	300,000	300,000	0	228,000	72,000	0	0	0	0	0	0	300,000
Resource consent - Proposed Landfill	1,000,000	1,750,000	0	455,000	420,000	875,000	0	0	0	0	0	1,750,000
Retirement - hardstand/capping - Murupara Landfill	110,000	110,000	0	110,000	0	0	0	0	0	0	0	110,000
<b>Waste Disposal Total</b>	<b>1,410,000</b>	<b>2,160,000</b>	<b>0</b>	<b>793,000</b>	<b>492,000</b>	<b>875,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,160,000</b>
<b>Waste Recycling</b>												
Whakatane - Recycling Park - Minor Works	20,000	20,000	0	0	0	0	0	0	0	20,000	0	20,000
<b>Waste Recycling Total</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>
<b>WASTE TOTAL</b>	<b>1,430,000</b>	<b>2,180,000</b>	<b>0</b>	<b>793,000</b>	<b>492,000</b>	<b>875,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>2,180,000</b>
<b>HAZARD MANAGEMENT</b>												
<b>Emergency Management</b>												
Tsunami Warning System	0	39,000	0	0	0	0	0	0	0	0	39,000	39,000
<b>Emergency Management</b>	<b>0</b>	<b>39,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,000</b>	<b>39,000</b>
<b>HAZARD MANAGEMENT TOTAL</b>	<b>0</b>	<b>39,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,000</b>	<b>39,000</b>
<b>COUNCIL TOTAL</b>	<b>22,403,168</b>	<b>20,645,305</b>	<b>4,900,557</b>	<b>6,442,789</b>	<b>776,545</b>	<b>7,050,474</b>	<b>968,044</b>	<b>29,979</b>	<b>410,918</b>	<b>66,000</b>	<b>20,645,305</b>	

# *Funding Impact Statement*

Te Whakatinanatanga o Ngā Pūtea Mō Te Tau



# FUNDING IMPACT STATEMENT

## INTRODUCTION

The Local Government Act 2002 requires the Council to prepare a Funding Impact Statement disclosing the revenue and financing mechanisms it intends to use to meet the costs for the 2011/12 year. The information in the following sections is intended to achieve compliance with this legislation by giving ratepayers full details of how rates are calculated.

This statement should be read in conjunction with Council's Revenue and Financing Policy in Volume Two of the LTCCP 2009-19 which sets out the funding philosophy and tools identifying who pays for the Council's activities and how these will be funded.

The specific fees and charges used to recover costs of providing some Council services are outlined in the separate Fees and Charges Schedule 2011/12.

## SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT (SUIP)

Through the Annual Plan 2010/11 the Council proposed a staggered implementation of a SUIPs rating system. This included the implementation of SUIPs for commercial properties in the 2010/11 rating year, with residential and rural properties in the 2011/12 rating year. Through the development of this Annual Plan, the Council resolved not to introduce rural and residential SUIPs as part of its rating mechanism for 2011/12. More detail about this decision can be found in the Key Issues chapter.

### Definition of SUIPs

"Separately used or inhabited part" includes any part of a rating unit separately occupied by the owner or any other person who has the right to occupy that part by virtue of a tenancy, lease, licence or other agreement.

The Council further defines Commercial, rating units as follows:

For a commercial rating unit, a SUIP is a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes.

In a commercial/industrial situation a separately useable or habitable part will be classified where the property has been set-up to accommodate, or is accommodating, separate lessees, tenants, or the like, operating separate businesses from the same rating unit. Separate units made available for the travelling public are not considered to be separately used for the purposes of a rating unit unless they are made available for term (more than six months) rental.

**Note: All figures in the Funding Impact Statement are GST exclusive**

## GENERAL RATES

General Rates consist of a rate in the dollar charged on capital value and a Uniform Annual General Charge (UAGC), which is a flat amount levied on each rating unit. The size of the UAGC is set each year by the Council and is used as a levelling tool in the collection of General Rates. If the UAGC were set at zero, the effect would be to increase the amount of General Rates assessed on capital value, which would increase the share levied on properties with higher capital values and to decrease the share levied on lower capital values. In setting the level of the UAGC, the Council considered the following issues:

- The impact of a high UAGC on those with low incomes and relatively low property values.
- The impact of a low UAGC on the relative share of rates levied on large rural properties.
- Fairness and equity and the social consequences of an unfair distribution of rates.

