



SPECIAL COUNCIL MEETING

Adoption of 2010-11 Annual Report

Date: **Wednesday 26 October 2011**

Time: **1.00 pm**

Venue: **Council Chamber
Administration Building
Albion Street
Hawera**

COUNCIL MEMBERS

Mayor R J C Dunlop (Chairperson)
Councillor Ian Armstrong
Councillor Alex Ballantyne
Councillor Andy Beccard
Councillor Bonita Bigham
Councillor Kirsty Bourke
Councillor Te Aroha Hohaia
Councillor Peter Johnson
Councillor Kelly Judkins
Councillor Gordon Lawson
Councillor Mike Powell
Councillor Michael Self
Councillor Ian Wards

DISTRIBUTION LIST

Mayor
Council Members

Chief Executive
Group Manager Community Services and Development
Group Manager Engineering Services
Group Manager Corporate Services
Group Manager Environmental Services
Support Services Manager
Support Services Officer
Communications Manager
Finance Manager
Financial Accountant
Community Development Manager
Records
Planning Manager
Regulatory Services Manager
Building Control Manager
Iwi Liaison Advisor
Community Development Unit (1 copy to circulate)
Engineering Assets and Planning Manager

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Libraries Plus (7)
Public (2)

Nga Rauru Iwi Authority (2)
Nga Ruahine Iwi Authority (3)
Ngati Ruanui Iwi Authority (3)
Taranaki Runanga (2)
Venture Taranaki
Media (5)

FOR MORE INFORMATION CONTACT

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Support Services Manager

Phone 0800 111 323
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Next Meeting Date
Closing Date for Reports (Elected Members)

SOUTH TARANAKI DISTRICT COUNCIL

SPECIAL MEETING

Notice is hereby given that the Special Meeting of Council will be held in the Council Chamber of the Administration Building, Albion Street, Hawera on Wednesday 26 October 2011, commencing at 1.00 pm.

ORDER OF BUSINESS

1. **APOLOGIES**
2. **OPEN FORUM**
3. **REPORT**
 - (a) **Group Manager Corporate Services**
 - (i) Adoption of 2010/11 Annual Plan Report – attached as a separate document. See page 1.

Report

Central File Ref 027/01

To	Council
From	Group Manager, Corporate Services
Date	17 October 2011
Subject	Adoption of 2010-11 Annual Report

(This report shall not be construed as policy until adopted by full Council)

1. Executive Summary

The purpose of this report is to provide information to enable the Council to adopt the audited Annual Report for the year ended 30 June 2011 in accordance with Section 98 (1) and Section 98 (3) of the Local Government Act 2002.

2. Decision-Making Process

2.1 Background

The Council is required to adopt an audited Annual Report by 31 October each year. The information required in the Annual Report is detailed in Part 3 of Schedule 10 of the Local Government Act 2002.

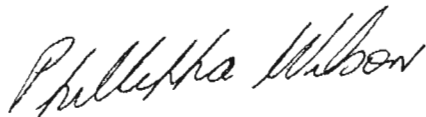
Audit New Zealand, on behalf of the Auditor-General, has conducted its audit and will issue an unqualified audit opinion on or before 26 October prior to the Council meeting. As a result of final checking, minor changes may be required and if so these will be tabled at the Council meeting.

A detailed review of the year is encompassed within the Mayor and Chief Executive's messages found on pages 2 of the Annual Report, with the year in review for each activity on pages 3-9. Explanations of significant variances to budget are detailed in the financial commentary on pages 10-12. A comprehensive review of each activity is also included throughout the document providing the reader with a complete picture of the performance of the Council during the year.

The Council is also required to produce an audited summary of the Annual Report within 30 days of the adoption of the Annual Report. The summary has been drafted and will be printed in the South Taranaki Star on or before the 24 November 2011.

3. Recommendation

THAT the audited Annual Report of the South Taranaki District Council for the year ended 30 June 2011, be adopted in accordance with Section 98 (1) and Section 98 (3) of the Local Government Act 2002.



Phillippa Wilson
Group Manager
Corporate Services



[Seen by]
Craig Stevenson
Chief Executive

SOUTH TARANAKI DISTRICT COUNCIL

ANNUAL REPORT

2010-2011



South Taranaki
Alive with opportunity

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Message from the Mayor & Chief Executive

Despite a challenging global economic environment, the last year has been a very exciting one for South Taranaki.

We launched a new district website www.southtaranaki.com, a one-stop shop for all things South Taranaki. The website attempts to bring Council services, community events, attractions, organisations and information into one location so that it can serve as the district's key promotional tool. In the eight months since it was launched (October 2010), this website has had over 55,000 visits worldwide.

After several years planning, Aotea Utanganui – Museum of South Taranaki opened its doors in Patea at the end of April 2011. Over 900 visitors went through the doors on opening day alone – and there has been many more since.

The PowerCo Aquatic Centre saw a 4.3% increase in visitor numbers. This was due in large part to the new hydroslide, splash park and thermal pool which were added to the complex. But even more exciting is the fact that Swim School numbers rose to 1,321 – 40% more than the previous year.

Our new sports, events and recreation facility, TSB Hub, has also exceeded our expectations. Before the complex opened, we estimated that visitor numbers in the first year would be around 120,000 – but were very pleased to find the actual figure was more than 147,000.

South Taranaki hosted some big events this year; a first class pre-season rugby fixture between Taranaki and Waikato, a concert by internationally acclaimed reggae band Kolohe Kai, the Davis Cup Tennis Tie between the Philippines and New Zealand, Fonterra's Annual General Meeting, the Predicament movie premiere and the New Zealand Small Towns Conference – to name but a few.

The Council also won several awards during the year including; a Taranaki Regional Council Environmental Award for enhancing the Kapuni stream habitat as part of our upgrade to the new Kapuni Water Treatment Plant intake, a Ministry for the Environment's Green Ribbon Award (finalist) in the 'Caring for our Water' category and the 'People's Choice' Award for best local government new/redeveloped website. This was topped off, for the second consecutive year, with a finalist placing in the national JRA Best Places to Work Survey.

The Council finished the year with an operating surplus of \$4.145 million which was slightly less than the budgeted surplus of \$4.875 million. Included in this figure were a number of one-off accounting adjustments (loss on disposal of assets and loss on derivatives) as well as some unbudgeted expenditure for the clean up of the Patea Freezing Works and grants to Aotea Utanganui (South Taranaki Museum) and Hawera Cinema 2.

These items were offset by the strong performance of our Long Term Investment Fund and continued savings from the in-house efficiency review conducted two years ago.

The Council is in a sound financial position, is fully staffed and has a clear direction with a detailed work programme for the next few years.

It is our privilege to present the South Taranaki District Council's 2010/11 Annual Report.



A handwritten signature in black ink, appearing to read 'Craig Stevenson'.

Craig Stevenson
Chief Executive

A handwritten signature in black ink, appearing to read 'Ross Dunlop'.

Ross Dunlop
Mayor



The Year in Review

Democratic Process

South Taranaki Website

The Council launched its new website www.southtaranaki.com in mid October 2010. The website was divided into four key subsections; Council, Live, Visit and Work - to promote Council activities and services, information for current and potential residents, information for tourists and visitors, as well as business information and support. The website which includes a raft of new features such as online service applications, radio podcasts, google maps, research databases, online catalogues, blogs, multimedia videos, picture galleries and electronic newsletters, won the 'People's Choice' Award for the best redeveloped/new website at the 2011 ALGIM Web Symposium Awards held in Wellington on 2 May 2011. The annual ALGIM (Association of Local Government Information Management) Symposium is the premier event for website and online services in the public sector. At the same time as building a new website the Council also launched its Facebook and You Tube pages.

Cultural Services

Opening of Aotea Utanganui – Museum of South Taranaki



Photo caption: Opening Day at Aotea Utanganui

The opening of *Aotea Utanganui – Museum of South Taranaki* on 30 April 2011 was the culmination of many years' hard work and dedication by the South Taranaki Museum Trust, the Council and a myriad of volunteers. The Powhiri was a testament to the mana of the Museum, the people and the collections held within it. The people of Patea welcomed the many visitors who came to see our treasures in a fitting place that acknowledges our combined past. On opening day, over 900 people came through the doors. In May and June 2011, there were over 2,700 visitors.

Taranaki Children's Book Festival

This was the third year the libraries of South Taranaki, Stratford and New Plymouth ran the *Taranaki Children's Book Festival* and once again it was an outstanding success. The aim of the Festival was to take authors and illustrators to all the primary and intermediate schools in Taranaki. We have achieved that aim and also our other goal, which is to enthuse children with a love of reading and literature. The Finale, which is a family day out, was held this year at TSB Hub in Hawera and over 1,500 children and parents attended the day taking part in workshops and reading and getting autographs from the authors.



Photo caption: Book Festival Finale at TSB Hub

Arts in the Park

A highly successful *Arts in the Park* was held at King Edward Park in December 2010 with a large number of visitors coming to the Park throughout the day. There was a full day of visual art and performance activities for children, including the Travelling Tuataras from Rotorua, who engaged children of all ages in creative activities. Participants took home artworks created at the Park and a collaborative windsock was made to be displayed at Hawera LibraryPlus. These activities added fun and colour to the day and gave children the opportunity to be involved in art.



Photo caption: Activities at Arts in the Park

Recreation and Leisure



Photo caption: Taranaki vs Waikato

Taranaki Rugby Football

The Council and Southern Rugby Club hosted a Taranaki Rugby Football Union pre-season game against Waikato in July 2010 at TSB Hub. This was the first pre-season game hosted in South Taranaki for a number of years and people of all ages flocked to Hicks Park to watch Taranaki beat Waikato 28 - 17. The estimated crowd on the day was well over 2,000.

Kolohe Kai Reggae Band

TSB Hub proved the perfect indoor concert venue for international act Kolohe Kai who performed there in March 2011. Kolohe Kai is a popular reggae band from Hawaii, and they were supported by two New Zealand bands in the same genre. Over 1,200 people attended the concert.

Powerco Aquatic Centre

Visitor numbers to the PowerCo Aquatic Centre broke all previous records with a further 4.2% increase compared to the previous year when the new attractions at the centre were opened. There was also a massive 40% increase in the number of enrolments in the Swim School operated by the Council with a total of 1,321 enrolments for the year compared to 940 the previous year.



Photo caption: Powerco Aquatic Centre Outdoor Pool and Hydroslide

Eltham and Rawhitiroa Pool Upgrade

The capital upgrades for the Eltham and Rawhitiroa pools were completed this year with excellent feedback on the extra facilities from the customers enjoying a sunny South Taranaki summer.

Daffodil Planting Programme



The annual daffodil planting programme reached a massive target of 35,000 bulbs planted across the district over the last five years. There will be more to come as we contend informally with Carterton for the daffodil capital of New Zealand.

Photo caption: Nicola Bourke (Contracts Supervisor) amongst the Daffodils

King Edward Park Upgrade

Excellent progress has been made in the upgrade of King Edward Park with the completion of the wedding area where the old house used to be. Proving popular with groups as well as individuals the design is amenable to both and the addition of the edible garden is proving very popular with fruit trees and bushes of every kind.



*Photo caption:
King Edward Park
Wedding Area
(Left) and Edible
Garden (Right)*



As well as the new wedding area, the old plant nursery has been restored to the stage where all the plants for the Patea and Waverley street plantings were produced by our own staff. It has also been a great holding area for imported plants such as the Opunake Dune plants and roses. This meant a big financial saving and we have grown local plants for local conditions. An excellent change from the run-down facility of two years ago.

Dune Planting at Opunake Beach

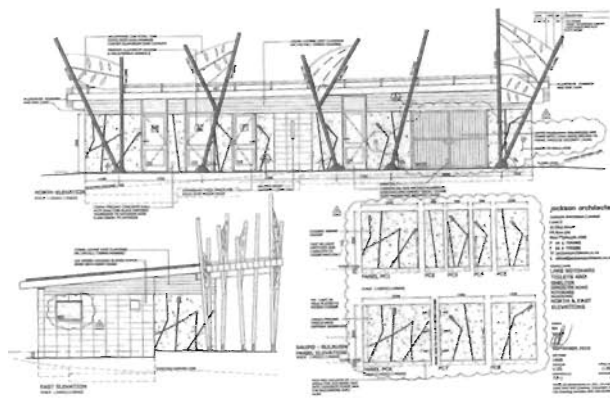
The dune planting at Opunake Beach is now a year old and going well. They are keeping the sand at bay and have stopped the inundation of the shifting sands in the car park.

Toilets at Lake Rotokare

The new toilets at Lake Rotokare have been completed. This is a major addition to the Reserve and will compliment the work of the Trust as more and more people visit this Reserve who are of international stature.



Photo caption: Dunes at the Opunake Beach



*Photo caption: Architect Plan of
Toilets at Lake Rotokare*



*Photo caption:
Hawera Memorial
Theatre*

Partnership for Hawera Memorial Theatre

This year also saw the partnership with the Stage Door Theatre Academy at Hawera's Memorial Theatre formed. This is a win-win for the Academy and the Council as we have the services of Russ Standing as the Volunteer Manager for us dealing with the theatrical companies and bringing in more shows in return for the use of the theatre to train local talent. This will also mean that the skills of local people will be brought to the fore to give the theatre a new lease on life. There has been a lot of work at the theatre this year for heating and lighting with more work tagged in the Long Term Plan.

District Economy

The Davis Cup



Photo caption: Competitor in Davis Cup

The **Davis Cup Tie** between New Zealand and Pakistan was held in Hawera in July 2010. This was the first international event to be hosted at TSB Hub and attracted visitors from across the country and further afield. The Tie was successfully won by the New Zealand team and Tennis New Zealand was so happy with the venue and the way the district hosted the teams that they are bringing the next tie to be played on home soil back to Hawera in July 2011.

Small Towns Conference

In September 2010, South Taranaki hosted the third annual **Small Towns Conference**. Town Co-ordinators, Business Association representatives and Local Government officers from all over New Zealand spent two days in the district, visiting our small towns and hearing a range of speakers talk on issues which small towns frequently have to tackle. Over 80 delegates attended the conference and their feedback at the end of the conference was overwhelmingly positive.



Photo caption: Marque at Predicament Premiere

Predicament Premiere

The New Zealand premiere of the film **Predicament** was held at Hawera Cinema 2 in August 2010. The movie, the majority of which was filmed in South Taranaki, was based on the novel by Ronald Hugh Morrieson. The production company was excited to be able to hold the premiere in the author's home town which generated extensive newspaper and television coverage. Most of the stars from the film returned to Hawera for the premiere, arriving at the function in vintage cars that were used in the film. The premiere was sold out with both cinemas filled to capacity.

Community and Social Development

Predicament Movie Display

The Eltham Community were supported to stage a **Predicament Movie Display** at the Eltham Town Hall. The public exhibition of props and memorabilia from the filming of the Predicament Movie was held to coincide with the Premiere. The exhibition capitalised on the media coverage of the event and added to Eltham's growing profile as a weekend heritage, arts and retail destination.



Photo caption: Display at the Eltham Town Hall

Fundraising Activities

This year the Community Development Team aimed to raise \$200,000 from external sources for **community projects** the Council was supporting. A total of \$217,949 was raised through grant applications and fundraising activities to support a wide range of initiatives such as the Waverley Pool covers, Eltham bus shelter and Youth Drivers Licensing Programme.



Coastal Youth Core Skatepark (CYC)

The *CYC Skatepark* in Opunake was opened in March 2011. The project was managed by CYC who also provided volunteer labour, with assistance from the Council who helped with funding applications and administration. The Egmont Plains Community Board also gave substantial funding towards the \$88,000 facility. There is now a partnership agreement between the Council and CYC for the maintenance and future improvement of the park.

Photo caption: Kids at Skatepark in Opunake

Environment and Development

Fewer Dog Complaints

This year we saw another reduction in the number of complaints about dogs (from roaming, to barking, to attacking). Overall, incidents were down 10% on the previous year, which was down 12% on the 2009/10 year. The most heartening statistics are that dog attacks reduced by 12% and complaints about dogs threatening or rushing reduced by 35%. The reduction in these incidents is mainly due to a continued focus on less responsible dog owners and a zero tolerance to dogs that reoffend.

Significant Natural Areas Fund

Four successful applications were made to the Significant Natural Areas Fund this year. These grants assisted with the protection of one hectare of indigenous forest near Hurleyville, an 82 hectare forest remnant near Kohi, a 55 hectare extension to an existing covenant near Omoana and 420 hectares of forest at Makakaho. These areas have been legally protected and will make an important contribution to maintaining South Taranaki's biodiversity.



Dangerous Earthquake-Prone and Insanitary Buildings Policy

The Council's Dangerous Earthquake-Prone and Insanitary Buildings Policy was reviewed and the previous policy was retained. The review took place after the identification of the buildings that would be affected by the Policy. There are nine buildings that are rated as being at high risk and 96 buildings rated as being at moderate risk in the event of a significant earthquake. The Policy is triggered by the building consent process.

Consents and Licensing Numbers in Review

2010/11 saw fewer applications for consents and licences than in previous years: 705 building consents, 148 resource consents, five new food premises licences, 148 renewed food premises licences and 179 liquor licences were processed.

District Plan Change Programme

The District Plan Change Programme has developed some momentum in the later part of the 2010/11 year. The entire plan has been divided into five work streams; Infrastructure and Energy, Hazards, Built Environment, Natural Environment and Culture and Heritage. Much of the research phase for each of these work streams has been completed and we are on track to complete the review by December 2014.

Roading and Stormwater Network

The Roading activity had a budget of \$13.6 million in 2010/11 and approximately 53% is funded by the government. The work completed this year included:

- 12.2 kilometres of pavement rehabilitation and road widening (\$2.3 million)
- 102 kilometres of reseal, at a cost of \$2.5 million
- Bridge 325 (culvert) was replaced due to flood damage (\$375,000)
- Widening of Bridge 114 on Wiremu Road (\$250,000)
- The strengthening of the Tangahoe Valley Road Bridge 239 and Omata Road Bridge 276 to take Class 1 loading (\$55,000); and
- Total cost to repair roads due to flood events (\$1,133,000).

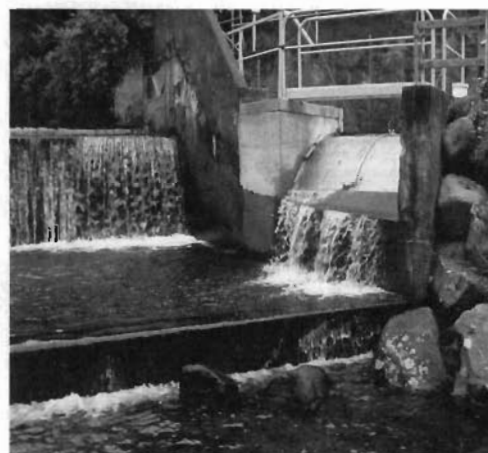
Water Supply Services

Waimate West Water Supply Upgrade

The upgrading of Waimate West Water Supply has commenced with the new water intakes on the Mangawhero-iti and Otakeho streams valued at \$286,000. New fine screens have been introduced which make sure that debris and sand does not end up at the Water Treatment Plant, but gets left in the river. The Resource Consents have also been renewed to take water from these streams securing the resource for the future.



*Photo caption:
New fine screens
at the Waimate
West Water
Treatment Plant*



Pressure Management in Hawera

Pressure management has been achieved in Hawera with the renewal of Ketemarae Road meter station, the refurbishment of the Scott Street booster station and some pipe modifications in the reticulation network. Separating Silver Fern Farm's water supply from Hawera's reticulation network means that the big pressure fluctuations are no longer experienced and we get stable pressure throughout the town. Automatic pressure control keeps pressure lower at night to reduce leakage and flow metering allows better monitoring of consumption in Hawera, Ohawe and Normanby.



