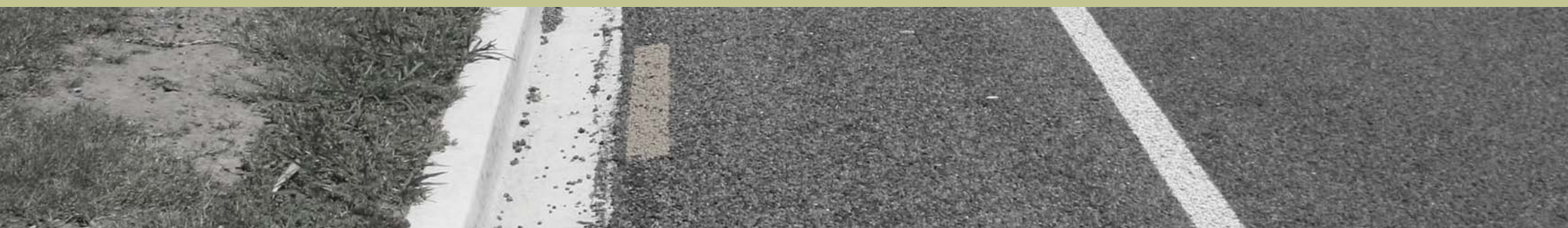




ROADS & FOOTPATHS

Ngā Huarahi ara Rau



WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

FUNDING IMPACT STATEMENT

Annual Plan 2011/12 \$000		LTP 2012/13 \$000	LTP 2013/14 \$000	LTP 2014/15 \$000	LTP 2015/16 \$000	LTP 2016/17 \$000	LTP 2017/18 \$000	LTP 2018/19 \$000	LTP 2019/20 \$000	LTP 2020/21 \$000	LTP 2021/22 \$000
OPERATIONAL											
Sources of operating funding											
55	General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
6,840	Targeted rates (other than a targeted rate for water supply)	7,897	8,188	8,390	8,921	9,381	9,758	9,908	10,452	10,649	10,791
2,307	Subsidies and grants for operating purposes	2,693	2,875	2,964	2,936	2,962	3,121	3,164	3,350	3,393	3,585
65	Fees, charges, and targeted rates for water supply	45	46	48	50	51	53	54	56	58	60
339	Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
594	Local authorities fuel tax, fines, infringement fees, and other receipts	590	606	646	667	695	697	725	738	762	815
10,200	Total operating funding (A)	11,225	11,715	12,048	12,574	13,089	13,629	13,851	14,596	14,862	15,251
Applications of operating funding											
5,650	Payments to staff and suppliers	5,846	6,240	6,238	6,564	6,776	7,000	7,117	7,639	7,631	8,041
624	Finance costs	613	638	674	641	558	633	642	671	719	737
1,919	Internal charges & overheads applied	1,737	1,802	1,879	1,888	1,934	2,047	2,060	2,149	2,274	2,303
-	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
8,193	Total applications of operating funding (B)	8,196	8,680	8,791	9,093	9,268	9,680	9,819	10,459	10,624	11,081
2,008	Surplus (deficit) of operating funding (A-B)	3,029	3,035	3,257	3,481	3,821	3,949	4,032	4,137	4,238	4,170
CAPITAL											
Sources of capital funding											
2,213	Subsidies and grants for capital expenditure	3,264	3,192	4,117	4,436	4,977	4,180	4,534	4,027	4,169	5,412
192	Development and financial contributions	68	70	73	75	77	80	83	86	89	92
200	Increase (decrease) in debt	(354)	(341)	(1,094)	(1,493)	1,327	327	373	403	449	802
-	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
2,605	Total sources of capital funding (C)	2,978	2,921	3,096	3,018	6,381	4,587	4,990	4,516	4,707	6,306
Applications of capital funding											
Capital expenditure											
8	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
878	- to improve level of service	1,193	1,060	2,883	3,052	4,118	2,020	2,548	2,094	2,175	2,595
3,202	- to replace existing assets	4,553	4,602	4,780	5,420	5,421	5,657	6,006	5,377	5,521	6,931
525	Increase (decrease) in reserves	261	294	(1,310)	(1,973)	663	859	468	1,182	1,249	950
-	- Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
4,613	Total applications of capital funding (D)	6,007	5,956	6,353	6,499	10,202	8,536	9,022	8,653	8,945	10,476
(2,008)	Surplus (deficit) of capital funding (C-D)	(3,029)	(3,035)	(3,257)	(3,481)	(3,821)	(3,949)	(4,032)	(4,137)	(4,238)	(4,170)
-	Funding Balance ((A-B) + (C-D))	-	-	-	-	-	-	-	-	-	-

THE COMMUNITY OUTCOMES THIS ACTIVITY CONTRIBUTES TO



TRANSPORT NETWORKS



TRANSPORT NETWORKS

WHAT THIS ACTIVITY DELIVERS

Through this activity we provide transport networks (such as roads, footpaths, parking facilities and bridges), airport infrastructure, public transport infrastructure (such as bus shelters) and traffic control mechanisms (such as signage, lighting and road markings).