## PAYMENTS

All rates shall be payable at the Whakatane District Council, Civic Centre, Commerce Street, Whakatane, or Murupara Service Centre, Pine Drive, Murupara. The payment facilities available at the Council offices include cash, cheque or EFTPOS. There is no credit card facility available at present. Alternatively, the Council offers the option of paying rates by direct debit, on a monthly, quarterly, or annual basis. Rates can also be paid by phone/internet banking, and automatic payments. Please contact customer services on 07 306 0500 or 0800 306 0500 for further information or refer to [www.whakatane.govt.nz](http://www.whakatane.govt.nz)

### Discount for prompt payments

The Council sets a discount on an annual basis for ratepayers who pay the total rates levied on the rates assessment by the due date for the first instalment. The discount rate for 2011/12 is 2.5%.

Due dates for rates and water instalments can be found on the following page.

## INSTALMENT DUE DATES

### Rates

There will be four equal instalments for the 2011/2012 rates and the due dates are as follows:

Instalment	Due Date
Instalment 1	Friday 26 August 2011
Instalment 2	Friday 25 November 2011
Instalment 3	Friday 24 February 2012
Instalment 4	Friday 25 May 2012

A 10% instalment penalty will apply if any of these rates remain outstanding after each of the above instalment due dates. A further 10% additional charge will be added on 1 October 2012 to any rates that were set prior to 1 July 2012 and which are unpaid at 1 July 2012 and remain unpaid at 30 September 2012.

### Water rates

The following are the due dates for water invoices:

Period	Billing Period	Due Date
1	1st reading	Friday 21 October 2011
2	2nd reading	Friday 20 January 2012
3	3rd reading	Friday 20 April 2012
4	4th reading	Friday 20 July 2012

A 10% penalty will apply if any water rates remain outstanding after each of the above water rates due dates.

## PERCENTAGE OF RATES THAT ARE FIXED CHARGES

Under the Local Government Rating Act (LGRA) the Council may only set a maximum of 30% of the total rates income to come from fixed rates such as targeted rates or uniform charges. The following table shows an analysis of these charges and shows the percentage of the Council's total rates.

Report on 30% Cap Section 21 LGRA	\$ Ex GST	
<b>Targeted rates that are set on a uniform basis and are calculated in accordance with section 18(2) or clause 7 of Schedule 3</b>		
UAGC	173.91	2,526,738
Roading	44.44	660,201
Refuse Disposal	68.19	990,660
Community Boards		414,850
District Parks		2,888,613
Stormwater		364,443
Promotion		235,476
Catchment Rates Disaster Mitigation		567,315
		<b>8,648,296</b>
	<b>Total Rates Excluding GST</b>	<b>34,699,884</b>
	<b>Percentage</b>	<b>24.92%</b>
<b>Targeted rates that are set on differential uniform basis not included in the 30% cap</b>		
Refuse Collection		3,199,247
Swimming Pool		1,202,929
Library		1,692,746
		<b>6,094,922</b>

# FUNDING IMPACT STATEMENT TABLE

Note: All figures in this table are GST exclusive.

GST will apply at the current rate of 15%.