Photo caption: Scott Street Booster Station Upgrade

Kapuni Water Supply Intake Award

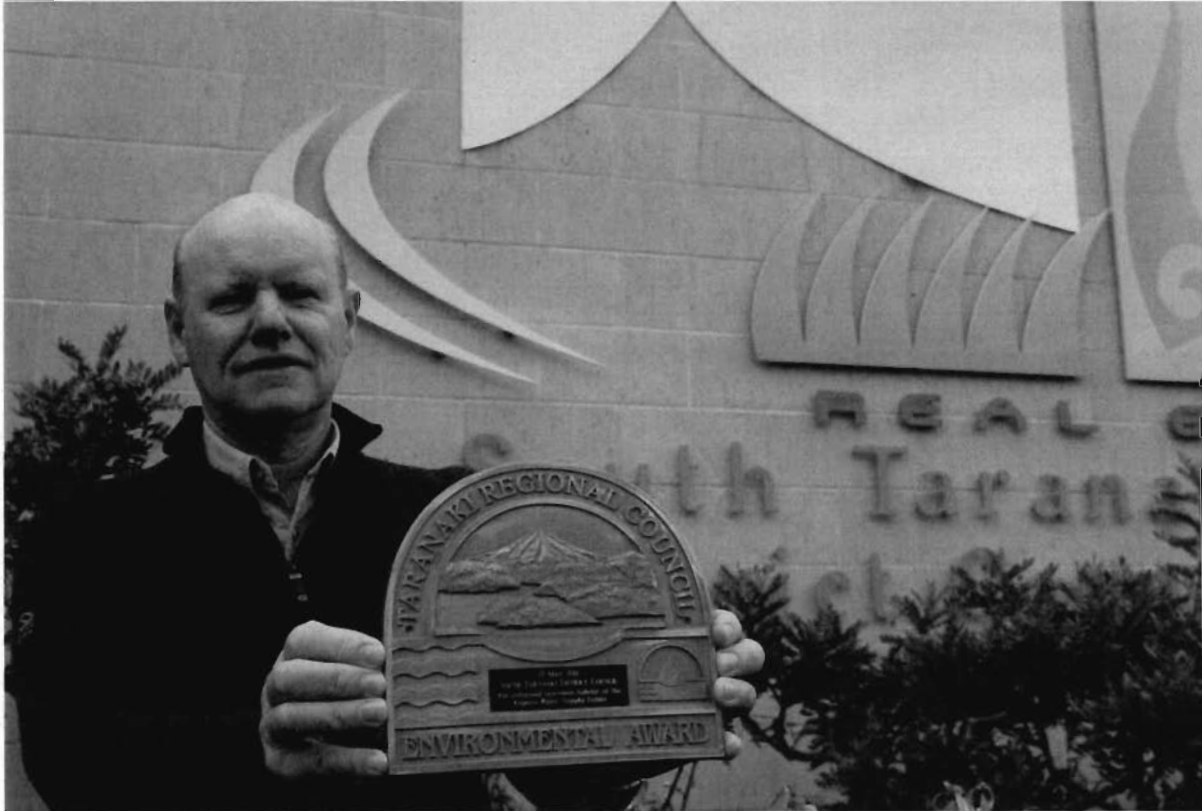


Photo caption: Peter Cook (Water Supply Manager) holding the Environmental Award

A Taranaki Regional Council Environmental Award was won for the enhancement we have made to the in stream habitat in the development of the new Kapuni Water Treatment Plant intake. Planting of native plants along the river, separation of a margin strip of land for access along the river bank and the sensitive design of the intake and fish pass, all contributed to improving the habitat.

Green Ribbon Award Finalists



Council were finalists in the Ministry for the Environment Green Ribbon Awards in the 'Caring for Our Water' category. This was for the innovative work with meters and pressure reducing stations at Inaha and Waimate West water schemes. Although we were not the successful winner, it was excellent recognition for the progress we have made in water management.

Financial Commentary

Highlights

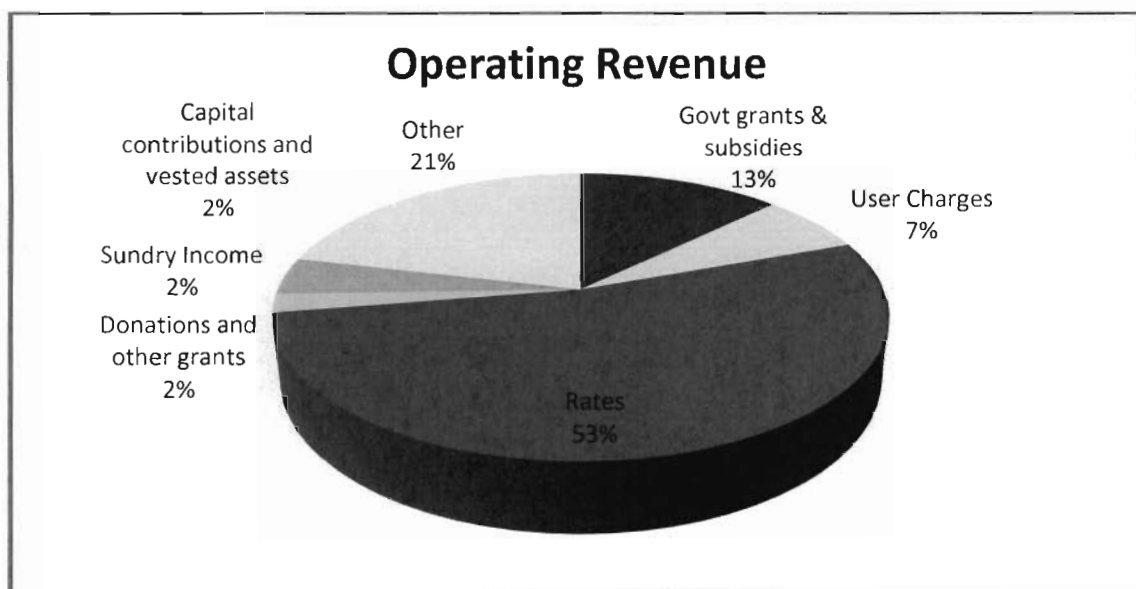
Net surplus/(deficit)	\$4,145,000
Total assets	\$870 million
Total liabilities	\$91 million
Total equity	\$779 million

Statement of Financial Performance

The Council has delivered an operating net surplus of \$4,145,000 for the year compared with a budgeted surplus of \$4,878,000. The most notable reasons for the variance in expense and income are as follows:

- The overspend due to Patea Freezing Works
- Savings in personnel costs due to efficiency reviews
- The lower interest expense due to lower debt requirements and savings as a result of better cost of fund management
- Depreciation overspend due to increase in depreciation for roading activity
- Unbudgeted costs for the provision for doubtful debts, loss on disposal of assets and loss on derivatives
- More than budgeted investment income
- Less than budgeted Capital Contributions; and
- Unbudgeted vested assets.

The savings made in interest expense, personnel costs and increased investment income offset the unbudgeted expenses and overspend resulting in a surplus for the year.



Statement of Financial Position

Net assets as at 30 June 2011

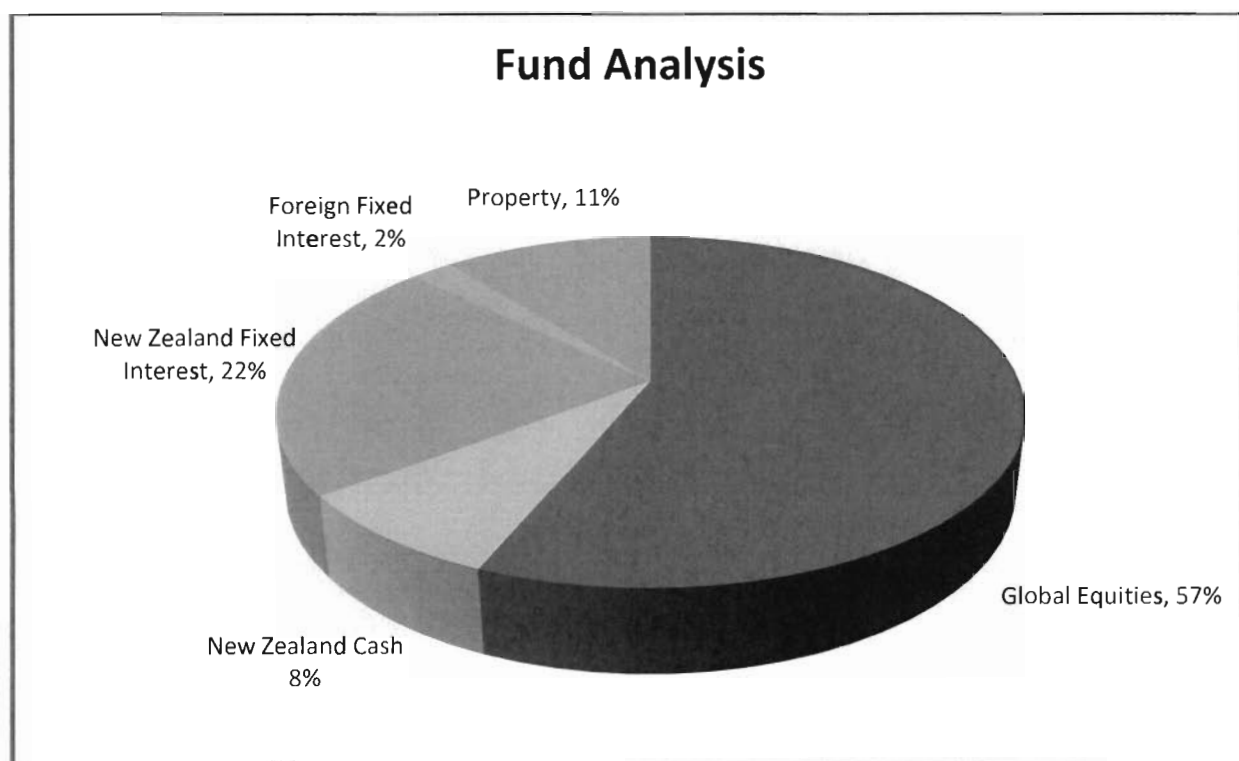
\$ million	Actual 2010/11	Budget 2010/11	Actual 2009/10
Total assets	870	866	795
Less total liabilities	91	108	85
Net assets	779	758	710

Long Term Investment Fund

- The value of the Long Term Investment Fund increased to \$105.6 million (\$96.85 million 2010) as at balance date after allowing for the withdrawal of the rates subsidy.
- The value of the Fund comprises: external investments with fund managers \$86.14 million (\$78.09 million 2010); loan to Southcare \$1.14 million (\$1.2 million 2010); and internal borrowing \$18.30 million (\$18.76 million 2010).

External Funds

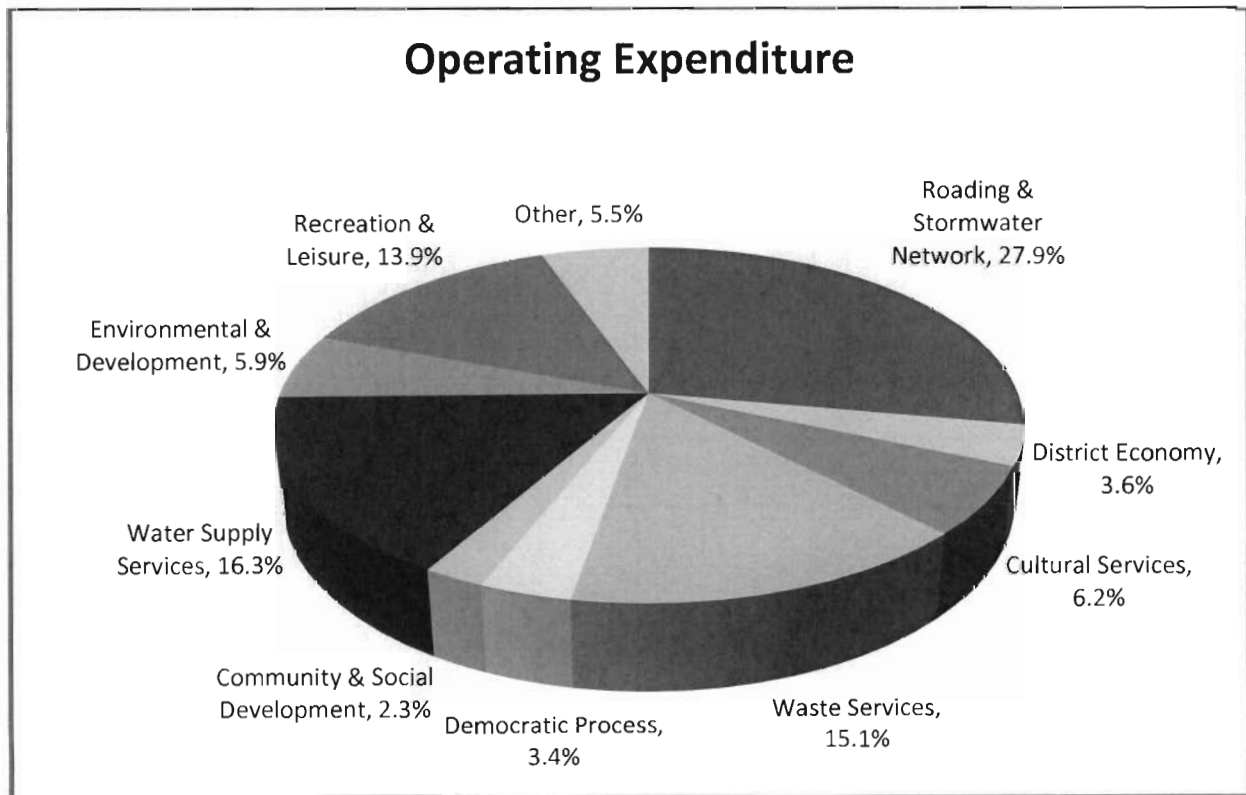
The last year was a better year than 2009/10 for global markets and investment funds as markets are slowly recovering from the global recession. The external funds received a net return of \$11.8 million in 2010/11 year.



Financial Performance and Movements in Equity

(\$ millions)	Actual 2010/11	Budget 2010/11	Actual 2009/10
Operating revenue	58.0	56.8	52.4
Operating expenditure	53.9	51.9	52.8
Net operating surplus/(deficit)	4.1	4.9	(0.4)
Net increase in value of assets	64.8	28.9	0.2
Total movements in equity	64.8	28.9	0.2

The variance between budget and actual in the movements in equity is due to the combination of unbudgeted vesting of assets, the write-off of some assets that were replaced through the capital projects programme, investment income and the valuation of Council's swap contracts..



Statement of Compliance and Responsibility

Compliance

1. The Council and Management of the South Taranaki District Council confirm that all the statutory requirements in relation to the Annual Report as required by the Local Government Act 2002 have been complied with.

Responsibility

2. The Council and Management of the South Taranaki District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.
3. The Council and Management of the South Taranaki District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
4. In the opinion of the Council and Management of the South Taranaki District Council, the annual financial statements for the year ended 30 June 2011 fairly reflect the financial position and operations of the South Taranaki District Council.



Ross Dunlop
Mayor
26 October 2011



Craig Stevenson
Chief Executive
26 October 2011

AUDIT REPORT

AUDIT REPORT

Council's Vision

Council's Vision

Council will lead with fairness and integrity, and work to inspire a vibrant and caring spirit of community, while remaining an efficient and sensitive provider of services and facilities.

South Taranaki will be a district where . . .

- Essential services are provided efficiently and at reasonable cost.
- The community is involved in the planning of the district's future. The views and concerns of residents are listened to and respected.
- The rights of Tangata Whenua in terms of the Treaty of Waitangi and the Resource Management Act are fully respected.
- Economic development is welcomed and encouraged whenever it is undertaken with concern for the quality of our environment.
- The natural environment is cherished and cared for. The mountain, coastline, lakes, rivers, air and land are treated as the natural treasures they are.
- All visitors are made welcome.
- Every resident has the opportunity to be involved in sport, recreation, the arts and many cultural activities, and to develop and enhance their mental, spiritual and physical health.
- A strong sense of community and identification with the district is evident.
- We all share a sense of pride in our achievements.
- Our history is well understood, valued and preserved by the community.

Our District's Community Outcomes

1. All residents are able to access the health services, education and information they want.
2. Existing large industries are retained and responsive to the needs and aspirations of the community.
3. Our District contains growing, thriving communities that have retained their essential character and community spirit.
4. Our economic environment encourages diversification and development of small environmentally sustainable and locally owned businesses which enhance the lifestyle of the community.
5. Our volunteers and groups are valued, supported and empowered to meet and advocate for the needs of all our communities.
6. There is regular reliable affordable public transport that is responsive to the needs of all communities.
7. Our residents feel safe in their homes and in their communities.
8. Our economy portrays innovation, sustainability and excellence and projects an image that appeals to business markets, residents and visitors.
9. Education and training are accessible and everyone has the opportunity to participate in our economic growth.
10. Our natural environment is continually enhanced through programmes which reflect our communities' sense of kaitiakitanga (caring and protection).
11. We have clean, well maintained functional facilities which meet our changing needs in the areas of sport, recreation, art, culture and heritage.
12. The need for economic development is balanced with environmental sustainability.
13. We have well resourced and capable clubs and organisations.
14. There are close connections between the natural rural and urban environments and the special places which make South Taranaki unique are accessible for all to enjoy.
15. The diversity, stories and heritage of all our people are preserved and respected, and the uniqueness of our individual communities is retained.

Community Outcomes – Contribution by Activity

The Council's groups of activities contribute to the following district community outcomes.

Activity	Outcomes	Large industries retained	Diverse economic environment	Economy is appealing	Accessible education & training	Accessible health, education & info	Residents feel safe	Responsive public transport	Facilities for recreation & culture
Democratic Process						✓			
Cultural Services					✓	✓			✓
Recreation and Leisure									✓
District Economy			✓	✓					
Community and Social Development	✓		✓	✓	✓	✓	✓	✓	✓
Environment and Development			✓				✓		
Water Supply Services			✓				✓		
Roading and Stormwater Network							✓		
Waste Services							✓		

Activity	Outcomes	Heritage is preserved	Thriving communities	Volunteers are valued	Clubs are resourced	Environment is enhanced	Development balances sustainability	Unique ST places are accessible
Democratic Process								
Cultural Services		✓						
Recreation and Leisure		✓		✓	✓			
District Economy		✓	✓					
Community and Social Development		✓	✓	✓	✓	✓	✓	✓
Environment and Development		✓	✓			✓	✓	
Water Supply Services						✓	✓	
Roading and Stormwater Network								
Waste Services						✓		

Progress in the Achievement of Community Outcomes

Progress towards the district's and region's community outcomes is monitored through a selection of indicators. These indicators provide ways we can measure, directly or indirectly, changes to social, environmental, economic and cultural well-being over time. The Council reports on the monitoring of these indicators every three years. The last reporting was undertaken during 2008/09 and a summary was included in the 2008/09 Annual Report.

About this Report

Our reporting is comprehensive, for each activity group you will find:

- What we do
- Why we do it
- Whether we met our performance targets; and
- Whether we met budget.

All of our work aims to contribute to the long term vision and the community outcomes we want for the district.

Performance Measures

The performance measures within this Annual Report were adopted by the Council as part of the 2009-19 Ten Year Plan. We get performance information from a wide variety of sources: council systems such as the complaints records management system, the finance system, databases for quality tests; satisfaction surveys; and reports from external organisations (Taranaki Regional Council and District Health Board).

Satisfaction surveys

The Council commissions an independent resident satisfaction survey every year (it was biennial until 2008) to find out what South Taranaki residents think of our district and the Council's services and facilities. The survey for 2010/11 was conducted by the National Research Bureau (NRB) using a sample of 402 residents over the age of 18 years and representative of the population in terms of ward and gender. The maximum margin of error is +/- 5%. The last four surveys have been included, where applicable, to inform readers of the current trend.

The survey is conducted by phone and uses the following scale for residents to rank their level of satisfaction:

- Very satisfied
- Fairly satisfied
- Not very satisfied; and
- Don't know/unable to say.

The performance measure results in this Annual Report that use the NRB survey results to gauge satisfaction utilise the combined responses "very satisfied" and "fairly satisfied".

Democratic Process

What we do

The South Taranaki District has a Mayor elected across the district, 12 Councillors and 16 Community Board members elected from five wards – Hawera-Normanby, Tangahoe, Egmont Plains, Eltham and Patea.