The Council's road network is approximately 903km in length with around 78% of the network being sealed.

WHY WE DO IT

We do this activity to ensure a safe, efficient and affordable roading network. The District's road network helps with the movement of people, goods and services. This means we have access to facilities, services and recreational activities we would not otherwise have. We work with other regions to ensure we are efficiently connected both socially and economically.

RESPONDING TO OUR ISSUES

More rain means more damage

Unfortunately, our District has been subject to a number of heavy rainfall events, which have caused extensive damage to the transport networks including the roads, pavements, footpaths and also drainage facilities (especially in the hilly rural areas of the District which are susceptible to erosion). In the past two years, the roading network suffered \$11.5m worth of damage. The majority of the repair work was subsidised by NZ Transport Agency (NZTA), however, the remainder of this cost is distributed amongst our ratepayers. We are currently undertaking a study to investigate the risks associated with natural hazards to urban Whakatāne,

including access to and movement around the area. This will look at projects that may improve the security of some key routes. Part of this study will consider the need for a second bridge over the Whakatāne river. However until this study is completed projects have not been planned for in this LTP.

A number of smaller projects are planned to improve route security. This includes the works on the Coastal Arterial Route from Matatā through to Ōpōtiki. The programme includes minor works, specifically to Thornton Road and Wainui Road including curve improvements and seal widening. This route is very popular for commuters and holiday makers and the aim of these works is to ensure safe and comfortable travel to, from and through the Whakatāne District. The Thornton Road and Wainui Road projects are subject on NZTA funding. Confirmation of this funding is likely to come in August 2012.

Ensuring we have safe roads

As part of this activity we install and maintain signs, street lights and traffic calming devices. The issue is ensuring that the roads are safe for users and residents. We currently carry out inspections of our roads to make sure they are sufficiently lit and signs are fit for their purpose and free from vandalism. If not, we carry out improvement programmes. Areas are also identified where traffic calming devices would be useful. Works in this area help to decrease the high accident rate in the District. The Council is guided by the Safer Journeys 2020 Strategy, which helps us identify and categorise safety deficiencies in the roading network. We have one of the highest road accident rates in the country and works in this area aim to reduce the number of accidents.

Maintaining our roads

Providing and managing the roading network around our District is where we spend the most money. These expensive assets require a lot of maintenance to ensure they remain safe and in good condition. To maintain our roads, it currently costs us \$0.04 per vehicle kilometre travelled (vkt). This is below the average for similar councils of \$0.054 vkt. As the Roads and Footpaths group of activities represents a high percent of our expenditure, we are looking at ways to keep this cost down wherever possible. During the last two financial years we have temporarily reduced our roading programme for reasons of affordability. The cost of the ongoing maintenance, renewals and associated improvements are expected to cost \$58.99m over the 10 years of this LTP. This means there is very little work planned in this area beyond the required ongoing maintenance and renewals. For example, we have not included in the budget any provision for extending the seal extension network in our District. However, we do recognise that residents of an unsealed road may be willing to cover the Council cost to seal their road, and in this instance, we will work with residence to find a mutually agreeable solution.

At the time of undertaking renewal works we sometimes take the opportunity to provide associated upgrades. As a result of legislative changes, the Funding Impact Statement records these projects as being solely driven by an improvement in levels of service. Therefore, the true proportion of projects 'to improve level of service' is affected in the Funding Impact Statement.

What we are going to do

To respond to some of the issues, the Council is planning to undertake the following major projects. The full list of capital projects can be found in the 'Our Costs in Detail' chapter.

DESCRIPTION	YEAR	TOTAL (\$)	FUNDING SOURCE
Thornton Road realignment and seal widening	2014-22	4,300,000	Loan 47% Subsidy 44% Development Contribution 9%
Matahi Valley Road realignment	2014/15	300,000	Subsidy 55% Loan 45%
Landing Road roundabout reconstruction	2014-16	750,000	Development Contribution 6% Loan 36% Subsidy 44% Renewal 14%
Wainui Road seal widening	2015-22	1,400,000	Loan 50% Subsidy 44% Development Contribution 6%
Property Purchases	2012/13 2016-22	1,400,000	Loan 41% Subsidy 59%

Note: The figures in this table are not adjusted for inflation.