		2011/12		
		\$		
<b>General Rates</b>		<b>8,319,281</b>		
The Council sets a general rate on the capital value of each applicable rating unit in the District.				
District Rateable properties (cents per \$)		0.00079946	5,792,543	
Uniform Annual General Charge on all rating units in the District		173.91	2,526,738	
<b>Roading Rates</b>		<b>6,898,578</b>		
The Council sets the roading rate on the capital value of each applicable rating unit in the District (cents per \$ )				
		0.00086139	6,238,377	
Uniform Annual Charge on all rating units in the District		44.44	660,201	
<b>Community Boards</b>		<b>414,850</b>		
The Community Board rate is set to fund the costs of the five Community Boards.				
The Council sets a Community Board targeted rate on rating units within each of the following areas (locations):				
		<b>Rate \$</b>	<b>Total \$</b>	
Whakatane		24.47	151,373	
Rangitaiki		22.53	90,606	
Ohope		39.94	73,694	
Taneatua		38.33	46,535	
Murupara		41.65	52,642	
<b>Waste Disposal</b>		<b>990,660</b>		
		<b>UAC \$</b>	<b>Total \$</b>	
Uniform Annual Charge on all rating units in the District		68.19	990,660	
<b>Stormwater</b>		<b>1,457,770</b>		
The Council sets a targeted rate rating unit for stormwater on rating units and a rate on the capital value differentially as follows:				
	<b>Differential</b>	<b>UAC \$</b>	<b>cents per \$</b>	<b>Total \$</b>
Whakatane Urban	1.0	46.60	0.00030162	821,040
Whakatane Commercial and Industrial	2.2	46.60	0.00066356	320,568
Matata	1.0	62.07	0.00072644	78,954
Ohope	1.0	16.68	0.00009054	123,108
Edgecumbe	1.0	30.64	0.00026093	78,058
Taneatua	1.0	8.34	0.00020287	8,937
Murupara	1.0	4.75	0.00022897	14,070
Te Mahoe Land Drainage	1.0	33.49	0.00120382	3,215
Te Teko Land Drainage	1.0	19.03	0.00071798	9,820

	<b>2011/12</b>
	<b>\$</b>

<b>Library</b>	<b>1,692,746</b>
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The Council sets a library rate based on a fixed charged per rating unit, with a differential relating to the ability of the community to have accessibility to libraries as follows:

	<b>Differential</b>	
Whakatane	1.000	158.54
Ohope	1.000	158.54
Edgecumbe	0.700	110.97
Taneatua	0.350	55.49
Murupara	0.700	110.97
Te Urewera	0.175	27.74
Rural	0.350	55.49

<b>District Wide Parks Rates</b>	<b>2,888,613</b>
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The Council sets a targeted district-wide parks rate except for properties within the Te Urewera area to fund the net cost of the parks, gardens and recreation activities. This targeted rate is set as a fixed amount per rating unit. 199.72

The Council sets a targeted parks rate for properties within the Te Urewera area to fund the net cost of the parks, gardens and recreation activities. This targeted rate is set as a fixed amount per rating unit. 99.86

<b>Swimming Pool</b>	<b>1,202,929</b>
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The Council sets a Swimming Pool rate based on a fixed charge per rating unit, with a differential relating to the ability of the community to have accessibility to swimming pools as follows:

	<b>Differential</b>	<b>Rate \$</b>
Whakatane	1.00	105.87
Ohope	1.00	105.87
Edgecumbe	0.50	52.94
Taneatua	0.50	52.94
Murupara	1.00	81.27
Murupara Rural	0.50	40.64
Te Urewera	0.25	20.32
Rural	0.50	52.94

<b>Promotion and Economic Development Rate</b>	<b>385,476</b>
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This rate is set as a targeted rate of a fixed amount per rating unit for all commercial and industrial properties within the district 256.23

Council sets a targeted rate on the capital value for all commercial and industrial properties within the Whakatane urban area (cents per \$) 0.0003334

<b>Refuse Removal Rate</b>	<b>3,199,247</b>
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The Council sets a targeted rate to fund the collection and disposal of the Council approved refuse/recycling bins. This targeted rate is set as a fixed amount per bin for which the Council is providing a weekly service.

Residential Properties	261.88
Rural/Commercial Properties	197.92
Residential Ohope	264.62
Commercial Ohope	200.46

The Council provides an additional three collections during the summer holiday period for Ohope.



	<b>2011/12 \$</b>
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<b>Catchment Rates Disaster Mitigation</b>	<b>567,315</b>
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The Council sets a Disaster Mitigation rate as a targeted rate on rating units as follows:

	<b>Rate \$</b>
Uniform Annual Charge on all rating units in the District	18.58
Otarawairere/Cliff/Brown Roads drainage/improvements	454.92
Matata	311.83
Whakatane	9.33
Edgecumbe	94.46
Ohope	28.80

<b>Water</b>	<b>4,726,378</b>
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These rates are set on a differential basis based on provision of service, land use and location.

Connected - any rating unit that is connected directly or indirectly to a Council operated waterworks.

Availability - any rating unit that is not connected to a Council operated waterworks but is within 100 metres of such waterworks.