Another means of representation to the Council is the Iwi Liaison Committee, which provides an opportunity for four members from each Iwi within South Taranaki to discuss issues with three Councillors, including the Mayor and Deputy Mayor, before making recommendations to the Council. The four Community Boards and the Iwi Liaison Committee all have discretionary funding for community projects and assistance, the amount determined by the Council.

The Environment and Hearings Committee hears all notified resource consent applications on behalf of the Council with all other governance decision-making retained by the Council.

The Council’s democratic process involves making decisions relating to the level and standard of the services; determining policies for its activities, investments, borrowings, capacity building for Māori, partnerships with other agencies, communicating with its residents; setting the rates and charges each year and the approval of each ten year plan and subsequent annual plans.

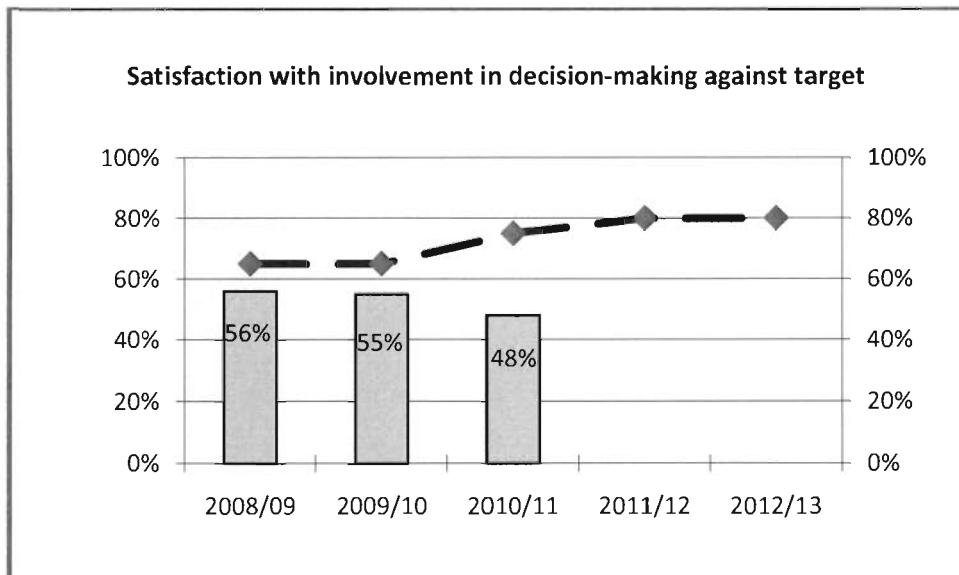
Why we do it

Council’s are statutory bodies given powers to exercise under legislation from central government. The electoral process is governed by the Local Electoral Act with the representation structure determined at least every six years after public consultation and with any changes approved by the Local Government Commission.

How we performed

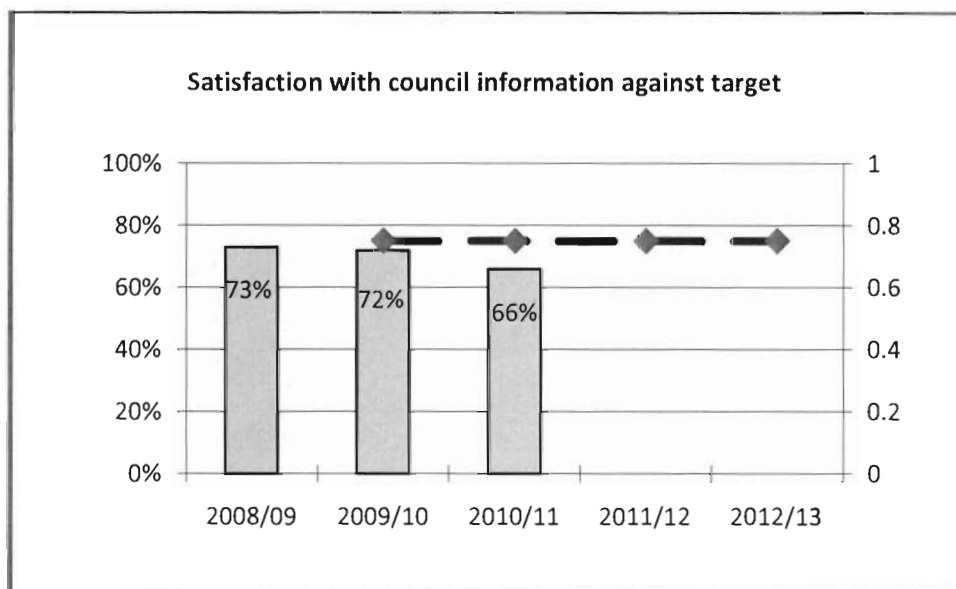
Performance Measure 1 – Satisfaction with involvement in decision making

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Opportunities are provided for involvement in decision making.	% of the community are satisfied with the way the Council involves the public in decision making.	Greater than 75%	Not achieved. Only 48% of the community indicated that they were satisfied or very satisfied with the way Council involved them in decision-making.



Performance Measure 2 – Satisfaction with council information

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
	% of the community who feel well informed about local affairs.	Greater than 75%	Not achieved. Only 66% of the community indicated that they were satisfied or very satisfied that they were well informed about local affairs.



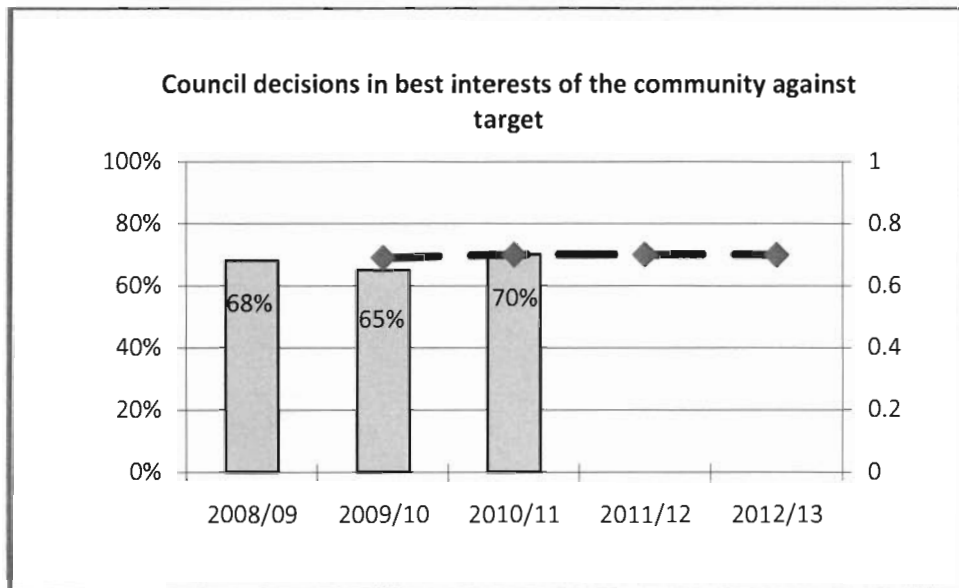
Performance Measure 3 – Māori community satisfaction with level of decision making participation

Survey was not undertaken.

This was a new measure for 2009/10 and was to coincide with the recruitment of the Iwi Liaison Advisor position. The new Iwi Liaison Advisor resigned in January 2011 and another recruitment process was carried out to fill this position again. The survey was not able to be achieved prior to year end.

Performance Measure 4 – Decisions represent best interests of community

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents have confidence in their elected members.	% of the community agrees that decisions made by the Council represent the best interests of the community.	Greater than 70%	Achieved. 70% of residents surveyed agreed that decisions made by Council represented the best interests of the community.



Enhancement of Māori Capacity to Participate in Council Decision-Making

The Iwi Liaison Committee is a forum the Council uses for sharing information, discussing future protocols, gaining an individual and collective perspective on matters affecting Māori and seeking recommendations on Iwi-related issues requiring a Council decision. Throughout the year the Committee receive updates on Council activities, discussion documents on requested items and a briefing for the Annual Plan consultation.

As part of the Ten Year Plan the Council agreed to consult with the Iwi Liaison Committee on implementing the following initiatives which are aimed to enhance Māori capacity in the Council's decision-making:

- Introduction of an annual Mayoral forum, which would bring Councillors, senior staff, local business leaders and local Iwi leaders to discuss issues of mutual concern and interest.
- Mana whenua involvement in significant events, such as citizenship ceremonies and openings.
- Iwi Liaison Committee involvement in training for Council staff and elected representatives, for example in Te Reo and Tikanga.
- Educational workshops for Iwi Liaison Committee primarily covering resource management issues.
- Iwi Liaison Committee involvement on relevant Council working parties.
- The establishment of a Kaumatua Committee to contribute to the decision-making processes pertaining to the care and protection of taonga held within the Council's collection, or through its partnership with the South Taranaki District Museum Trust.
- The development of a Memorandum of Understanding between mana whenua and the Council, which may include, a review of Council protocols, processes and procedures and consultation guidelines.

Progress to date on these initiatives:

- Iwi Liaison Committee consisting of the Mayor, Chief Executive, Councillors and Iwi leaders meet regularly at six weekly intervals.
- Iwi/Mana Whenua take the lead in directing the cultural delivery in powhiri of regional and national significance in South Taranaki.
- The four Iwi are informed monthly on all Resource Consents prior to approval.
- Discussions have begun to undertake a plan to address workshops focused on Resource Management matters.
- Council have undertaken work to provide information to develop a long term engagement framework suitable to Iwi and the district of South Taranaki.
- Completion of the internal cultural awareness survey to shape the delivery of a comprehensive program.
- The flying of the Māori Flag in Council Chambers next to the photograph of Kingi Tuheitia.
- Resolution passed by Council to fly the Māori flag outside of council buildings on Waitangi Day 2012.

The Council's Māori liaison position initiates, builds and maintains relationships with tangata whenua as well as strengthening the organisations ability to effectively engage with Māori through exposure to tikanga and te reo Māori.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Democratic Process & Support			
2,312	Expenditure	1,882	1,945
0	Income	1	0
(2,312)	Net Cost of Democratic Process & Support	(1,881)	(1,945)
Total Activity			
2,312	Expenditure	1,882	1,945
0	Income	1	0
(2,312)	Net Cost of Services - Surplus/(Deficit)	(1,881)	(1,945)
Expenditure			
1,131	Reallocated Overheads	1,224	1,306
1,181	Direct Costs	658	619
0	Interest Paid	0	20
0	Depreciation and Amortisation	0	0
2,312	Total Activity Expenditure	1,882	1,945
0	Capital Expenditure	0	0
0	Less Non Funded Depreciation	0	0
0	Loan Principal	0	15
2,312	Total Expenditure	1,882	1,960
Funded By			
0	Grants and Subsidies	0	0
0	Targeted Rates	0	0
0	User Fees and Charges	0	0
0	Interest Received	0	0
1	Sundry Revenue	1	0
0	Capital Contribution	0	0
0	Vested Assets	0	0
1	Total Activity Income	1	0
1,678	General Rates and Revenues	1,953	1,960
0	Transfers from Capital Replacement Reserves	0	0
0	Loans for Capital Expenditure	0	0
295	Transfers from/(to) Other Reserves	0	0
339	Transfers from/(to) Operating Balances	(72)	0
2,312	Total Funding	1,882	1,960

Explanation of Significant Operating Variances

There are no significant variations for this activity from that planned in the 2010/11 Annual Plan.

Explanation of Significant Capital Expenditure Variances

There was no capital expenditure for this activity.

Cultural Services

What we do

Cultural services include the following Council activities – cemeteries, libraries, arts and heritage services.

Cemeteries

We manage ten cemeteries around the district, at Opunake, Manaia, Kaponga, Eltham, Waihi, Ohawe, Hawera, Patea, Otakeho and Okaiawa and provide an annual grant to the Waverley Cemetery Board to assist with maintenance.

Libraries

We provide an extensive combined library and council service throughout the district, known as LibraryPlus facilities in Opunake, Eltham, Hawera, Kaponga, Manaia, Patea and Waverley. LibraryPlus users have access to the entire district library stock and can also interloan items from throughout New Zealand. We provide a free lending service to the community and books are delivered free of charge to those people who are housebound.

The libraries are committed to developing children's literacy by providing a range of activities that promote children's reading and story writing. Access is provided to information technology with several free online databases available and public internet services available at each facility.

Council services available at LibraryPlus facilities include payment of rates and accounts, enquiries about pensioner housing, burials, building consent applications, property file requests and community facility bookings. Six of the libraries act as agencies for the dissemination of visitor information and Eltham LibraryPlus provides New Zealand Postal Centre Services.

Arts and Heritage

The Council's Arts, Culture and Heritage Policy, adopted in 2006, provides the direction for this sub-activity. An Arts Co-ordinator facilitates and promotes community participation in creative activities by providing a point of co-ordination for the creative community, facilitating the increased visibility of the arts within the district and supporting creative activities and organisations.

The Council, in partnership with the South Taranaki District Museum Trust, provides district heritage services through the management of Aotea Utanganui – Museum of South Taranaki, providing support and advice to individuals and communities that wish to preserve their taonga, objects and archives, as well as the promotion of the district's heritage, the museum and its activities.

Why we do it

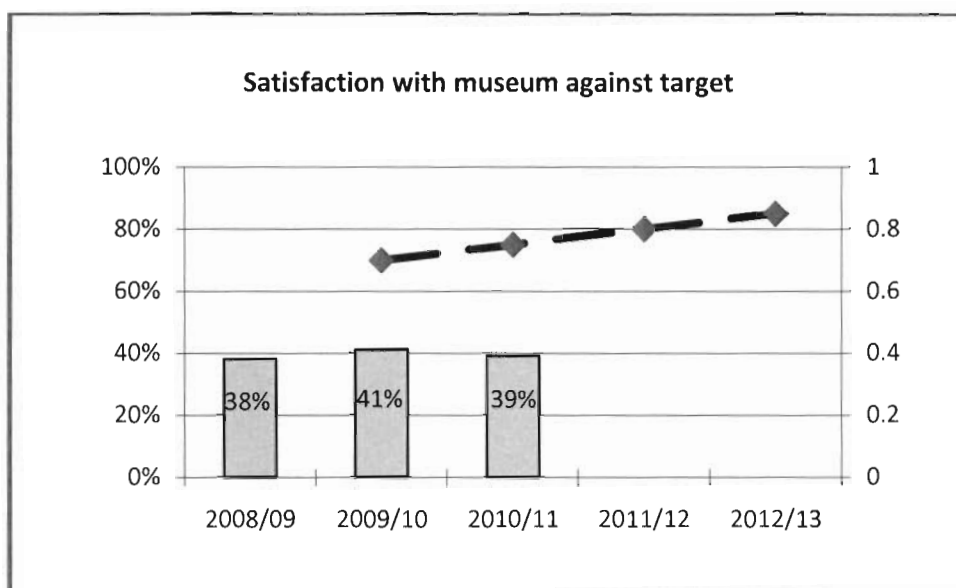
We provide these services to honour and protect the past and invest in the cultural development of our communities (to maintain and improve the cultural wellbeing of our district).

How we performed

Heritage

Performance Measure 1 – Opening hours

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Opening hours of museum are convenient for customers.	% of customers identify facility opening hours as a barrier to use.	Less than 8%	Not achieved. This work will be undertaken in the 2011/12 year as the new Museum opened on 30 April 2011.



Performance Measure 2 – Range of heritage collections

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
The museum facility provides a good quality experience.	% of users are satisfied with the range of collections on display during their visit.	Greater than 75%	Not achieved. This work will be undertaken in the 2011/12 year as the new Museum opened on 30 April 2011.

Performance Measure 3 – Satisfaction with research queries

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Research and heritage advisory services are responsive to customer requests.	% of customers are satisfied with response time for enquiries.	Greater than 85%	Achieved. 39 enquiries have been received and satisfaction surveys were distributed to all email, personal and letter research enquiries. There has been only one response to the survey, which was very positive and thanked staff for their work. Staff will investigate a better response form in order to prompt more replies.

Arts

Performance Measure 4 – Arts programme

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
A range of art programmes is available.	% of complaints received that programme too narrow.	Less than 8%	Achieved. The Arts satisfaction survey was distributed to the arts database in June 2011. 19 responses were received and 94% of respondents were satisfied with the programmes.

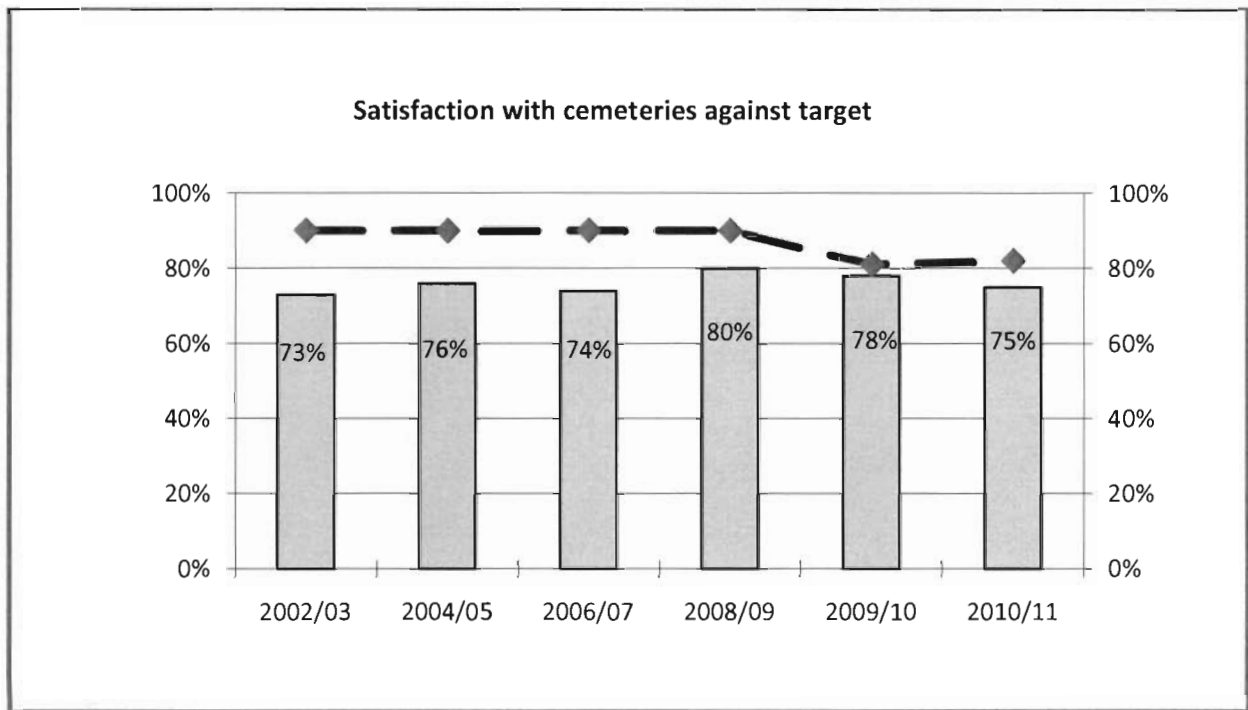
Performance Measure 5 – Level of promotion

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Art facilities, programmes and events in the district are well publicised.	% of artists/operators satisfied with level of promotion they receive from the Council.	Greater than 85%	Achieved. The Arts satisfaction survey was distributed to the arts database in June 2011. 90.9% of respondents were satisfied with the level of promotion they receive from the Council.

Cemeteries

Performance Measure 6 – Satisfaction with cemeteries maintenance

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Cemeteries are tidy and well maintained, with no litter lying around.	% of public satisfied with the standard of the cemetery grounds maintenance.	82%	Not achieved. The overall satisfaction rate for cemeteries is 75% with 2% not satisfied and 23% not knowing.



Performance Measure 7 – Maintenance standards

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Cemeteries are tidy and well maintained, with no litter lying around.	% of contract maintenance standards achieved.	96% contract compliance rate	Achieved. Compliance levels: District-wide: 98.6% Hawera: 98.6% Eltham/Kaponga: 98.8% Patea/Waverley: 99.2% Egmont Plains: 98.3% For the first 2 quarters there were 125 inspections of the district's cemeteries compared to an annual target of 300 (41.6%). Since 1 January 2011, Council staff ensure maintenance standards are maintained through the contractor.