WHAT NEGATIVE IMPACT THIS MIGHT HAVE

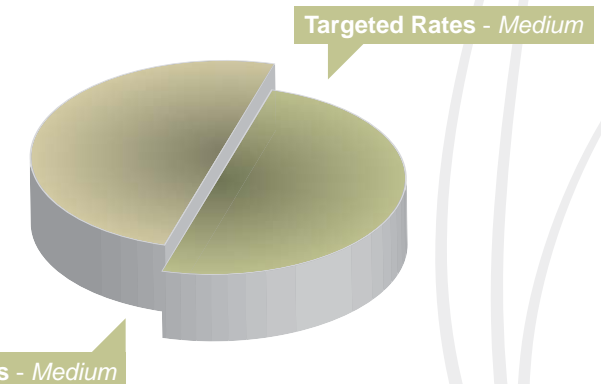
Sometimes the activities we do can have a negative impact on one or more of the four well-beings. While we strive to ensure that we operate in a way that provides the most positive outcomes, we must acknowledge that sometimes there is a trade-off. The table below shows the possible negative effects of this activity and what we are going to do to try and minimise this effect.

SIGNIFICANT NEGATIVE EFFECT	AFFECTED WELL-BEING				SUSTAINABLE SOLUTION
	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	
The maintenance of the roading network may cause a number of nuisances including dust and smells.		✓		✓	Comply with resource consent conditions during maintenance activities and track and record complaints.
Changing weather patterns may result in extreme events causing damage to critical assets (weather bombs).	✓	✓	✓	✓	Liaise with Central and Regional Government with regard to trends and any monitoring that is being undertaken and develop appropriate responses to changing trends. Investigations are in place to look at how secure our routes are.

HOW THIS ACTIVITY IS FUNDED

Our activities are funded from a variety of sources. The pie chart illustrates how we will pay for the operational running of this activity.

Further explanations on the funding of this activity can be found in the Revenue and Financing Policy contained in the 'Our Costs in Detail' chapter.



ROADS AND FOOTPATHS
Transport Networks



WHAT WE WANT TO ACHIEVE

The Council has set some targets to show whether we are achieving our goals for this activity.

The following table shows these targets for the next 10 years. We will report back to the community through the Annual Report each year, so you will know whether we have achieved this level of service.

Goal	Measure	Current performance (2010/11)	Target			
			Year 1 (2012/13)	Year 2 (2013/14)	Year 3 (2014/15)	Years 4-10
Roads are reasonably smooth and comfortable to travel on	Smooth travel exposure; the percentage of vehicle kilometres travelled on smooth*, sealed roads	New measure	89 - 93%	90 - 94%	91 - 95%	92 - 96%
Roads are maintained to an appropriate standard	Satisfaction that local roads are maintained to an appropriate standard (Customer Satisfaction Index score)	61.5	60-64	61-65	62-66	63-67
	Pavement Integrity Index for Sealed Roads. This measures pavement faults to produce an index out of 100. The higher the number, the greater the integrity of our pavements	96	94-98	95-99	96-100	100
Roads are maintained in a cost effective way	Maintenance and renewal costs for this activity per vehicle kilometres travelled (vkt) on our local roads	New measure	<\$0.05/vkt	<\$0.05/vkt	<\$0.05/vkt	<\$0.05/vkt

*Indicates the ride quality experienced by motorists.

THE COMMUNITY OUTCOMES THIS ACTIVITY CONTRIBUTES TO



ROAD SAFETY



ROAD SAFETY

WHAT THIS ACTIVITY DELIVERS

The road safety activity delivers a number of programmes to help ensure the safety of our roads. There are four main cornerstones that we use to develop programmes. They are: safe roads and roadsides, safe speeds, safe road use, and safe vehicles. All of which come from Central Government's Safer Journeys 2020 Strategy. We work collaboratively within the Eastern Bay of Plenty Region to deliver these safety programmes. The activity also promotes an environment where people can go out on their bikes, or go for a walk, with the assurance they will be safe.

WHY WE DO IT

The total social cost of road crashes in the Eastern Bay of Plenty community was \$72m in 2010. This is money that can be better spent in other areas.

We educate the community about road safety to help reduce the number of deaths and serious injuries on our roads. Our District is a high risk area for crashes, with alcohol and speed being the main causes.