	<b>\$ Charge</b>	<b>\$</b>	<b>Total \$</b>
<b>Whakatane &amp; Ohope</b>			3,113,374
Connected - non metered	424.22	11,454	
Availability - not connected	143.24	73,770	
Connected - metered	143.24	1,167,713	
Water by meter July to November and March to June, per cube	1.02		
Water by meter commencing on or around 1 December for a three month period, per cube	2.04	1,860,437	
<b>Edgecumbe</b>			231,910
Connected - non metered	330.35	209,771	
Availability - not connected	134.64	3,904	
Connected - metered	134.64	3,366	
Water by meter	0.89	14,869	
<b>Matata</b>			138,275
Connected - non metered	439.21	111,559	
Availability - not connected	158.94	10,967	
Connected - metered	158.94	3,973	
Water by meter	1.27	11,776	
<b>Taneatua</b>			155,063
Connected - non metered	507.56	125,875	
Availability - not connected	202.83	5,882	
Connected - metered	202.83	3,854	
Metered special	283.96	1,988	
Water by meter	1.39	12,181	
Water by meter special	2.47	5,283	

2011/12  
\$

**Water Cont.**

	Per Connection \$	Rate \$	Total \$
<b>Murupara</b>			140,788
Connected - non metered	163.29	112,997	
Availability - not connected	67.77	6,845	
Connected - metered	67.77	2,575	
Water by meter	0.43	18,371	
<b>Ruatoki</b>			81,142
Connected - metered	88.20	29,282	
Availability - not connected	88.20	3,175	
Water by meter	0.76	48,685	
<b>Waimana</b>			15,260
Connected - metered	197.33	10,261	
Availability - not connected	197.33	1,184	
Water by meter	0.89	3,815	
<b>Te Mahoe</b>			14,617
Connected	487.23	14,617	
<b>Ruatahuna</b>			906
Connected	69.69	558	
Connected - commercial	174.23	348	
<b>Plains*</b>			835,043
Connected - metered	115.56	156,116	
Water by meter	.026	224,008	
Excess water by meter	0.8889	268,000	
<b>Awakeri Extn*</b>			
Connected - metered	168.89	63,502	
Water by meter	0.37	73,381	
Excess water by meter	0.8889	50,036	

\* The Council sets an additional targeted rate for any excess water consumed that is over and above the purchased entitlement for each property connection to these water supplies. An overuse targeted rate is set for the excess volume consumed over and above the purchased entitlement.

Note: Where properties meet the definition of being contiguous either under legislation or Council Policy, the entitlements for such properties will be aggregated prior to an imposition of the overuse penalty.

	2011/12 \$
<b>Sewerage</b>	<b>1,956,041</b>

These rates are set on land use and provision of service. Land use is residential or commercial/ industrial. Commercial/ industrial is classed as any property for which the principal undertaking is any commercial/industrial activity or zoned commercial/industrial. Rural is defined as all rural zoned land except commercial and industrial properties as defined above.

The different categories of service are:

- Connected - any rating unit that is connected directly or indirectly to a public sewerage drain.
- Available - any rating unit that is not connected to a public sewerage drain but is within 30 metres of such a drain.

	Rate \$	Total \$
<b>Whakatane Sewerage</b>		947,891
Connected or per pan for commercial/industrial	120.18	
Availability - not connected	60.09	
<b>Ohope Sewerage</b>		532,188
Connected or per pan for commercial/industrial	266.69	
Availability - not connected	133.35	
<b>Edgecumbe Sewerage</b>		310,682
Connected or per pan for commercial/industrial	373.64	
Availability - not connected	186.82	
<b>Taneatua Sewerage</b>		63,763
Connected	209.06	
Availability - not connected	104.53	
<b>Murupara Sewerage</b>		94,932
Connected or per pan for commercial/industrial	116.20	
Availability - not connected	58.10	
<b>Te Mahoe Sewerage</b>		6,585
Connected	227.07	
Availability - not connected		

#### Rating units are defined as:

The **General Uniform Annual Charge**, **Roading Uniform Charge** and **Promotion and Economic Development Uniform Annual Charge** are set per separately used inhabited part of a rating unit of all commercial and industrial properties within the district.

**Commercial and industrial** is defined as any property zoned or used for commercial / industrial purposes.

**Rural** is defined as all rural zoned land except commercial and industrial properties as defined above.



**Whakatane District Council**

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