Performance Measure 8 – Management of customer complaints [water at entry points]

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
There will be water available at entry points.	Customer complaints are managed within specified timeframes.	100%	Achieved. No complaints were received for the year relating to water availability.

Performance Measure 9 – Management of burials

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Burials are managed with dignity and respect.	Number of complaints regarding contractor handling of plot preparation and reinstatement.	Zero complaints regarding contractors	Not achieved. There was one complaint made in the third quarter regarding contractors compacting soil on a coffin in front of the family. This was discussed with the contractors and was rectified as a family member had given permission to start the process without consulting other family members.

Performance Measure 10 - Cemeteries Capital Projects

Capital project	2010/11 Actuals	2010/11 Budget	Comments
07078 - Cemetery Berms	\$2,834	\$11,989	Project Achieved with savings as a result of internal labour available.
10253 - Hawera Road Work for Cemetery Extension	\$31,345	\$65,396	Project not achieved – postponed.

LibraryPlus

Performance Measure 11 – Customer visitor numbers

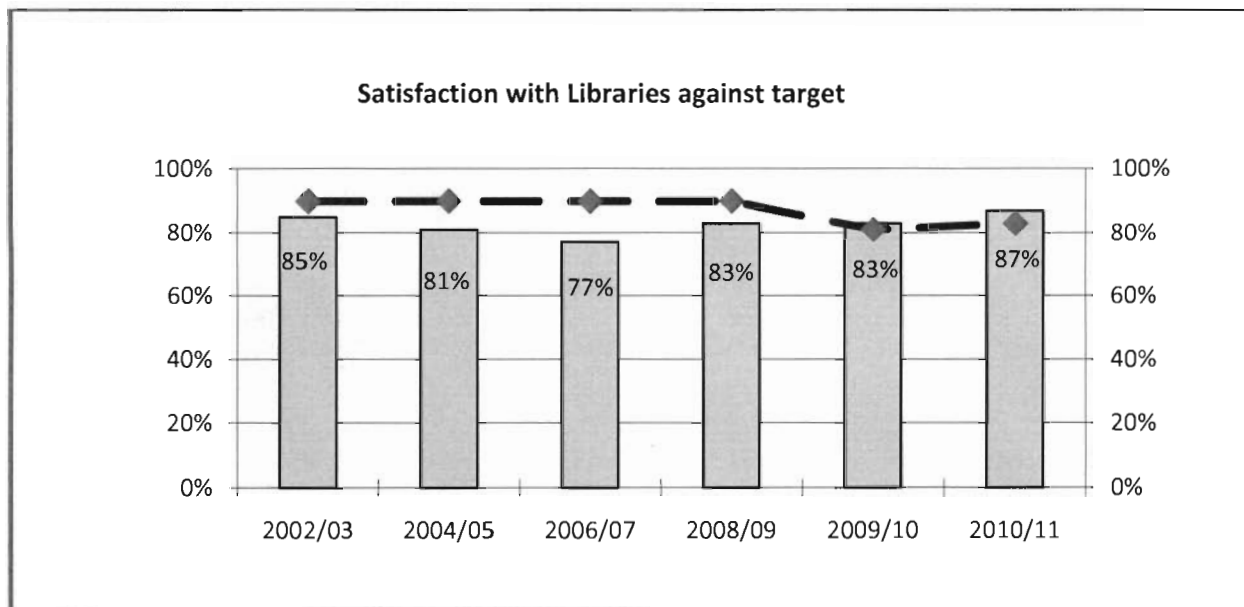
Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
LibraryPlus facilities are clean, welcoming and open at times suited to the community.	Number of Library Plus customers visitor numbers.	Maintained or increased	Achieved. There have been a total of 350,208 people through the doors of South Taranaki LibraryPlus up to 30 June 2011. This is an increase of 11,282 people over last year and is equivalent to 13 visits per capita.

Performance Measure 12 – Number of borrowed items

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
LibraryPlus materials meet customer's interests, ages and stages with information that is current, relevant, easy to access and in a range of formats.	Number of items borrowed.	Maintained or increased	Not achieved. Issues total 251,281 at 30 June 2011. This is a 3.03% drop and a decrease of 7,860.

Performance Measure 13 – Customer satisfaction with LibraryPlus service

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Staff are knowledgeable and friendly.	% of customers satisfied with facilities, service and opening hours.	83%	Achieved. NRB summary survey results for 2010 show that customers are 87% satisfied with facilities, service and opening hours.



Performance Measure 14 – Membership

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
LibraryPlus materials meet customer's interests, ages and stages with information that is current, relevant, easy to access and in a range of formats.	Membership.	45%	Not achieved. Membership stands at 9,854 or 37% as at 30 June 2011. Membership of borrowers who have not used their library card for two years are cancelled monthly, which keeps the data more accurate. This is a decrease of 7%.

Performance Measure 15 – Customer satisfaction with resources and information

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
LibraryPlus materials meet customer's interests, ages and stages with information that is current, relevant, easy to access and in a range of formats.	% of customers satisfied with resources and information provided.	85%	Not achieved. There was no question relating to this performance target in the NRB Survey this year. This question will be asked in the NRB Survey going forward.

Performance Measure 16 – Electronic resources

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
LibraryPlus technology is reliable, up to date, easy to use and connects to world-wide resources.	An increase in electronic resources accessed and customer use of technology encouraged. Baseline: 2009 Wifi 2,943 2009 Epic database 151	Electronic resources use increases	Achieved. Epic database sessions up to 30 June 2011 total 200, which is an increase of 61 over last year's total. Wifi sessions to 31 May 2011 total 4,102, which is an increase of 1,159 over last year's total.

Performance Measure 17 – Internet service

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
LibraryPlus technology is reliable, up to date, easy to use and connects to world-wide resources.	Internet connections are maintained.	99% of time	Achieved. The APNK network has been maintained at 99% over the past year even through the earthquakes in Christchurch, which is where they are based.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Cemeteries			
580	Expenditure	563	500
124	Income	199	176
(456)	Net Cost of Cemeteries	(364)	(324)
Library Plus			
2,270	Expenditure	2,173	2,295
111	Income	128	136
(2,159)	Net Cost of Library Plus	(2,045)	(2,159)
Arts Co-ordination			
102	Expenditure	105	125
0	Income	0	0
(102)	Net Cost of Arts	(105)	(125)
Heritage Services			
511	Expenditure	553	335
0	Income	9	0
(511)	Net Cost of Heritage Services	(544)	(335)
Total Activity			
3,463	Expenditure	3,394	3,255
235	Income	336	312
(3,228)	Net Cost of Services - Surplus/(Deficit)	(3,058)	(2,943)
Expenditure			
987	Reallocated Overheads	997	897
2,214	Direct Costs	2,116	2,010
60	Interest Paid	59	87
202	Depreciation and Amortisation	222	261
3,463	Total Activity Expenditure	3,394	3,255
202	Capital Expenditure	249	272
(3)	Less Non Funded Depreciation	(11)	(38)
11	Loan Principal	11	19
3,673	Total Expenditure	3,643	3,508

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Funded By			
6	Grants and Subsidies	24	5
0	Targeted Rates	0	0
199	User Fees and Charges	236	232
0	Interest Received	0	0
31	Sundry Revenue	76	75
0	Capital Contribution	0	0
0	Vested Assets	0	0
236	Total Activity Income	336	312
2,534	General Rates and Revenues	2,829	2,838
127	Transfers from Capital Replacement Reserves	223	261
86	Loans for Capital Expenditure	34	97
300	Transfers from/(to) Other Reserves	200	0
390	Transfers from/(to) Operating Balances	21	0
3,673	Total Funding	3,643	3,508

Explanation of Significant Operating Variances

The expenses are over budget mainly due to an unbudgeted grant to Aotea Utanganui Museum of South Taranaki.

Explanation of Significant Capital Expenditure Variances

The capital expenditure is less than budgeted due to timing of the Cemetery project.

Recreation and Leisure

What we do

Rural Swimming Pools

Council swimming pools are operated in Waverley, Patea, Manaia, Eltham, Kaponga and Rawhitiroa from December to March each year. A paddling pool is situated at Opunake beach. An all year indoor pool, as well as a seasonal outdoor heated pool, is situated at Hawera. An annual contribution is made to the Opunake Baths Society which, in conjunction with the Opunake High School, provides a heated indoor pool for use by the public outside of school hours.

We aim to provide a safe environment for swimming and offer free entry to all users of the Council-owned swimming pools, with the exception of the Hawera pool complex.

Halls

Council-owned halls are provided in Opunake, Manaia, Kaponga, Eltham, Normanby, Hawera, Patea and Waverley. Bookings are made through the Council offices and LibraryPlus locations. We also assist rural halls throughout the district with an annual grant.

Parks and Reserves

We maintain 695 hectares of sportsfields, open parks and reserves. Maintenance of the parks and reserves is contracted out and monitored regularly. There are 31 playgrounds around the district.

Toilets

We provide 38 public toilets throughout the district, situated near the general business districts, sports grounds, beaches and recreational reserves. The toilets are kept clean and hygienic to the New Zealand Standards with safety of users a key priority.

TSB Hub and Aquatic Centre

TSB Hub and the Powerco Aquatic Centre are the district's premier sports, leisure and recreation facilities based in Hawera. TSB Hub includes three indoor courts, a small bore rifle range, ten changing rooms, three large high quality function areas, a café and a modern fitness centre. The expansive outdoor area includes sealed netball/tennis courts, and provides for a range of turf based seasonal sports on Taranaki's largest field sports complex. A netball pavilion, public toilets and a cricket pavilion complement the stadium. TSB Hub is capable of hosting conferences, expos, concerts and sports events that bring visitors to the district. The Powerco Aquatic Centre has a 25 metre indoor pool, learners pool, hydroslide, children's splash park and a thermal pool as well as a seasonal outdoor 50 metre pool, learners pool and a generous expanse of outdoor recreation space, with barbeques and shade structures. Learn to swim programmes and aqua aerobics classes are run all year round.

Campgrounds

We own seven motorcamps throughout the district, at Opunake Beach, Te Ngutu O te Manu, Hawera, Patea Dam, Mana Bay, Patea, Waverley Beach and Wai-inu. The motorcamps are under a range of operations, from leasehold to freedom camping.

Why we do it

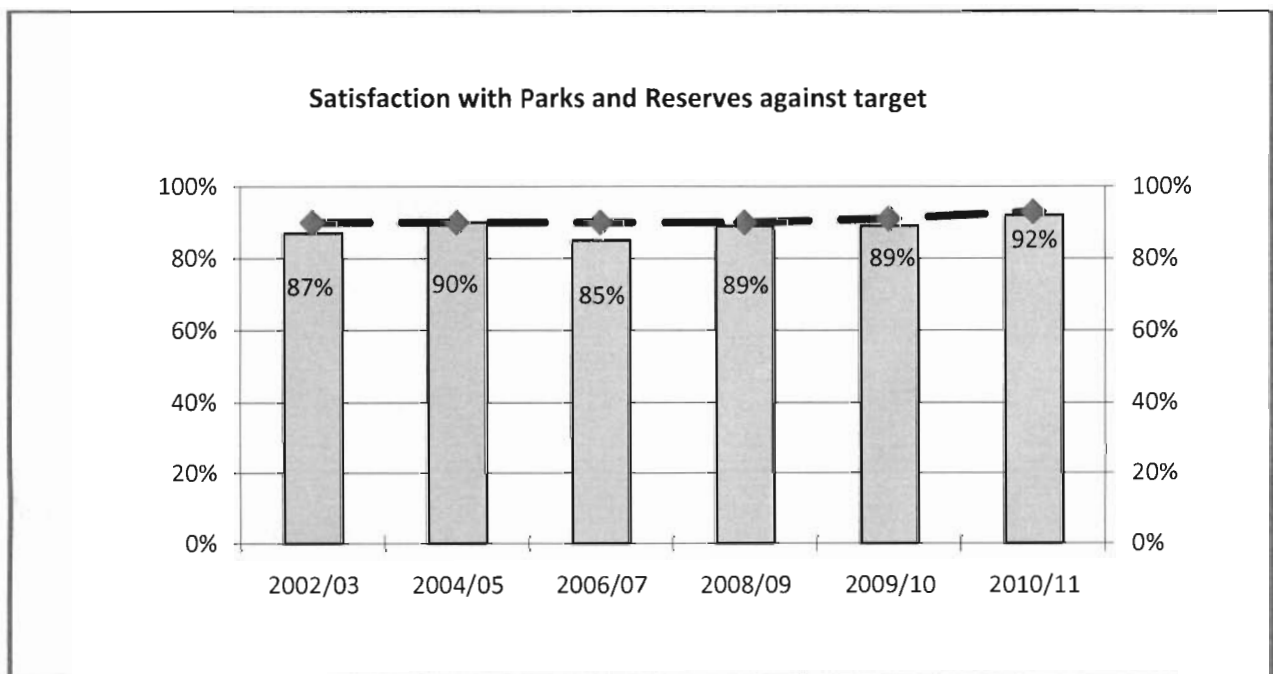
The activities within the Recreation and Leisure grouping contribute to the cultural and social wellbeing of our residents by providing facilities and programmes for participation. The South Taranaki Active Leisure Strategy is focused on having "More People, More Active, More Often".

How we performed

Parks and Reserves

Performance Measure 1 – Satisfaction with Parks and Reserves

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Parks are tidy and well maintained with no litter lying around.	% of customers satisfied with appearance of parks.	93%	Not achieved. The overall satisfaction rate for parks is 92% with 5% not satisfied and 3% not knowing. An ongoing development programme for King Edward Park (Hawera), which is the district premier park, is improving customer satisfaction. Thoumine park in Kaponga has had a development programme completed with installation of a swing and Bridger Park in Eltham has an ongoing development programme. All of these are in consultation with the public and special interest groups. Safety measures including regular inspections of playgrounds and improved sightlines in the park are increasing public safety, which have been featured in local newspapers to inform the public.



Performance Measure 2 –Parks Maintenance

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011										
Parks are tidy and well maintained with no litter lying around.	% of contract maintenance standards achieved.	96%	<p>Achieved.</p> <p>Compliance levels for the year to date:</p> <table> <tr> <td>District-wide:</td> <td>98.6%</td> </tr> <tr> <td>Hawera:</td> <td>98.6%</td> </tr> <tr> <td>Eltham/Kaponga:</td> <td>98.8%</td> </tr> <tr> <td>Patea/Waverley:</td> <td>99.2%</td> </tr> <tr> <td>Egmont Plains:</td> <td>98.3%</td> </tr> </table> <p>For the first two quarters of the year, there have been 755 inspections of the district's parks compared to a target of 900 (83.8% of the annual target). Since the 1st of January 2011, Council staff have been working proactively with the contractor ensuring maintenance standards are maintained. This has proved to be more effective and efficient. Contract specification such as Grade A turf (mainly cemeteries and pensioner housing) being maintained between 20 and 35mm, Grade B (general park Standard) to between 20 and 100mm and grade C for sports turf, depending on the needs of the particular sport have been maintained. Hedges have been trimmed and the general appearance of parks maintained by picking up loose litter and ensuring bins are emptied before they become full.</p>	District-wide:	98.6%	Hawera:	98.6%	Eltham/Kaponga:	98.8%	Patea/Waverley:	99.2%	Egmont Plains:	98.3%
District-wide:	98.6%												
Hawera:	98.6%												
Eltham/Kaponga:	98.8%												
Patea/Waverley:	99.2%												
Egmont Plains:	98.3%												

Performance Measure 3 – Safety of playgrounds and parks environment

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents feel safe and enjoy visiting our parks.	Number of complaints regarding safety of playgrounds and parks environment.	Less than 12 per year	<p>Achieved.</p> <p>Ten complaints were received for the year. All complaints were rectified immediately. Playground safety has been maintained by regular inspections by the contractors replacing worn shackles and other moving parts as well as reporting on and repairing vandalism as soon as it occurs.</p>

Performance Measure 4 – Customer complaints management

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents feel safe and enjoy visiting our parks.	Customer complaints are managed within the specified timeframes.	100%	Not achieved. For the year, there were 179 complaints received: parks (70), berms (15), street trees (62) and gardens (32). Seven complaints went over their allocated response time of ten working days giving a result for the year ended of 96%. Most of the parks' complaints were related to mowing and litter. Some issues with street trees related to pruning requests and shade issues. Those complaints which went over the response time typically included berms – relating to mowing, parks – relating to general maintenance and large trees requiring specialist arboreal work.

Performance Measure 5 – Parks development

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Development of parks.	Landscape plans completed.	Two each year	Achieved. King Edward Park (Stage 2) has been completed with the area formerly occupied by the house being established as a wedding venue. The Chinese Garden and several other small areas within the park are in various stages of completion. A landscape plan for Bridger Park, Eltham is in progress and being consulted on with community representatives. Aotea Community Park, Waverley landscape plan has been completed with the addition of a tennis court at the request of the community.

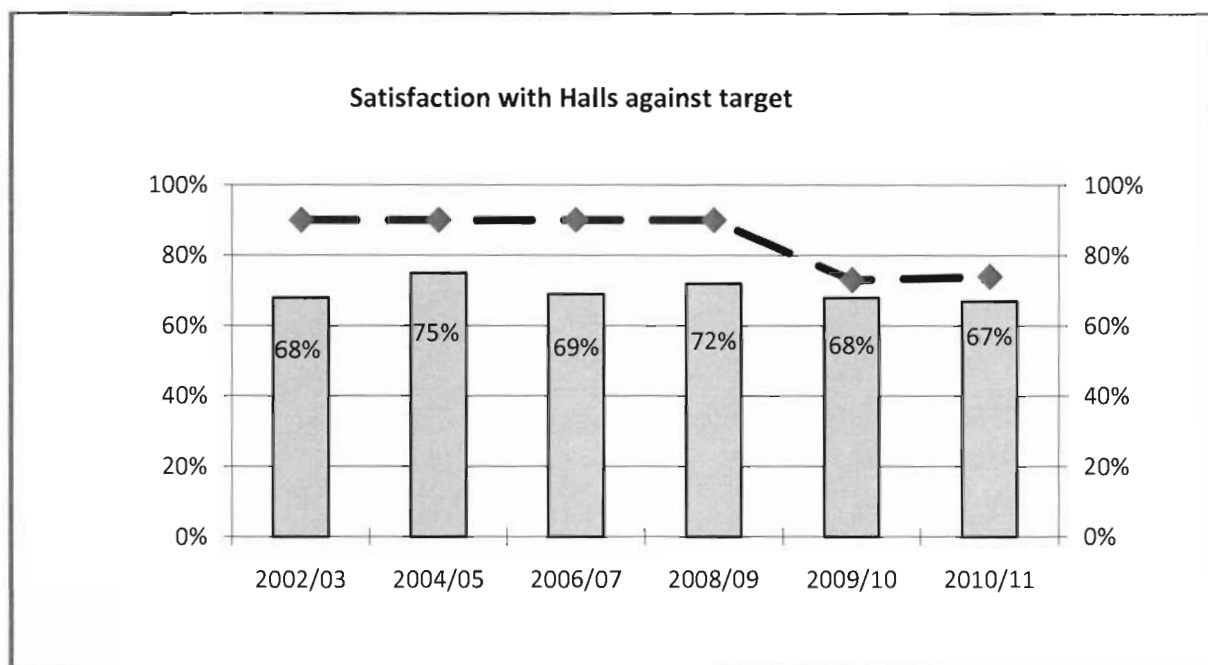
Performance Measure 6 - Parks capital projects

Capital project	2010/11 Actuals	2010/11 Budget	Comments
11201 - Opunake Beach Playground Replacement	\$37,002	\$54,045	Project achieved. Savings achieved as lesser items were required.
10251 - Motor Camp Upgrade existing cabins	\$8,045	\$21,799	Project achieved. Savings made.
10252 - Motor Camp Replace septic tank	\$0	\$21,799	No longer required.