RESPONDING TO OUR ISSUES

Changing Central Government priorities means planning is difficult

One of the challenges that this activity faces is that it is dependant on Central Government priorities. This means long term planning in this area is difficult. At the moment we are guided by the Safer Journeys 2020 Strategy. If funding suddenly becomes unavailable, we will look into other options to continue to deliver road safety services. This may be in the form of business and commercial partnerships, and sponsorships.

WHAT WE WANT TO ACHIEVE

The Council has set some targets to show whether we are achieving our goals for this activity.

The following table shows these targets for the next 10 years. We will report back to the community through the Annual Report each year, so you will know whether we have achieved this level of service.

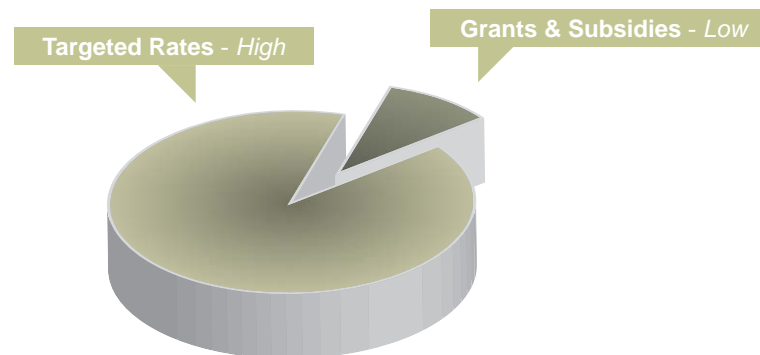
Goal	Measure	Current performance (2010/11)	Target			
			Year 1 (2012/13)	Year 2 (2013/14)	Year 3 (2014/15)	Years 4-10
To reduce network related injuries and fatalities through information and educational campaigns	Satisfaction with the safety of our roads (Customer Satisfaction Index score)	66.3	64-68	65-69	66-70	67-71

HOW THIS ACTIVITY IS FUNDED

Our activities are funded from a variety of sources.

The pie chart illustrates how we will pay for the operational running of this activity.

Further explanations on the funding of this activity can be found in the Revenue and Financing Policy contained in the 'Our Costs in Detail' chapter.



THE COMMUNITY OUTCOMES THIS ACTIVITY CONTRIBUTES TO



PARKING ENFORCEMENT

WHAT THIS ACTIVITY DELIVERS

This activity provides parking enforcement services primarily in the Whakatāne town centre and Kopeopeo shopping area. The wardens also check vehicles parked on these roads for registrations, warrants of fitness and that they are generally safe to be on the road.

WHY WE DO IT

We provide this service at the request of the community and businesses of the CBD, so parking spaces in our busiest areas have an appropriate level of turnover and are available for shoppers and businesses.

The Parking Enforcement activity also helps to ensure parking is done in a way that is safe and does not cause a hazard or obstruction for other road users.

This service is defined by the Traffic and Speed Bylaws.

RESPONDING TO OUR ISSUES

Where the money goes

This activity is self funded through the issuing of infringement notices. Approximately 7,500 tickets are issued annually. Of the revenue collected from infringements for unwarranted or unregistered vehicles, half of it goes to Central Government and the remainder is used for transport related activities in the area from where it was collected. Funds are used to meet the cost of operating, maintaining and renewing areas of parking or roading, and may contribute towards the set-up costs for pay and display areas, public carpark formation, street cleaning, or CCTV cameras to ensure that vehicles parked are safe.

WHAT WE WANT TO ACHIEVE

The Council has set some targets to show whether we are achieving our goals for this activity.

The following table shows these targets for the next 10 years. We will report back to the community through the Annual Report each year, so you will know whether we have achieved this level of service.

Goal	Measure	Current performance (2010/11)	Target			
			Year 1 (2012/13)	Year 2 (2013/14)	Year 3 (2014/15)	Years 4-10
Parking enforcement maximises the availability of parking and ensures vehicles are safe	Satisfaction with the Council parking in Whakatāne (Customer Satisfaction Index score)	73.8	72-76	73-77	74-78	75-79
	Regular patrols are carried out at least three times a day in Whakatāne and at least three times a week in Kopeopeo	Three per day Whakatāne, three per week for Kopeopeo	Three per day Whakatāne, three per week Kopeopeo	Three per day Whakatāne, three per week Kopeopeo	Three per day Whakatāne, three per week Kopeopeo	Three per day Whakatāne, three per week Kopeopeo

HOW THIS ACTIVITY IS FUNDED

Our activities are funded from a variety of sources.

The pie chart illustrates how we will pay for the operational running of this activity.

Further explanations on the funding of this activity can be found in the Revenue and Financing Policy contained in the 'Our Costs in Detail' chapter.

Fees & Charges - Full

