

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.

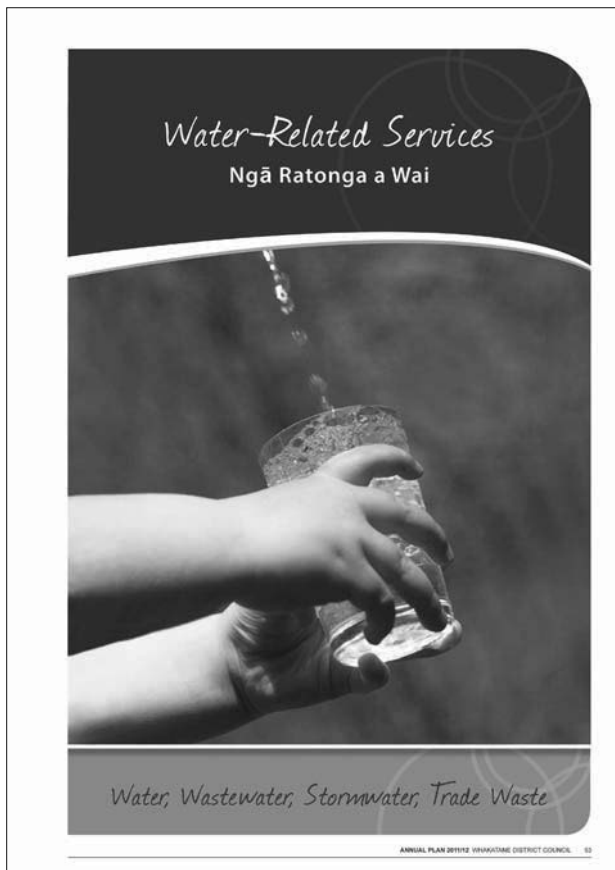
Under each activity you will find information about: the work we do, the reasons for doing that work, what we plan to achieve for the year, what it will cost to deliver the work programme, and how this is different from what we originally planned through the LTCCP 2009-19.

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
OPERATIONAL			
EXPENDITURE			
3,771	4,148	4,210	62
834	1,109	1,102	(7)
5,318	6,213	5,369	(844)
9,923	11,470	10,681	(789)
REVENUE			
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
14,040	13,359	11,385	1,974
(4,117)	(1,889)	(704)	1,185
NON OPERATIONAL			
EXPENDITURE			
(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)
6,723	4,582	5,932	1,350
FUNDED BY			
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
6,723	4,582	5,932	(1,350)
* CAPITAL EXPENDITURE			
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


Groups of Activities - Water-Related Services

WHAT WILL THIS ACTIVITY COST

	Annual Plan 2011/12 \$000
Expenditure	5,703
Revenue	4,907
Net Cost (Surplus) of Operations	796
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"> • 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) 	<table style="width: 100%; border-collapse: collapse;"> <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> </table>	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?	
OPERATIONAL	
EXPENDITURE	
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.
Total Expenditure	Total costs of activity excluding capital expenditure.
REVENUE	
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.
Total Revenue	Total revenue for this activity.
Net Cost (Surplus) of Operations	Total expenditure less total revenue.
NON OPERATIONAL	
EXPENDITURE	
Transfer from (Surplus) Deficit	
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.
Total Funding Requirement	Net cost of operations plus Capex, loan repayments and payments to reserves.
FUNDED BY	
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.
Total Funding Applied	The balance of funds required to operate this activity.
*CAPITAL EXPENDITURE	This shows how the capital expenditure is split to fund level of service improvements, versus population growth and/or renewal works.