Halls

Performance Measure 7 – Customer satisfaction with halls

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Halls are well maintained and serviced for the customers.	% of customer satisfaction with standard of halls.	74%	Not achieved. The overall satisfaction rate for halls is 67% with 12% not satisfied and 21% not knowing.



Performance Measure 8 – Halls maintenance

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Inspection before and after each hireage.	% of contract maintenance standards achieved.	95% contract compliance (350 inspections).	Achieved. Of the 250 inspections planned for the year, 253 (100%) have been completed with two inspections showing non-compliance for the year. Issues were found at Opunake where the floor needed buffing and the Waverley Community Centre where the standard of cleaning was not met in the toilets, kitchen and floor areas. These issues have been remedied with the contractor.

Performance Measure 9 – Halls capital projects

There were no Capital Projects budgeted for 2010/11, however, a few projects were completed as a result of carryovers from 2009/10.

Performance Measure 10 – Hall bookings

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Bookings are managed efficiently.	Time frame to confirm bookings for halls and customer.	Same day booking confirmation	Achieved. Same day bookings have been confirmed by the Contact Centre or Library Plus at the time of booking and immediately entered into the electronic booking system.

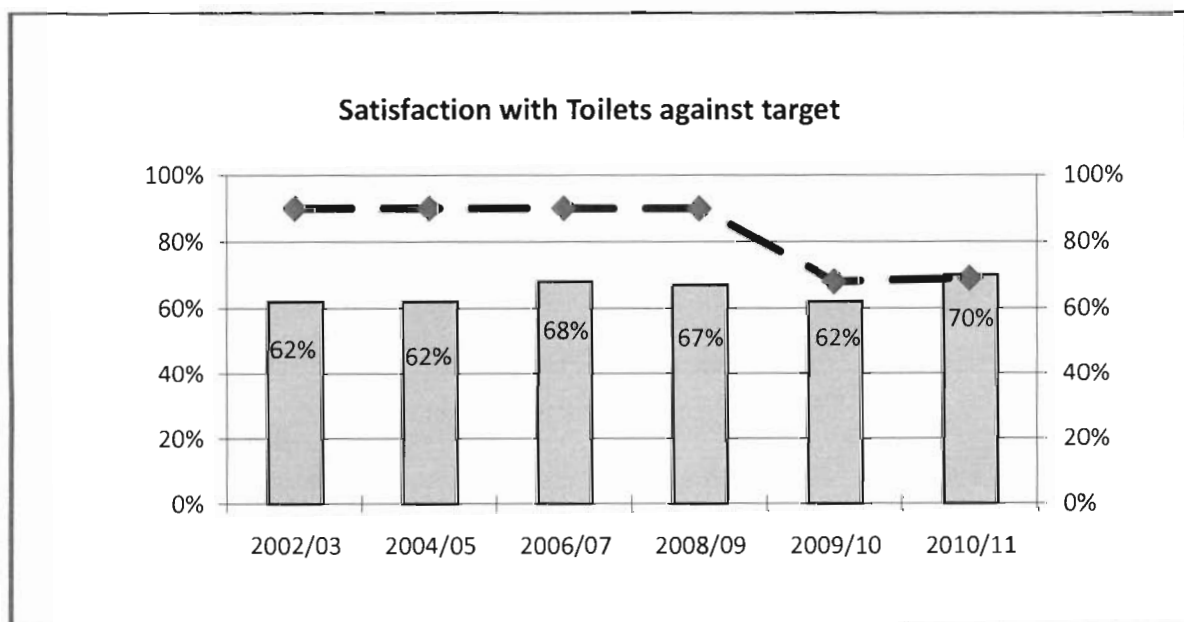
Performance Measure 11 – Customer complaints management

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers have the facilities and set ups as requested.	Complaints managed within specified timeframes.	100%	Not achieved. There have been 39 CRMs received with 4 going over their allocated response times giving a result for the year to date of 89%.

Toilets

Performance Measure 12 – Customer satisfaction with toilets

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Toilets are accessible, well maintained and supplied with tissues, running water, soap and towels.	% of the public satisfied with the standard of cleanliness and hygiene of the toilets.	69%	Achieved. The overall satisfaction rate for toilets is 70% with 15% not satisfied and 15% not knowing.



Performance Measure 13 – Access to toilets

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Toilets are accessible, well maintained and supplied with tissues, running water, soap and towels.	% of time toilets are open for use as per signage on toilet building.	95% contract compliance (500 inspections).	Achieved. There were no reports of toilets being unavailable as per signage this year.

Performance Measure 14 – Customer complaints management

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
	Customer complaints are responded to within targets.	100%	Not achieved. 116 complaints were received for the year, with 7 complaints going over their allocated response time of 10 days.

Performance Measure 15 – Toilets capital projects

There were no Capital Projects budgeted for 2010/11, however, a few projects were completed as a result of carryovers from 2009/10.

Rural Swimming Pools

Performance Measure 16 – Water quality

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
The pool water is clean.	% of water quality checks show the standard of water quality is high.	100%	Not achieved. Chlorine levels were low at Kaponga and Patea. The Manaia pool had an issue with the balance tank increasing chlorine levels at the beginning of the season which was rectified. There have been several minor incidents of water quality dipping below required levels but all were managed by the water quality technician when they were reported by the lifeguards. Performance measure included Poolsafe accreditation, which includes compliance with NZS 5826, 2010 (Swimming Pool Water Quality). The Rural Pools season will be clearly defined in future plans and reports. Council will achieve Poolsafe Accreditation which includes independent lab tests once monthly on all bodies of water to assure water quality is compliant with NZS 5826, 2010.

Performance Measure 17 – Customer satisfaction with Rural Swimming Pools

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
The pool water is clean.	% of customers satisfied with their pool experience.	Egmont: 63% Eltham: 75% Patea: 60%	Rural pools were not included in this year's NRB report. This question will be asked in the NRB Survey going forward.

Performance Measure 18 – Customer safety

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers feel safe at their local pool.	Number of incidence of bullying or improper behaviour in the pools or changing sheds not addressed immediately by lifeguards.	0	Achieved. Waverley pool reported one incident of a child pushing others into the pool. He was told to leave for the rest of the day. Eltham pool had several issues with bullying which the lifeguard managed. One trespass order was issued at Eltham. These were all addressed immediately.

Performance Measure 19 – Qualified lifeguards

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers feel safe at their local pool.	Qualified lifeguards are visible and attentive at all times during opening hours.	Minimum of 1 lifeguard on duty at all times.	Achieved. All lifeguards employed for the season were fully qualified and trained to be attentive at all times.

Performance Measure 20 – Pool attendance numbers

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Patrons enjoy the upgraded pool facilities.	Attendance numbers.	Increasing 5%	Not achieved. An estimated 41,843 people attended the pools this season compared with 41,908 the previous season. A decrease of 65 people.

Performance Measure 21 – Rural Swimming Pools capital projects

100% of capital projects are completed within budget and timeframes

Capital project	2010/11 Actuals	2010/11 Budget	Comments
11200 – Waverley Pool Upgrade	\$20,399	\$261,000	Project not achieved. Deferred to 2011/12.

TSB Hub and Powerco Aquatic centre

Performance Measure 22 – Visitor numbers

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
The TSB Hub and Aquatic Centre facilities are clean, welcoming and open at times suited to the community.	Number of TSB Hub and Aquatic Centre visitor numbers.	1% increase	Achieved. 95,041 visitors attended the PowerCo Aquatic Centre for the year, which is an increase of 4.2% over the previous year's figure of 91,136.
		1% increase	147,469 visitors attended TSB Hub for the year, which gives a baseline figure after the first full year of measured attendance.

Performance Measure 23 – Customer safety

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers feel safe.	Qualified lifeguards are visible and attentive	Minimum of 1 qualified lifeguard per 60 customers rostered at all times.	Achieved. All lifeguards are currently competent. A training register is maintained for all staff. The roster for staff ensures that a minimum of 1 qualified lifeguard per 60 patrons is on duty at all times.

Performance Measure 24 – Programme utilisation

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Fitness and leisure programmes provided for all ages.	Increase in patronage of programmes.	2% increase	Achieved. 1,321 enrolments for the year are up from 940 the previous year, which is a 40% increase.

Performance Measure 25 – Customer satisfaction with TSB Hub and Powerco Aquatic Centre

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers have fun.	Favourable comments received via customer satisfaction surveys.	73%	Achieved. Average 96% satisfaction received from swim school survey and 92% satisfaction received from facility survey.

Performance Measure 26 – Value for money

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Value for money for users reflected in fees and charges.	Fees and charges fairly reflect the services and activities available.	90% satisfaction	Achieved. Three negative responses were received during the year at the PowerCo Aquatic Centre, which equates to a 96.85% satisfaction level in regards to fees and services.

Performance Measure 27 – TSB Hub and Powerco Aquatic Centre capital projects

Target: 100% of capital projects are completed within budget and timeframes.

Capital project	2010/11 Actuals	2010/11 Budget	Comments
10202 - PowerCo Indoor Pool Replace circulation pumps	\$3,459	\$32,698	Project not achieved. 11% completion. Balance deferred to 2011/12. Pumps were assessed to have greater life expectancy.
10203 - PowerCo Indoor Pool Replace boost pumps	\$2,651	\$10,899	Project not achieved. 24% completion. Balance deferred to 2011/12. Pumps were assessed to have greater life expectancy.
10211 - PowerCo Outdoor Pool Replace vacuum	\$2,052	\$5,000	Project not achieved. 41% completion. Balance deferred to 2011/12. A component was assessed to have greater life expectancy.
10216 - PowerCo Replace Sunshade	\$1,699	\$3,000	Project not achieved. 57% completion. Additional work to be done. Balance deferred to 2011/12.
10218 - PowerCo Replace lane ropes and air conditioning	\$5,459	\$4,000	Project achieved with budget overrun of 36%.
10221 - PowerCo Replace indoor pool channel gratings	\$5,450	\$5,450	Project achieved.
10224 - PowerCo Replace outdoor concrete deck	\$0	\$21,119	Project not achieved. Project involves final work to be done following replacement of pipe work underground. Deferred 100% to 2011/12.
10279 – Powerco Outdoor Pool Waterleak	\$25,483	\$50,000	Project not achieved. 51% completion. Balance deferred to 2011/12. Multiple possibilities for leakages underground. Project parked in favour of seasonal operation and the need for greater investment to resolve issues.
10501 – The Hub Stage 4	\$1,689,841	\$1,983,600	Project not achieved. Project achieved practical completion March 2011 with elements to be completed at end of winter field sport season. 85% completion. Balance deferred to 2011/12.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Halls			
398	Expenditure	615	693
100	Income	73	25
(298)	Net Cost of Halls	(542)	(668)
Parks and Reserves			
2,133	Expenditure	2,275	2,332
283	Income	262	254
(1,850)	Net Cost of Parks and Reserves	(2,013)	(2,078)
Pools			
454	Expenditure	533	529
1	Income	112	1
(453)	Net Cost of Pools	(421)	(528)
Toilets			
408	Expenditure	476	419
0	Income	0	0
(408)	Net Cost of Toilets	(476)	(419)
Cinema 2			
98	Expenditure	252	137
45	Income	50	87
(53)	Net Cost of Cinema 2	(202)	(50)
TSB Hub & Aquatic Centre			
2,591	Expenditure	3,505	3,616
1,705	Income	1,705	4,708
(886)	Net Cost of TSB Hub & Aquatic Centre	(1,800)	1,092
Total Activity			
6,082	Expenditure	7,656	7,726
2,134	Income	2,202	5,075
(3,948)	Net Cost of Services - Surplus/(Deficit)	(5,454)	(2,651)
Expenditure			
761	Reallocated Overheads	951	897
3,342	Direct Costs	3,716	3,329
1,227	Interest Paid	1,614	1,911
752	Depreciation and Amortisation	1,375	1,589
6,082	Total Activity Expenditure	7,656	7,726

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
9,469	Capital Expenditure	2,547	2,626
(421)	Less Non Funded Depreciation	(988)	(824)
65	Loan Principal	132	75
15,195	Total Expenditure	9,347	9,603
Funded By			
10	Grants and Subsidies	15	0
0	Targeted Rates	0	0
806	User Fees and Charges	976	884
0	Interest Received	0	0
1,302	Sundry Revenue	1,211	4,185
14	Capital Contribution	0	6
2,132	Total Activity Income	2,202	5,075
3,375	General Rates and Revenues	3,817	3,830
591	Transfers from Capital Replacement Reserves	565	664
7,280	Loans for Capital Expenditure	1,013	(1,743)
1,663	Transfers from/(to) Other Reserves	1,844	1,777
154	Transfers from/(to) Operating Balances	(94)	0
15,195	Total Funding	9,347	9,603

Explanation of Significant Operating Variances

The income is lower than budget as a result of reallocating the subsidy from the Ministry of Education.

Explanation of Significant Capital Expenditure Variances

There was no significant capital expenditure variance.

District Economy

What we do

The Council offers a business advisory service to assist both new ventures and existing operations wishing to expand or improve their competitiveness, and businesses wishing to relocate to South Taranaki. This advice includes a referral and support service to assist businesses to access government agency funding for research and development, export and growth incentives; and to act as a link to further professional services. An incentive package targeted to small to medium businesses, particularly those which will enhance the lifestyle of the community, was introduced by the Council in July 2003.

The Council works in partnership with the regional economic development and tourism agency, Venture Taranaki, to deliver the Business Mentor and Enterprise Training Programmes and tourism development and promotion services. The Council contributes to business research and data collection undertaken by Venture Taranaki for the region. It also works in partnership with government and education providers to support access to education and training to develop the capacity of individuals to participate in the district's economic growth.

There is a Council-operated centralised i-SITE visitor centre in the Hawera Central Business District near the Water Tower which has Visitor Information Network (VIN) accreditation, and satellite information services from six of the LibraryPlus facilities around the district to promote tourism within the area. The i-SITE is open seven days per week including every public holiday except Christmas Day.

Why we do it

Economic development of the district is everybody's business, as a thriving economy makes the district attractive to live and work in. Creating a vibrant environment for residents and visitors is a key community outcome and the activities within the District Economy group all contribute in their own way.

How we performed

Economic Development

Performance Measure 1 – Satisfaction with Economic Development

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Existing business is supported and assisted to grow.	% of community is satisfied with Council's efforts to attract and expand business opportunities within the district.	68%	Not achieved. 64% of residents surveyed were satisfied with the Council's efforts to attract and expand business opportunities. 15% of respondents were <i>not very satisfied</i> for reasons that <i>the Council is not doing anything/ could do more, business closures/too many empty shops, lack of help/support/incentives.</i> 21% did not know.

Performance Measure 2 – New business start ups

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
New business is attracted to South Taranaki.	Number of new business start up per annum.	6 businesses	Achieved. There have been 15 known new businesses started during the year.

Performance Measure 3 – Business incentive packages

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
South Taranaki is promoted as a place to live, work and play.	% of businesses receiving incentive packages operating successfully 12 months after grant approved.	80%	Achieved. Moller Johnson Motors has received a business incentive grant of \$3,600 for the establishment of their expanded new facility. Hawera Cinema 2 received a training grant of \$2,000. Both businesses continue in operation which equates to 100% achieved.

Performance Measure 4 – Promotions

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
South Taranaki is promoted as a place to live, work and play	Number of promotions per annum.	3 promotions	Achieved. 4 promotions were undertaken during the year. Aotea Utanganui and Tawhiti Museum were featured in the winter edition of Tranz Scenic; a new regional marketing brochure was developed; TSB Hub featured in a supplementary magazine promoting Taranaki on Air New Zealand domestic flights; and a new advertising brochure for TSB Hub was printed.

Tourism

Performance Measure 5 – Customer satisfaction

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Staff are friendly and knowledgeable	% of customers satisfied with the personal service provided at the i-SITE	95%	Achieved. 95.4% of customers were satisfied with the personal service provided at the i-SITE for the year.

Performance Measure 5a – VIN accreditation

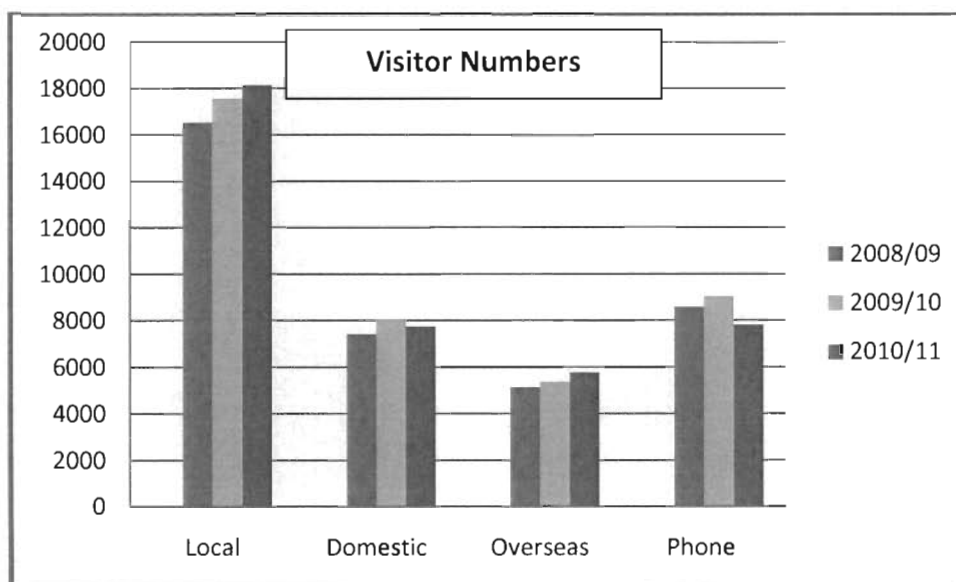
Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Staff are friendly and knowledgeable	VIN accreditation maintained.	86%	Achieved. The i-SITE received an assessment for Qualmark accreditation. 91% accreditation was received, together with the retention of the bronze Qualmark Enviro Award.

Performance Measure 6 – Access to i-Site

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Information can be obtained when customers want it.	The hours the i-SITE is open and the level of after-hours information available is satisfactory for customers.	95% satisfaction	Achieved. No complaints about the opening hours of the i-SITE or after hours information provided have been received and in the customer satisfaction survey conducted in quarter 3, 98.6% of respondents said that <i>they felt welcome when they entered the centre</i> , compared to 98.2% in 2010. However, no questions regarding after hours information or the opening hours of the i-SITE were asked as the Opinion Meter can only be used during opening hours.

Performance Measure 7 – Tourism numbers

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Local attractions and activities are promoted to our visitors.	Increase in visitor numbers.	1% increase	Not achieved. For the year ended 30 June 2011, 13,503 visitors (domestic and overseas) have been to the i-SITE. This compares with 13,406 for the same period last year. This is an increase of 0.7%.



Performance Measure 8 – Tourism operators’ satisfaction

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Local attractions and activities are promoted to our visitors.	% of local tourism operators are satisfied with the level of assistance they receive from the i-SITE.	80%	Achieved. A survey of all local tourism operators was undertaken in June 2011. 48 surveys were sent out and seven were returned. 100% of respondents were satisfied with the level of assistance received.

Events

Performance Measure 9 – Satisfaction with price of event entry

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Events are reasonably priced and provide value for money.	% of event attendees surveyed are satisfied with the price of entry for the event.	80%	Achieved. The Opinion Meter failed on the night of the Fireworks event and so formal surveying could not be undertaken. However, feedback was sought after the event to get an indication of attendee's satisfaction. This feedback indicated a high level of satisfaction with the cost of this event.

Performance Measure 10 – Event management

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Events are well run, safe and enjoyed by participants and attendees.	Serious incidences reported.	Nil	Achieved. No incidents were reported in the year to 30 June 2011.

Performance Measure 11 – Satisfaction with events

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Events are well run, safe and enjoyed by participants and attendees.	% of event attendees surveyed are satisfied with the event.	95%	Achieved. 100% of attendees at Arts in the Park in Hawera were satisfied with the event.

Performance Measure 12 – Events programme

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Events are held within local communities.	Number of events supported through Council's events programme.	Minimum of one per ward	Achieved. In consultation with each of the Community Boards, events were held in each Ward.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Information South Taranaki			
452	Expenditure	431	464
79	Income	96	82
(373)	Net Cost of Information South Taranaki	(335)	(382)
Sundry Property			
932	Expenditure	786	481
120	Income	117	104
(812)	Net Cost of Sundry Property	(669)	(377)
Economic Development			
493	Expenditure	587	688
142	Income	198	238
(351)	Net Cost of Economic Development	(389)	(450)
Events			
151	Expenditure	198	175
16	Income	49	19
(135)	Net Cost of Events	(149)	(156)
Total Activity			
2,028	Expenditure	2,002	1,808
357	Income	460	443
(1,671)	Net Cost of Services - Surplus/(Deficit)	(1,542)	(1,365)
Expenditure			
273	Reallocated Overheads	231	234
973	Direct Costs	1,052	1,190
81	Interest Paid	101	144
701	Depreciation and Amortisation	618	240
2,028	Total Activity Expenditure	2,002	1,808
81	Capital Expenditure	0	0
(546)	Less Non Funded Depreciation	(501)	(205)
20	Loan Principal	1	29
1,583	Total Expenditure	1,502	1,632

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Funded By			
0	Grants and Subsidies	0	0
140	Targeted Rates	148	147
207	User Fees and Charges	221	196
0	Interest Received	0	0
10	Sundry Revenue	91	100
0	Capital Contribution	0	0
357	Total Activity Income	460	443
1,456	General Rates and Revenues	1,011	1,015
(182)	Transfers from (to) Capital Replacement Reserves	(34)	140
1	Loans for Capital Expenditure	0	0
0	Transfers from/(to) Other Reserves	0	34
(49)	Transfers from/(to) Operating Balances	65	0
1,583	Total Funding	1,502	1,632

Explanation of Significant Operating Variances

Actual expenses are higher as a result of depreciation being budgeted under other activities.

Explanation of Significant Capital Expenditure Variances

There is no capital expenditure for this activity.

Community and Social Development

What we do

The Community and Social Development activity is made up of services aimed at supporting and involving the district's communities to achieve outcomes they desire for themselves. Support includes the development and realisation of community strategies and projects which recognise the communities' priorities, community capacity building, development of partnerships, funding assistance and the provision of affordable pensioner housing. A Youth Development Facilitator was appointed in February 2007. The facilitator works with young people to complete projects of significance to youth.

The Council has a nominated budget within the Ten Year Plan for grants and discretionary funding for the four Community Boards and the Iwi Liaison Committee. We administer the Rural Travel Fund on behalf of Sport and Recreation New Zealand and the Creative Communities grants on behalf of Creative New Zealand.

Pensioner Housing

The Council has pensioner housing units in Opunake, Eltham, Manaia, Kaponga, Patea and Hawera. Presbyterian Support Central are contracted to provide tenancy management and support services including fortnightly visits to the residents and to provide a first point of contact for all maintenance requests.

Regional Road Safety Programme

The Council delivers the regional road safety programme through a contract with Land Transport New Zealand and works with the community to identify and address road safety issues within the region.

Why we do it

Community and social development underpin the Council's role in promoting the social wellbeing of the community. A key focus is to identify the outcomes our communities' desire for themselves to achieve their own vision for wellbeing and to contribute to the achievement of those outcomes.

How we performed

Community Development

Performance Measure 1 – Diversity of participation

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents are able to participate in decision making on issues that affect them.	The diversity of groups and individuals participating in community planning is increased.	3 new groups	Achieved. The Community Development Unit staff have attended 231 meetings with 61 groups and regional networks to discuss community issues or initiatives. Four were new relationships with the Council in planning community activities. (HUGS – Mental Health Support Group, Eltham Kohanga Reo, Eltham Presbyterian Camp and the Waverley Bowling Club).

Performance Measure 2 – Workshop attendance

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Groups and individuals are supported to build their capacity and access funding to achieve their own goals.	Communities are able to develop and complete projects and initiatives to achieve their own outcomes.	Workshops well attended	Achieved. 3 workshops were held during the year, with a total of 111 participants.

Performance Measure 3 – Workshop satisfaction

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Groups and individuals are supported to build their capacity and access funding to achieve their own goals.	% workshop participants are satisfied with training provided.	82%	Achieved. Out of the 111 participants at the three workshops held during the year, 96.6% of attendees were satisfied with the training provided.

Performance Measure 4 – Partnership satisfaction

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Partnerships are developed to assist communities to access the services and information they want.	% of satisfaction by parties engaged in new partnership/initiative with progress and achievements.	75%	Achieved. 95% of participants in the DHB (working with youth training) considered the workshop valuable.

Performance Measure 5 – New Partnerships

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Partnerships are developed to assist communities to access the services and information they want.	Number of new partnership or initiatives established which result in contributions to community outcomes.	2 new partnerships or initiatives	Achieved. 5 new partnerships were developed during the year: 1. Eltham Community (Predicament movie trail) 2. Patea Pool Relocation Committee 3. NPDC (sustainable funding) 4. Eltham Youth Network; and 5. DHB (working with youth training).

Pensioner Housing

Performance Measure 6 – Tenant's satisfaction

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Tenants are housed in comfortable and affordable accommodation.	% of tenants satisfied with their accommodation.	81%	Achieved. The annual survey was reviewed and mailed to tenants in April 2011. Responses were collated and 96% of tenants reported they were happy or very happy with their living environment.

Performance Measure 7 – Pensioner Housing capital projects

Target: 100% of capital projects are completed within budget and timeframes.

Capital project	2010/11 Actuals	2010/11 Budget	Comments
11203 – Pensioner Housing Capital 10/11	\$40,826	\$93,960	Project not achieved. Will be completed in August 2011.
11204 – Pensioner Housing Renewal 10/11	\$42,344	\$28,883	Project achieved with budget overrun.

Performance Measure 8 – Affordable rent

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Tenants are housed in comfortable and affordable accommodation.	Rents remain affordable with increases not exceeding benefit increases.	Maximum 5% rent increase	Achieved. Approval for 5% rent increase provided to PSC and required 90 days notice issued to tenants by PSC. Increase implemented October 2010.

Performance Measure 9 – Satisfaction with social support

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Tenants feel supported and part of their local community.	% of tenants who receive social support satisfied with provider.	95%	Not achieved. The annual survey was reviewed and mailed to tenants in April 2011. Responses were collated and 89% were satisfied with the service they received from the provider.

Performance Measure 10 – Event invitations

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Tenants feel supported and part of their local community.	Number of invitations to tenants to events with transport provided by Presbyterian Support.	4 events per year	Not achieved. PSC has co-ordinated one function for tenants. The management agreement has been renegotiated with a reduction to one annual function in response to tenant feedback.

Performance Measure 11 – Affordable housing units

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Work with other agencies for more affordable housing.	Number of additional affordable housing units in the district.	2 per year	Not achieved. Audit completed in June 2011. Comparative information obtained from national survey of councils completed by Wanganui District Council, who are researching pensioner housing services provided by other councils.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Community Partnerships			
1,214	Expenditure	1,116	1,067
16	Income	126	14
(1,198)	Net Cost of Community Partnerships	(990)	(1,053)
Pensioner Housing			
114	Expenditure	126	362
15	Income	41	18
(99)	Net Cost of Pensioner Housing	(85)	(344)
Total Activity			
1,328	Expenditure	1,242	1,429
31	Income	167	32
(1,297)	Net Cost of Services - Surplus/(Deficit)	(1,075)	(1,397)
Expenditure			
319	Reallocated Overheads	277	272
987	Direct Costs	887	902
21	Interest Paid	77	25
1	Depreciation and Amortisation	1	230
1,328	Total Activity Expenditure	1,242	1,429
74	Capital Expenditure	194	123
(1)	Less Non Funded Depreciation	0	0
0	Loan Principal	0	8
1,401	Total Expenditure	1,436	1,560
Funded By			
16	Grants and Subsidies	112	0
0	Targeted Rates	0	0
0	User Fees and Charges	0	0
0	Interest Received	0	0
15	Sundry Revenue	28	32
0	Capital Contribution	27	0
31	Total Activity Income	167	32

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
1,160	General Rates and Revenues	1,171	1,175
20	Transfers from/(to) Capital Replacement Reserves	1	230
10	Loans for Capital Expenditure	83	123
43	Transfers from/(to) Other Reserves	0	0
137	Transfers from/(to) Operating Balances	14	0
1,401	Total Funding	1,436	1,560

Explanation of Significant Operating Variances

Total expenditure is below budget as a result of actual depreciation for Pensioner Housing going against Sundry Property.

Explanation of Significant Capital Expenditure Variances

Capital Expenditure is higher as a result of the CYC Skatepark which was funded from external contributions.

Environment and Development

What we do

Consents – Planning and Building

Consent activities cover the processing of applications for building and resource consents, and monitoring of consent conditions, including enforcement functions. The Council issues approximately 800 building consents and 180 resource consents each year.

Environmental Policy

The Council's principal environmental document is the District Plan, which provides the planning framework for the protection and development of the district's environment. The Council has a District Plan review programme in place to ensure the Plan is reflecting the needs of the district. Other environmental policy responsibilities include Significant Natural Areas and Bylaws.

Licensing

Licensing activities cover environmental health, liquor licensing, bylaw administration, noise control and environmental education functions. The Council processes around 180 food and health registrations and issues or renews about 200 liquor licenses each year for premises and special events and about 150 Manager's Certificates.

Animal Services

Animal Services activities cover the registration of dogs, administration of the Dog Control Act, the Council's Dog Control Policy, and bylaws. The Council registers approximately 4,800 dogs each year.

Emergency Management

Emergency Management activities cover civil defence and rural fire control. The Council provides civil defence functions through the Taranaki Regional Council and must ensure the Council can respond to a civil defence emergency in respect of the services it provides to district residents. The rural fire function provides for the control of and response to rural vegetation fires, to ensure public safety and to reduce damage to property including native bush and commercially planted forests.

Why we do it

The Environment and Development activity group is key to the Council's delivery of the four wellbeings and in particular the environmental wellbeing. The activities all contribute to protecting and managing the natural and man-made environment for the benefit of the whole community.

How we performed

Planning

Performance Measure 1 – Non-notified land use consents

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Subdivision and development can proceed quickly.	Non-notified Land Use Consent Applications are processed within 10 working days (note: the statutory timeframe is 20 working days).	90%	Not achieved. 88 applications were processed; 88% were processed within 10 working days. All applications were processed within the statutory timeframe of 20 working days. Compliance with this performance measure was affected by a period of staff illness in Quarter 1.

Performance Measure 2 – Non-notified subdivision consents

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Subdivision and development can proceed quickly.	Non-notified Subdivision Consent Applications are processed within 15 working days (note: the statutory timeframe is 20 working days).	90%	Achieved. 52 applications were processed; 92% were processed within 15 working days. All applications were processed within the statutory timeframe of 20 working days.

Performance Measure 3 – Limited notified resource consents

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Subdivision and development can proceed quickly.	Limited Notified Resource Consent Applications not requiring a hearing are processed within 35 working days (note: the statutory timeframe is 70 working days).	90%	Not achieved. Four notified applications that did not require a hearing were processed; 75% were processed within 35 working days. All applications were processed within the statutory timeframe of 70 working days.

Performance Measure 4 – Notified and Limited notified resource consents requiring a hearing

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Subdivision and development can proceed quickly.	Notified and Limited Notified Resource Consent Applications requiring a hearing are processed within 70 working days (note: the statutory timeframe is 70 working days).	90%	Achieved. Four notified applications that required hearings were processed; 100% were processed within 70 working days.

Performance Measure 5 – Survey Plans

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Subdivision and development can proceed quickly.	Survey plans are processed within five working days (note: the statutory timeframe is 10 working days).	90%	Achieved. 51 Survey Plans were processed; 100% were within 5 working days.

Performance Measure 6 – Satisfaction with planning service

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers receive high quality service.	The number of survey respondents that are satisfied or very satisfied with the planning service.	85%	Achieved. 93% of customers surveyed were very satisfied or satisfied with the planning service.

Performance Measure 7 – Fair decision-making

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Decision-making is fair and consent conditions are reasonable and appropriate.	The number of successful appeals to the Environment Court against the Council's decisions.	0	Achieved. There have been no appeals to the Environment Court.

Performance Measure 8 – Relocated dwelling monitoring

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Developments fit in well with the local neighbourhood.	The number of relocated dwellings that are monitored after one month to ensure compliance with resource consent conditions.	90%	Not achieved. 23 new relocated buildings were monitored; 78% were monitored within one month. We have offered a reduced monitoring service earlier this year due to staff absence. This has affected compliance with this performance measure.

Performance Measure 9 – Resource consents monitoring

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Developments fit in well with the local neighbourhood.	The number of all other resource consents that are monitored after three months to ensure compliance with resource consent conditions.	90%	Not achieved. 31 consents were monitored; 77% were monitored after three months. We have offered a reduced monitoring service earlier this year due to staff absence. This has affected compliance with this performance measure.

Building Control

Performance Measure 10 – Building Consent processing

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Building projects can proceed quickly.	Building Consent Applications are processed within 15 working days (note: the statutory timeframe is 20 working days).	95%	Achieved. 705 consents were processed; 99% were within 15 working days.

Performance Measure 11 – Building inspections

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Building projects can proceed quickly.	Building Inspections are carried out within 24 hours of request.	95%	Achieved. Based on customer feedback through the contact centre, building inspections are meeting demand and no complaints have been received regarding timeframes. We are currently unable to capture hard data about inspection waiting times.

Performance Measure 12 – Building accreditation

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Buildings are safe.	The Council retains Accreditation to a National Standard for its Building Control Service.	Achieved	Achieved. The Council is accredited as a Building Consent Authority until November 2013.

Performance Measure 13 – Building service customer satisfactions

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customers receive high quality service through the consent process.	The number of survey respondents that are satisfied or very satisfied with the building control service.	85%	Achieved. 90% of customers surveyed were very satisfied or satisfied with the building control service.

Performance Measure 14 – Fair decision-making

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Decision-making is fair.	The number of successful challenges to the Department of Building and Housing against the Council's decisions.	0	Achieved. There have been no challenges to the Department of Building and housing against any of the Council's decisions.

Environmental Health

Performance Measure 15 – New food/health premise processing

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
New food premises can open to the public quickly.	New Premise Applications are processed within 10 working days (note: there is no statutory timeframe).	95%	Achieved. Five applications were received; 100% were processed within 10 working days.

Performance Measure 16 – Food premise renewals

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Existing food premises can continue to trade.	Renewal Premise Applications are processed within 10 working days (note: there is no statutory timeframe).	95%	Achieved. 148 renewal applications were received; 95% were processed within 10 working days.

Performance Measure 17 – Inspections of licensed premises

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Food sold to the public is safe to eat.	The number of licensed premises that are regularly inspected.	95%	Not achieved. 183 premises were inspected which is 84% of the total number of premises. Compliance with this performance measure was affected because of the resignation of our Environmental Health Officer.

Performance Measure 18 – New food safety regime

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Food sold to the public is safe to eat.	A new food safety regime is adopted.	By 2012	Not required. We are waiting for the Food Legislation review before implementing the new regime.

Performance Measure 19 – Satisfaction with environmental health service

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Food premise operators receive high quality service.	The number of survey respondents that are satisfied or very satisfied with the environmental health service.	85%	Achieved. 86% of the customers surveyed were satisfied with the environmental health service.

Liquor Licensing

Performance Measure 20 – Inspections of liquor licensed premises

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
People over the legal age have access to liquor from appropriately managed sources.	The number of licensed premises that are regularly inspected.	95%	Not achieved. 89 premises were inspected which is 75% of the total number of premises. Compliance with this performance measure was affected because of the resignation of our Environmental Health Officer.

Performance Measure 21 – Liquor licensing policy

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
People over the legal age have access to liquor from appropriately managed sources.	In its role as District Licensing Agency, the Council has an up-to-date policy for liquor licensing.	South Taranaki Liquor Strategy is adopted.	Not achieved. This project was delayed due to Regulatory Services Projects Officer having to provide coverage for the vacant Environmental Health Officer's role. This project will be completed in the first quarter of the 2011/12 financial year.

Performance Measure 22 – Liquor license processing

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
New and existing Managers, premises and special events can sell/supply liquor without delay, where appropriate.	Unopposed Liquor Licence Applications are processed within 10 working days of receipt of all reports (note: there is no statutory timeframe).	95%	Achieved. 179 applications were received; 98% were processed within 10 working days.

Performance Measure 23 – Noise complaints

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents' peace and quiet is not disrupted by loud noise.	Noise complaints are responded to within one hour.	90%	Achieved. 723 complaints were received; 90% were responded to within one hour.

Environmental Policy

Performance Measure 24 – District Plan Changes

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
South Taranaki's environment is a great place to live, work and play.	District Plan controls on land use and subdivision are kept up-to-date and reflect the community's aspirations.	Heritage commenced. Outstanding Natural Features commenced. Activities in all Zones completed subject to appeal. Signs completed subject to appeal.	Not required. The Plan Change Programme was reprioritised in February 2011 and the plan changes referred to in this performance measure were combined with others. Plan changes are progressing in accordance with the current Plan Change Programme.

Performance Measure 25 – State of the Environment Report

The state of the environment and the effectiveness and efficiency of the District Plan are monitored every five years.

Year end commentary

Performance target not required.

There is no target for this measure in 2010/11 with the next report due in 2012. This measure is included within the Ten Year Plan performance framework as the report provides an assessment of the effectiveness of the Council's District Plan which is a leading tool in the sustainable management of the district's land use.

Performance Measure 26 – Plan Change discussions with Iwi

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Iwi is supported to contribute to local environmental issues	Every Plan Change and other policy project includes dedicated periods of officer time to talk with Iwi.	Heritage Buildings. Outstanding Natural Features.	Achieved. We have held informal meetings with Ngati Ruanui and Nga Rauru, have presented reports to the Iwi Liaison Committee and hapu and have written to hapu inviting them to talk about the Plan Change Programme.

Performance Measure 27 – Significant Natural Areas protection

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Special areas of vegetation and habitat are protected.	The number of sites that are protected through the Significant Natural Areas Programme and Fund (the Council contributes funding to fencing).	3	Achieved. Four sites have been protected with assistance from the Significant Natural Areas Fund.

Rural/Vegetation Fire

Performance Measure 28 – Rural Fire Pager Response

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Minimise the likelihood and consequence of Rural Fires.	Respond to pager notifications for vegetation fires within 10 minutes.	90%	Achieved. 97 pager notifications were received; 100% were responded to within 10 minutes.

Performance Measure 29 – Rural Fire Attendance

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Minimise the likelihood and consequence of Rural Fires.	Attend all significant fire calls within 1 hour of pager notification.	90%	Achieved. Eight significant fires occurred; 100% were attended within 1 hour of pager notification.

Performance Measure 30 – Fire Permits

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Minimise the likelihood and consequence of Rural Fires.	Issue Fire Permits during restricted fire seasons within 5 working days.	100%	Achieved. 115 Fire Permits were issued; 100% were within 5 working days.

Animal Services

Performance Measure 31 – Response times to urgent requests

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents and visitors feel safe from dogs and stock.	Respond to Customer Service Requests relating to dog attack, rushing and stock incidents within 4 hours.	97%	Achieved. 314 requests were received; 99% were responded to within four hours.

Performance Measure 32 – Response times to non urgent requests

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents and visitors feel safe from dogs and stock.	Respond to Customer Service Requests relating to dog roaming, barking, general incidents with 1 working day.	97%	Achieved. 1,132 requests were received; 98% were responded to within 1 working day.

Performance Measure 33 – Unregistered dogs

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Residents and visitors feel safe from dogs and stock.	Locate unregistered dogs.	Through district-wide initiatives.	Achieved. 118 Notices to Register have been issued.

Performance Measure 34 – Capital projects for Animal Services

100% of capital projects are completed within budget and timeframes

Capital project	2010/11 Actuals	2010/11 Budget	Comments
11202 – Dangerous Dog Kennels at Hawera Pound	\$ 12,227	\$6,904	Project achieved with additional costs approved

Performance Measure 35 – Reduction in dog incidents

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Animals are looked after by their owners.	Reduce the number of dog attacking, rushing and roaming incidents through investigation and initiatives.	Decreasing 1%	Achieved. 724 incidents were reported. This is a reduction of 10%.

Performance Measure 36 – Dog registration

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Animals are looked after by their owners.	Ensure all known dogs are registered and/or court action taken.	95%	Not Achieved. There are 4,757 known dogs in the district; 91% are currently registered. Infringements have been issued to the owners of the remaining unregistered dogs.

Performance Measure 37 – Dog owner education

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Animals are looked after by their owners.	Educate and support dog owners.	All new dog owners are sent Owner handbooks.	Achieved. 317 Handbooks sent to new owners. 115 SOP Inspections completed. Ongoing school visits and public presentations.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Animal and Nuisance Control			
713	Expenditure	737	706
435	Income	412	486
(278)	Net Cost of Animal and Nuisance Control	(325)	(220)
Policy			
2,916	Expenditure	203	291
1,500	Income	8	15
(1,416)	Net Cost of Policy	(195)	(276)
Licensing			
382	Expenditure	442	371
178	Income	345	155
(204)	Net Cost of Licensing	(97)	(216)
Rural/Vegetation Fire			
381	Expenditure	739	407
80	Income	175	50
(301)	Net Cost of Rural/Vegetation Fire	(564)	(357)
Consents			
1,100	Expenditure	1,129	1,114
670	Income	559	773
(430)	Net Cost of Consents	(570)	(341)
Total Activity			
5,492	Expenditure	3,250	2,889
2,863	Income	1,499	1,479
(2,629)	Net Cost of Services - Surplus/(Deficit)	(1,751)	(1,410)

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Expenditure			
1062	Reallocated Overheads	981	966
4413	Direct Costs	2,253	1,878
1	Interest Paid	1	16
16	Depreciation and Amortisation	15	30
5,492	Total Activity Expenditure	3,250	2,890
20	Capital Expenditure	12	7
(9)	Less Non Funded Depreciation	0	(3)
0	Loan Principal	0	11
5,503	Total Expenditure	3,262	2,905
Funded By			
1,500	Grants and Subsidies	0	0
0	Targeted Rates	0	0
1,278	User Fees and Charges	1,310	1,413
0	Interest Received	0	0
84	Sundry Revenue	189	66
0	Capital Contribution	0	0
2,862	Total Activity Income	1,499	1,479
1,350	General Rates and Revenues	1,387	1,391
(5)	Transfers from Capital Replacement Reserves	6	28
18	Loans for Capital Expenditure	6	7
50	Transfers from/(to) Other Reserves	0	0
1,228	Transfers from/(to) Operating Balances	364	0
5,503	Total Funding	3,262	2,905

Explanation of Significant Operating Variances

The expenses are overspent due to increased cost for Patea Freezing Works remediation project and legal fees.

Explanation of Significant Capital Expenditure Variances

The capital expenditure is higher due to an overspend on the pound project.

Water Supply Services

What we do

The Council owns eight urban and five rural water supplies and aims to deliver potable quality water suitable for human, animal and industrial consumption 24 hours a day, seven days a week, taking into account outages for maintenance and breakdowns. The water supplies are maintained to appropriate standards to ensure public health standards are met for the district's residents and enable fire fighting capacity.

Why we do it

Water supply is the most critical infrastructure service provided by the Council. It is essential for the health of the population, and is required in large volumes to sustain existing domestic, agricultural and industrial customers. Additional water is required to facilitate economic development in the district to ensure that we are "Open for Business".

The provision of the activity is governed by legislation. The Local Government Act requires that we continue to provide the service and maintain its capacity. The Health (Drinking Water) Amendment Act October 2007 sets legislative requirements pertaining to the duty for all drinking water suppliers to take all practicable steps to comply with the Drinking Water Standards.

How we performed

Performance Measure 1 – Customer satisfaction

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Pleasant tasting and clear looking drinking water is available.	Customers satisfied with the quality of their drinking water.	65%	Not achieved. Only 61% of customers were satisfied with the quality of their drinking water, with 16% not satisfied and 23% not knowing.

Since 2006 the Council has invested \$42 million on water infrastructure projects including the construction of a new treatment plant at Kapuni (serving Hawera, Normanby, Ohawe and Okaiawa) and major improvements at Opunake. Improvements to water treatment plants will continue to be a priority over the next few years as all our supplies will be upgraded to meet the drinking water standard. This will enable us to deliver better quality water to consumers.

Performance Measure 2 – Water restrictions

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Pleasant tasting and clear looking drinking water is available.	Maximum duration of full water restrictions each year.	8 weeks	Not achieved. There were 14 weeks of restrictions for Patea, Waverley, Waverley Beach and Wai-inu.

Performance Measure 3 – Fire hydrants

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Water supply is adequate for fire fighting purposes.	Urban properties with an operational fire hydrant as specified by the Fire Code.	Increasing	Achieved. Hawera at 100% and other towns not analysed.

Performance Measure 4 – Illnesses attributed to water supply services

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Water is safe to drink.	Illnesses attributed to water supply services.	0	Achieved. No illnesses were attributed to water supplies as reported by the Taranaki District Health Board. Two bacteriological events occurred at Patea and Waverley Beach but did not lead to any illness.

Performance Measure 5 – Water supply pressure

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Water pressure is appropriate to its intended use.	Complaints per annum regarding water supply pressure outside peak hours (excluding water restriction periods).	Minimum 3 bar pressure 80% of the time.	Not achieved. Pressure monitoring not currently available in reticulation.
		Less than 40 complaints per year.	Not achieved. 84 pressure complaints were received over the year. Most of these related to one or two events.

Performance Measure 6 – Duration of outages

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
A reliable water supply is provided.	% of outages with duration less than 10 hours.	90%	Achieved. 98% compliance for the year. There were 56 planned and 42 unplanned shutdowns during the year. One shutdown carried on for more than 10 hours.

Planned shutdowns are carried out to allow maintenance or capital works to be performed on live water supply assets. Unplanned shutdowns are as a result of failures in the reticulation networks or damage caused to pipes by contractors.

The one instance when a shutdown exceeded 10 hours in 2010/11 was a planned shutdown to perform two connections, one in Hawera and one in Normanby. The Normanby connection was scheduled to finish at 2 am, but was not completed until 5 am due to difficulties experienced on site with the connection.

Performance Measure 7 – Customer notification of planned shutdowns

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
A reliable water supply is provided.	% of planned shutdowns where customers receive 24 hours notice.	95%	Achieved. 100% compliance was achieved for the year. The 56 planned shutdowns were carried out with full notification.

Performance Measure 8 – Capital projects for Water Supply Services

Target: 100% of capital projects are completed within budget and timeframes. **Results:** Of the 19 capital projects for water supply, only one was completed within budget in the 2010/11 financial year (5%). Eight of the projects which were not completed are multi-year projects which were not programmed to be fully complete by 2010/11. One project was deferred in order to optimise renewal. Five projects were not fully completed within the financial year, and carryovers have been requested in order to enable them to be completed.

Capital Project	2010/11 Actuals	2010/11 Budget	Comments
10029 – Inaha Water Treatment Plant	\$4,786	\$50,000	Project not achieved. This is a multi-year project, and will not be complete until the construction of a new water treatment plant in 2015/16.
08014 – Water Demand Management	\$84,594	\$316,050	Project not achieved. Project ongoing until at least 2012/13.
09009 - Eltham WTP Treatment Improvements	\$329,045	\$180,000	Project not achieved. This is a multi-year project, and will not be complete until the upgrade of the water treatment plant in 2012/13. Overspend in 2010/11 was met by carryovers from previous years.
09002 – PPCS boosted off Scott St Reservoir	\$445,975	\$350,000	Not achieved. Project completed.
09004 – Independent Inlet & Outlet mains from Scott St Reservoir	\$505,485	\$375,000	Not achieved. Project completed.
09001 – Kapuni to WaimWest Connection	\$163,348	\$1,037,000	Project not achieved. Funds carried over to 2011/12. Project due for completion in October 2011.
10014 – Opunake Water Treatment Plant	\$79,650	\$180,000	Project not achieved. This is a multi-year project, and will not be complete until the final upgrade of the new water treatment plant in 2012/13.
07016 – Patea Water Treatment Plant	\$172,512	\$800,000	Project not achieved. This is a multi-year project, and will not be complete until the construction of a new water treatment plant in 2011/12.
10031 – Rahotu DWS2005 Compliance	\$49,910	\$7,875	Project not achieved. This is a multi-year project, and will not be complete until the upgrade or replacement of the water treatment plant, finishing in 2014/15. Overspend in 2010/11 was met by carryovers from previous years.
10125 – Backflow Restrictors & Meters	\$202,403	\$300,000	Project not achieved. Funds carried over to 2011/12. Project completed in September 2011. More work has been identified to be done under this project.
10112 – Eltham Reservoir inspection	\$15,200	\$91,800	Project not achieved. Inspection report received in August 2011. Repairs are required, so carryover has been requested and additional funding applied for to enable these to be done in 2012/13.
10118 – Patea Borehole	\$373,397	\$225,000	Project not achieved. \$161,000 left over as a result of \$310,000 carryover from previous years. Bore has been completed. Headworks will be completed in 2011/12. A contractor has already been engaged.

Capital Project	2010/11 Actuals	2010/11 Budget	Comments
10119 – Waverley Borehole	\$84,260	\$298,000	Project not achieved. Work not completed as exploratory bore did not yield enough water. Carryover requested, and another location is now being investigated.
10117 – Ohawe Main	\$1,426	\$858,562	Project not achieved. The main was programmed for renewal based on a consultant's report. Renewal has been deferred as the main is still performing adequately. This will be part of our overall AC pipe renewal project.
10130 – District Water Reticulation	\$159,204	\$100,000	Project achieved. Overspend in 2010/11 was offset with funding from Project Code 10154 (Turuturu Road/Ohangai Road Water Main Extension) and Project Code 07035 (District Network Renewals).
10133 – Waiinu Borehole Upgrade	\$5,569	\$90,000	Project not achieved. This is a multi-year project, and will not be complete until work has been done to achieve secure bore status in 2012/13.
10124 – Waimate West PRV Renewals	\$376,966	\$550,605	Project not achieved. Funds carried over to 2011/12. Project completed in September 2011. More work has been identified to be done under this project.
10050 – Waimate West DWS2005 Compliance	\$31,169	\$200,000	Project not achieved. This is a multi-year project, and will not be complete until the construction of a new water treatment plant in 2013/14.
10134 – Waimate West Reservoir Improvements	\$99,990	\$545,545	Project not achieved. Internal work completed, but additional work required. Carryover to 2011/12 requested. Work programmed for December 2011. Contractor already engaged.

Performance Measure 9 – Water conservation

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Water conservation is promoted.	Promotions to the public per year.	5	Achieved. 20 promotions for the public were undertaken for the year.

Performance Measure 10 – Water consumption

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Water conservation is promoted.	Average water consumption per household per year	Decreasing	Achieved. 2009/10 average 397m ³ 2010/11 average 368m ³

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Urban Water Schemes			
5,723	Expenditure	6,160	7,036
5,877	Income	5,916	7,222
154	Net Cost of Urban Water Schemes	(244)	186
Pope Water Scheme			
72	Expenditure	67	68
49	Income	54	53
(23)	Net Cost of Pope Water Scheme	(13)	(14)
Inaha Water Scheme			
531	Expenditure	688	871
527	Income	708	784
(4)	Net Cost of Inaha Water Scheme	20	(87)
Waimate West Water Scheme			
2,127	Expenditure	1,854	2,713
1,587	Income	2,457	2,594
(540)	Net Cost of Waimate West Water Scheme	603	(119)
Cold Creek Water Scheme			
183	Expenditure	162	187
73	Income	60	286
(110)	Net Cost of Cold Creek Water Scheme	(102)	99
Nukumarū Water Scheme			
51	Expenditure	40	47
0	Income	0	0
(51)	Net Cost of Nukumarū Water Scheme	(40)	(47)
Total Activity			
8,687	Expenditure	8,971	10,922
8,113	Income	9,195	10,940
(574)	Net Cost of Services - Surplus/(Deficit)	224	18
Expenditure			
2045	Reallocated Overheads	1,845	2,109
2513	Direct Costs	2,494	3,332
1608	Interest Paid	2,130	2,749
2521	Depreciation and Amortisation	2,502	2,732
8,687	Total Activity Expenditure	8,971	10,922

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
12,843	Capital Expenditure	5,028	6,555
(63)	Less Non Funded Depreciation	0	(83)
86	Loan Principal	86	1,427
21,553	Total Expenditure	14,085	18,821
Funded By			
295	Grants and Subsidies	122	0
7,306	Targeted Rates	8,926	9,707
98	User Fees and Charges	76	0
0	Interest Received	0	0
191	Sundry Revenue	66	125
223	Capital Contribution	5	1,108
8,113	Total Activity Income	9,195	10,940
0	General Rates and Revenues	0	0
2,835	Transfers from Capital Replacement Reserves	2,649	2,433
9,974	Loans for Capital Expenditure	2,465	5,448
120	Transfers from/(to) Other Reserves	0	0
511	Transfers from/(to) Operating Balances	(224)	0
21,553	Total Funding	14,085	18,821

Explanation of Significant Operating Variances

The operating expenditure is under spent due to extra ordinary expenses largely unspent and Network Maintenance lower than budgeted. Interest costs are lower as a result of lower debt requirement and savings.

Explanation of Significant Capital Expenditure Variances

The capital expenditure is under spent due to timing changes with a number of projects to be completed in 2011/12.

Roading and Stormwater Network

What we do

The Council is a Road Controlling Authority and is legally responsible for control of the district's roading network. The daily management, operation and maintenance of the network is contracted out, with capital expenditure projects competitively tendered to ensure best value for money. Through the maintenance and annual improvement programme the Council aims to provide a sustainable roading system which allows for safe and efficient travel throughout the district at reasonable cost.

The Council aims through its stormwater infrastructure to avoid flooding of buildings, except in extreme rainfall events, and to ensure ponding on roads does not create safety hazards. A Stormwater Management Plan has been developed for the whole district, which provides guidelines to prioritise the CAPEX works around the district.

The Council delivers the Regional Community Road Safety Programme on behalf of the region with funding share from New Plymouth District Council and Stratford District Council and subsidy from New Zealand Transport Agency.

Annual programmes for renewing the district roading network and footpaths include:

- Area wide pavement treatment (\$2.3 million) - sections of roads (approximately 15 kilometres each year) are re-metalled and sealed, resulting in a smoother more durable surface; widening and minor safety improvements are included where appropriate.
- Resealing of 100 kilometres of road each year (\$2.5 million).
- Renewing of footpaths (\$427,830) – the footpaths around the district are prioritised for renewing based on the footpath condition and use, stormwater needs, and the condition of the kerb and channel.

Why we do it

Ownership and control of the District's roads are vested in Council through the Local Government Act 1974 and 2002. The Council is a "Road Controlling Authority" and is legally responsible for control of its road network. A safe and accessible roading infrastructure supports the district's and region's community outcomes by allowing access to health services, a gateway for new and existing businesses and the opportunity to travel for education and training. The Council maintains and develops a substantial roading network to meet the needs of residents, and road users within the South Taranaki district.

How we performed

Roading

Performance Measure 1 – Road roughness

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Roads are comfortable to drive and safe.	The percentage of road meeting the roughness standard remains stable or improves.	Average over the next 5 years is 90% (plus or minus 2%)	Achieved. The roughness achieved for the year 2011 is 93%. The moving average over the last five years is 92%. Roothing roughness is measured via a system developed by the former National Association of Australian State Roothing Authorities (NAASRA). Values are obtained by a special purpose vehicle travelling down both the outside lanes of the length of the road. The rougher the road the higher the NAASRA counts per lane kilometre. The normal threshold used by local authorities is 150 NAASRA. A NAASRA count of greater than 150 typically indicates a road which is becoming a concern in terms of its roughness and the number of complaints likely to be generated. The roughness survey is done between February and June each year. Therefore, the results will vary slightly each year depending on when it was done as well as the timing completion of all roading projects. Reporting on the five year average will reduce this variation and hence a better indication of the roading roughness conditions and trends.

Performance Measure 2 – Road access

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Roads are opened promptly after emergency closures.	% of road access restored by detour or reopened within 24 hours.	90%	Achieved. There were a total of 62 slips reported for the year with 58 completed within the agreed timeframe. Achievement for the year is 94%.

Performance Measure 3 – Footpath defects

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Footpaths are maintained in good conditions that are fit for purpose.	% of footpaths defects made safe within 48 hours.	95%	Achieved. There were a total of 58 footpath issues reported for the year with 55 completed within agreed timeframe. Achievement for the year is 95%.

Performance Measure 4 – Road pavement defects

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Customer reported defaults on roads pavement are dealt with promptly.	% of road pavement defects fixed in the timeframe as specified in the road maintenance contracts.	90%	Not achieved. There were a total of 100 reported pavement issues for the year with 89 of them completed within the agreed timeframe of 5 working days. Achievement for the year is 89%. The main reason for this timeframe is that Contractors are asked to repair potholes and other pavement failures that are hazardous within 24 hours but only have to report on their completion weekly, hence the five day timeframe. There were 11 faults out of 100 that were not completed within the 5 days. These are due to various reasons, for example, some of the reported faults are not just simple pot holes repair but required heavy machinery to fix, side roads failure due to road closure of arterial road, faults reported are outside the contract and also locations of faults reported are not correct.

Performance Measure 5 – Crashes due to road condition factors

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Road safety projects and programmes are carried out with the aim of reducing crashes in the district.	The number of reported crashes due to road conditions factors.	Fewer than 11 per year.	Achieved. There were a total of 8 related crashes reported for the year, 2 serious, 2 minor and 4 non-injury.

Performance Measure 6 – Narrow road widened

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Road safety projects and programmes are carried out with the aim of reducing crashes in the district.	Length of narrow road with traffic count greater than 100 per day widened.	3 km	Achieved. The following roads were widened: Ararata, Mountain, Manawapou, Kiri, Patiki, Stuart and Parihaka. A total of 8.7km of road was widened. The average traffic count of the roads narrowed that were widened are as follows: Ararata Road (traffic count 388 per day) Mountain Road (traffic count 121 per day) Manawapou (traffic count 219 per day) Kiri Road (traffic count 34 per day) Patiki Road (traffic count 160 per day) Stuart Road (traffic count 118 per day) Parihaka Road (traffic count 127 per day)

Stormwater

Performance Measure 7 – Flooding incidents

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Services protect property and people from the impacts of flooding.	Number of reported flooding incidents of occupied properties in a 1:20 year event.	<10	Achieved. There were no reported flooding incidents of occupied properties.

Performance Measure 8 – Stormwater run-off problems

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
A reliable service is provided.	% of reported stormwater run-off problems investigated within 1 day and action plan prepared within 2 days (urban).	95%	Achieved. 95% of stormwater run-off problems were investigated within 1 day for the year.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Roading			
12,108	Expenditure	14,088	12,717
14,467	Income	14,562	14,413
2,359	Net Cost of Roading	474	1,696
Stormwater			
1,038	Expenditure	1,052	997
0	Income	0	0
(1,038)	Net Cost of Stormwater	(1,052)	(997)
Eltham Drainage Area			
9	Expenditure	10	5
8	Income	5	0
(1)	Net Cost of Eltham Drainage Area	(5)	(5)
Regional Road Safety			
221	Expenditure	233	224
225	Income	235	256
4	Net Cost of Regional Road Safety	2	32
Total Activity			
13,376	Expenditure	15,383	13,943
14,700	Income	14,802	14,669
1,324	Net Cost of Services - Surplus/(Deficit)	(581)	726

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Expenditure			
618	Reallocated Overheads	678	544
6887	Direct Costs	7,838	7,068
521	Interest Paid	494	470
5350	Depreciation and Amortisation	6,373	5,861
13,376	Total Activity Expenditure	15,383	13,943
7,346	Capital Expenditure	6,478	7,176
0	Less Non Funded Depreciation	0	(100)
106	Loan Principal	106	107
20,828	Total Expenditure	21,967	21,126
Funded By			
7,194	Grants and Subsidies	7,107	6,955
7,490	Targeted Rates	7,625	7,714
27	User Fees and Charges	69	0
0	Interest Received	0	0
5	Sundry Revenue	1	0
0	Capital Contribution	0	0
14,716	Total Activity Income	14,802	14,669
493	General Rates and Revenues	544	546
5,375	Transfers from Capital Replacement Reserves	5,761	5,861
244	Loans for Capital Expenditure	79	50
0	Transfers from/(to) Other Reserves	0	0
0	Transfers from/(to) Operating Balances	781	0
20,828	Total Funding	21,967	21,126

Explanation of Significant Operating Variances

The operating expenditure is over spent due to flooding and consultancy fees. Actual depreciation is higher than budgeted.

Explanation of Significant Capital Expenditure Variances

The capital expenditure is under spent due to timing changes with a number of projects to be completed in 2011/12.

Waste Services

What we do

Wastewater services include the collection, piping, treatment and disposal of all wastewater from residents and businesses within the Council's wastewater systems located in Hawera (includes Normanby), Eltham, Patea, Waverley, Opunake, Manaia, Kaponga and Wai-inu Beach. The treated wastewater is discharged to natural waters (streams, rivers or the ocean) or onto land, in accordance with resource consent conditions, to ensure public health standards are met.

Solid Waste management involves providing a refuse and recycling kerbside collection to urban and passing main road residents, providing facilities to take refuse and recycling (transfer stations) and the management of closed landfills. The Council offers a weekly refuse and recycling kerbside collection service and has no open landfills. A key role for the Council is minimising the amount of refuse destined for landfills through better separation of reusable rubbish.

Why we do it

Wastewater

The safe management of waste is a core activity of the Council. By undertaking this activity the Council ensures that sewage is managed without risk to public health and without affecting the quality of the environment and, in particular, our waterways. Ensuring the quality and adequacy of all existing wastewater services in the district is also a requirement under the Local Government Act 2002.

Solid Waste

The Council has a responsibility to protect the public health of the district and maintain environmental standards for the region. The Health Act 1956 obliges the Council to deliver this activity to protect the environment and public health of its residents. The Waste Management Plan makes provision for the collection of waste produced within the district and the reduction, reuse, recycling and disposal of waste.

How we performed

Wastewater

Performance Measure 1 – Overflows

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Sewage is managed without risk to public health.	Number of sewerage overflows into occupied buildings due to faults in the public wastewater system.	0 overflows	Achieved. No overflows into occupied buildings for the year.

Performance Measure 2 – Frequency of overflows

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Sewage is managed without risk to public health.	Frequency of overflows affecting a single property.	Less than 3	Achieved. No overflows affected a single property more than once during the year.

Performance Measure 3 – Response to service requests

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
A reliable service is provided.	% of service requests responded to within networks maintenance contract timeframes.	95%	Not achieved. 93% of all service requests were completed in the required contract timeframes (timeframes differ depending on type of request). Contractor penalties were applied where applicable. Out of an annual total of 548 requests, 38 were not completed on time.

Performance Measure 4 – Capital projects for wastewater

Target: 100% of capital projects are completed within budget and timeframes. **Result:** Not achieved. 1/7 (14%) of capital projects were completed within budget and timeframes.

Capital project	2010/11 Actuals	2010/11 Budget	Comments
10076 – Central Sludge Disposal site	\$9,694	\$30,000	Project not achieved. Carryover requested as further investigation necessary before final disposal.
10072 – Eltham Inflow & Infiltration	\$75,394	\$52,500	Project achieved. Overspend met by carryovers from previous years as project costs were higher than originally estimated for the reporting period.
07143 – Hawera Inflow & Infiltration	\$208,020	\$210,000	Project achieved.
10074 – Desludge Hawera Wastewater Treatment Plant	\$13,580	\$12,000	Project achieved with budget overrun as costs higher than estimated.
10091 – Opunake Inflow & Infiltration	\$56,124	\$42,000	Project achieved. Overspend met by carryovers from previous years as project costs were higher than originally estimated for the reporting period.
10090 – Waiinu WWTP	\$7,321	\$96,000	Project not achieved. Carryover requested to complete project in next financial year.
10131 – District Wastewater Renewal	\$50,067	\$50,000	Project achieved.

Performance Measure 5 – Odour complaints

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Sewage does not affect the quality of the environment.	Number of customer complaints relating to odours from wastewater pump stations or treatment facilities.	<10 complaints	Achieved. There have been no recorded complaints for the year about odour from wastewater treatment facilities or wastewater pump stations.

Performance Measure 6 – Treated wastewater quality

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Sewage does not affect the quality of the environment.	% compliance with treated wastewater quality standards in accordance with resource consents.	100%	Achieved. Our monitoring shows 100% compliance with our resource consent conditions. No Abatement notices have been received by the Council.

Solid Waste

Performance Measure 7 – Kerbside collection service

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Bins are emptied on scheduled days, and left tidily on the kerbside.	Number of complaints of missed bins/street/ collection.	Less than 5 per collection per street	Not achieved. Two entire streets were reported to have been missed. One in February 2011 and one in April 2011. The contractor returned and emptied the missed bins.

Performance Measure 8 – Missed collections

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Bins are emptied on scheduled days, and left tidily on the kerbside.	% of waste collected within 24 hours of a missed collection being reported.	100%	Not achieved. 73% of bins were collected within 24 hours of being missed. Exact times were not recorded in the missed bin report which was received from Waste Management.

Performance Measure 9 – Transfer station cleanliness

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Transfer stations are clean, safe and tidy.	Number of complaints/year regarding cleanliness and tidiness.	0	Not achieved. One complaint was received about the Eltham Transfer Station in December 2010.

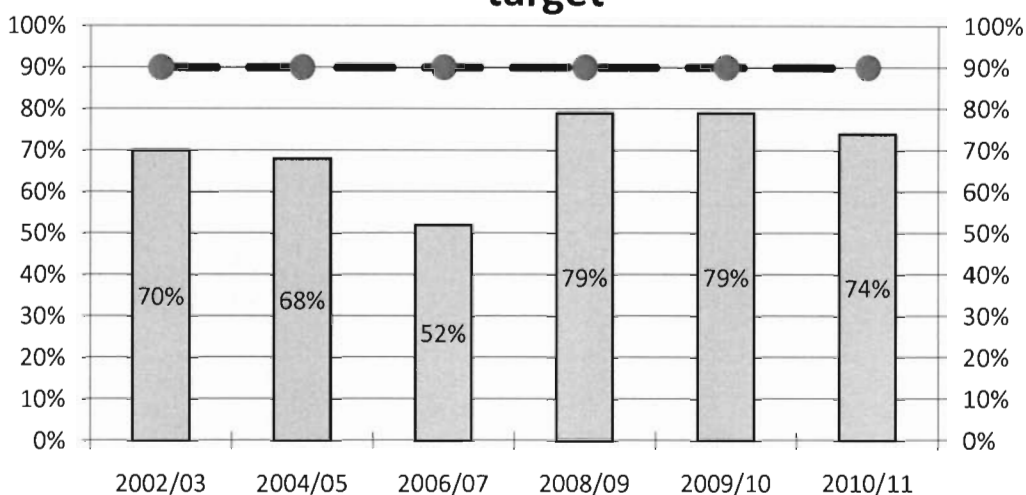
Performance Measure 10 – Odour and noise at transfer stations

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Transfer stations are clean, safe and tidy.	Number of complaints/year relating to noise and smell.	Less than 5	Achieved. No complaints were received during the year.

Performance Measure 11 – Customer satisfaction with kerbside collection

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Bins are emptied on scheduled days, and left tidily on the kerbside.	% of customers satisfied with solid waste collection services.	90%	Not achieved. 74% of customers were reported as being satisfied with solid waste collection services with 7% not satisfied and 19% not knowing.

Satisfaction with Kerbside Collection against target



Performance Measure 12 – Refuse diversion

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Lessen the impact of waste on the environment.	Total refuse volumes diverted from the landfill each year.	>30%	Not achieved due to lower than expected final recycling and greenwaste volumes. Refuse diverted from the landfill was 27.99% for the year. The figure includes recycling and greenwaste, and residual waste from the sorting of recycling has been deducted.

Performance Measure 13 – Central landfill

Level of Service	Performance Measure	Target 2010/11	For the year ended 30 June 2011
Lessen the impact of waste on the environment.	% compliance for Central landfill meeting all environmental standards (resource consent conditions).	100%	Achieved. Our monitoring shows 100% compliance for the year as monitored by the Taranaki Regional Council.

Performance Measure 14 – Capital projects for Solid Waste

Target: 100% of Capital Projects are completed within budget and timeframe.

There were no capital expenditure projects budgeted for this activity.

Financial Summary

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
Income and Expenditure by Activity			
Solid Waste Disposal			
1,823	Expenditure	1,781	1,759
1,012	Income	859	850
(811)	Net Cost of Solid Waste Disposal	(922)	(909)
Solid Waste Collection			
1,557	Expenditure	1,508	1,659
1,455	Income	1,623	1,659
(102)	Net Cost of Solid Waste Collection	115	0
Wastewater			
4,398	Expenditure	5,033	4,573
4,396	Income	3,541	3,563
(2)	Net Cost of Wastewater	(1,492)	(1,010)
Total Activity			
7,778	Expenditure	8,322	7,991
6,863	Income	6,023	6,072
(915)	Net Cost of Services - Surplus/(Deficit)	(2,299)	(1,919)
Expenditure			
920	Reallocated Overheads	926	995
3947	Direct Costs	4,049	3,974
1351	Interest Paid	1,377	1,359
1560	Depreciation and Amortisation	1,970	1,663
7,778	Total Activity Expenditure	8,322	7,991
5,019	Capital Expenditure	1,134	668
(36)	Less Non Funded Depreciation	(33)	(98)
150	Loan Principal	150	729
12,911	Total Expenditure	9,573	9,290
Funded By			
0	Grants and Subsidies	0	0
4,188	Targeted Rates	4,644	4,643
1,043	User Fees and Charges	874	920
0	Interest Received	0	0
473	Sundry Revenue	505	509
1,159	Capital Contribution	0	0
0	Vested Assets	0	0
6,863	Total Activity Income	6,023	6,072

Council 2010 \$000	Description	Council 2011 \$000	Budget 2011 \$000
892	General Rates and Revenues	897	900
1,644	Transfers from/(to) Capital Replacement Reserves	1,565	1,651
3,461	Loans for Capital Expenditure	0	667
64	Transfers from/(to) Other Reserves	0	0
(13)	Transfers from/(to) Operating Balances	1,088	0
12,911	Total Funding	9,573	9,290

Explanation of Significant Operating Variances

The operating expenses are over spent due to actual depreciation being higher than budgeted.

Explanation of Significant Capital Expenditure Variances

The capital expenditure is higher as a result of carry over of projects from 2009/10.

Statement of Accounting Policies

For the year ended 30 June 2011

Entity Statement

South Taranaki District Council (the Council) is a territorial local authority governed by the Local Government Act 2002. The primary objective of the South Taranaki District Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself and the group as a public benefit entity for the purpose of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"). The consolidated financial statements are for the Council and its subsidiary, Novus Contracting Limited (100% owned). The Council and all related entities are domiciled and incorporated, where applicable, in New Zealand. The financial statements are for the year ended 30 June 2011. The financial statements were authorised by Council on 26 October 2011.

Statement of Compliance and Basis of Preparation

The financial statements have been prepared to comply with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, and certain financial instruments (including derivative instruments) except for assets and liabilities which are recorded at fair value. These are detailed in the specific policies below.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Council and group is New Zealand dollars.

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

The Council and group has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

- NZ IAS 1 *Presentation of Financial Statements (Revised 2007)* replaces NZ IAS 1 *Presentation of Financial Statements (Issued 2004)*. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The Council and group has decided to prepare a single statement of comprehensive income for the year ended 30 June 2011 under the revised standard. Financial statement information for the year ended 30 June 2010 has been restated accordingly. Items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.
- Amendments to NZ IFRS 7 *Financial Instruments: Disclosures*. The amendments introduce a three-level fair value disclosure hierarchy that distinguishes fair value measurements by the significance of valuation inputs used. A maturity analysis of financial assets is also required to be prepared if this information is necessary to enable users of the financial statements to evaluate the nature and extent of liquidity risk. The transitional provisions of the amendment do not require disclosure of comparative information in the first year of application. The Council and group has elected to disclose comparative information.
- NZ IAS 24 *Related Party Disclosures (Revised 2009)* replaces NZ IAS 24 *Related Party Disclosures (Issued 2004)*. The revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. The Council and group has elected to early adopt the revised standard and its effect has been to disclose further information about commitments between related parties.

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council and group, are:

- NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. The South Taranaki District Council has not yet assessed the effect of the new standard and expects it will not be early adopted.

Specific Accounting Policies

The following accounting policies, which materially affect the measurement of results and financial position, have been applied.

1. Consolidation of Subsidiaries

Subsidiaries are all entities over which Council has the power to govern the financial and operating policies, generally with more than fifty percent of the voting rights. Novus Contracting Limited has been consolidated using the purchase method, the company is inactive. The purchase method is used to consolidate subsidiaries and controlled entities. This method involves adding together corresponding assets, liabilities, revenues and expenses on a line-by-line basis. All significant inter-entity transactions have been eliminated.

2. Budgets

The budget figures are those approved by the Council in its 2009-2019 Long-Term Council Community Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

3. Revenue

- Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates revenue collected on behalf of the Taranaki Regional Council is not recognised in the financial statements, apart from the statement of cash flows, as South Taranaki is acting as an agent for the Regional Council.
- Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Government grants and subsidies are recognised upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled. The Council receives government grants from New Zealand Transport Agency, which subsidises part of the cost of maintaining the local roading infrastructure.
- Revenue from other services is recognised when the services have been rendered to a third party.
- Sales of goods are recognised when goods are delivered.
- Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.
- Dividends are recognised when the shareholders' rights to receive payment have been established and are recognised, net of imputation credits.
- Other grants, bequests and assets vested in the Council are recognised when control over the asset is obtained.
- Capital contributions for assets are recognised as revenue when received. Vested assets are recognised as revenue at the fair value of the assets at the time of vesting.

4. Allocation of overheads

All support centre costs are passed onto activity centres as overheads using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers, and floor area.

5. Foreign currency - exchange differences

Foreign currency transactions have been converted into New Zealand dollars at the rate of exchange at the date of the transaction. Gains or losses on exchange have been recognised in the Statement of Financial Performance.

6. Goods and service tax (GST)

GST has been excluded from all items in the financial statements except accounts receivable and accounts payable. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

7. Income tax

Income tax expense is charged in the Statement of Financial Performance in respect of the current year's surplus after allowance for permanent differences.

Deferred taxation is the amount of income taxes payable (or receivable) in future years in respect of temporary differences (i.e. where the accounting treatment differs from the Inland Revenue Department's requirements). Deferred taxation is determined using the full provision method. Deferred tax assets are only recognised when recovery is probable.

8. Financial instruments

South Taranaki undertakes financial instrument arrangements as part of normal operations. These financial instruments include cash and bank balances, investments, receivables, payables and borrowings. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance. Interest rate swaps are entered into to hedge against and manage exposure to risk on debt.

Financial Assets

Financial Assets are initially measured at fair value plus transaction costs unless they are carried at fair value through the surplus or deficit in which case the transaction costs are recognised in the Statement of Financial Performance.

Purchases and sales of investments are recognised on trade-date, the date on which there is a commitment to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the transfer substantial all risks and rewards is completed.

The fair value of financial instruments traded in active markets is based on quoted market prices at balance date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. A variety of methods and assumptions are used 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 discounted cash flows, are used to determine fair value for the remaining financial instruments.

Financial assets are classified into four categories:

a. Financial assets at fair value through surplus or deficit:

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. After initial recognition they are measured at their fair values. Gains or losses on remeasurement are recognised in the Statement of Financial Performance.

b. Loans and receivables:

These are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Financial Performance. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

c. Held to maturity investments:

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that South Taranaki has the positive intention and ability to hold to maturity. After initial recognition they are measured at amortised cost using the effective interest rate method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Financial Performance.

Investments in this category include Term deposits, Investments in local authority and Government stock.

d. Financial assets at fair value through other comprehensive income:

Financial asset at fair value through other comprehensive income are those that are designated as fair value through other comprehensive income or are not classified in any of the other three categories above. This category includes investments that are held long-term but which may be realised before maturity; and shareholdings that are held for strategic purposes. Investments in its subsidiary are not included in this category as they are held at cost. Gains and losses are recognised in other comprehensive income except for losses, which are recognised in the comprehensive income statement. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in the comprehensive income statement even though the asset has not been derecognised. On de-recognition the cumulative gain or loss previously recognised in other comprehensive income statement is recognised in the comprehensive income statement.

Impairment of financial assets

At each balance date South Taranaki assess whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the comprehensive income statement noted for receivables this is included under receivables but its not included for held to maturity assets for fair value through comprehensive income.

Derivative financial instruments and hedging activities

The South Taranaki District Council uses derivative financial instruments to hedge its exposure to interest rate risks arising from operational, financing and investment activities. In accordance with the treasury policies of the respective group entities, the South Taranaki District Council does not hold or issue derivative financial instruments for trading purposes. However, derivatives are accounted for as trading instruments. Derivative financial instruments are recognised initially at fair value and subsequently at fair value. The gain or loss on re-measurement to fair value is recognised immediately in the comprehensive income statement. The fair value of interest rate swaps is the estimated amount that would be received or would pay to terminate the swap at the balance date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

9. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with the original maturities of three months or less. It includes all funds held for the day-to-day management of the Council and does not include funds set aside for specific purposes (eg Reserve Funds).

10. Accounts receivable

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of accounts receivable 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 the agreement. The amount of the provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

11. Inventories

Inventories are valued at the lower of cost (determined on a first-in first-out basis) and net realisable value. This valuation includes allowances for slow moving and obsolete inventories.

12. Investments

- Investments in bank deposits are recognised at cost plus accrued interest. This is considered fair value.
- Long term receivables and advances are recognised at cost plus accrued interest.
- Investments in associates are recognised at cost.
- The Council's interest in the Joint Wanganui District Council's Forestry Committee is valued at fair value, using the discounted cash flow method. Movements in fair value will be taken through other comprehensive income.
- The Council has investments including The Long Term Investment Fund, other investments and shares. Where there is an active market, fair value is determined by reference to published prices. Otherwise fair value is determined by using a variety of valuation techniques. Movements in fair value for the Long Term Investment Fund will be taken through the surplus or deficit. Movements in fair value for other investments and shares will be taken through other comprehensive income.

13. Property, plant and equipment

- Property, plant and equipment consists of operational assets, restricted assets and infrastructure assets.
- All assets are recorded at cost or valuation less accumulated depreciation (with the exception of land which is not depreciated).
- For those assets that are revalued, the change in valuation is credited or debited to the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed and recognised in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset. Additions subsequent to revaluations are recorded at cost.
- Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amount included in asset revaluation reserves in respect of those assets is transferred to retained earnings.

Operational assets

- These include land, buildings, motor vehicles, plant and equipment and library books.
- Land and buildings are valued at fair value, as determined from market based evidence, by Kerry Stewart Registered Valuer (FNZIV FPINZ) of Darroch at 30 June 2011. The previous valuation carried out at 30 June 2007 and the valuation carried out at 30 June 2004 was considered deemed cost at the date of transition to NZ IFRS. Valuations are generally carried out on a five-yearly cycle unless market conditions require otherwise.
- Motor vehicles, library books and plant and equipment are valued at cost less accumulated depreciation.

Restricted assets

- These are assets owned by the Council that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.
- Land and buildings are valued at fair value, as determined from market based evidence, by Kerry Stewart Registered Valuer (FNZIV FPINZ) of Darroch, Registered Valuers, as at 30 June 2011. The previous valuation carried out at 30 June 2007 and the valuation carried out at 30 June 2004 was considered deemed cost at the date of transition to NZ IFRS. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise.
- Parks and Recreation Assets were valued at optimised depreciated replacement cost by Ian Martin - Principal Consultant (BSc, BE(Hons), CPEng, CEng, MIPENZ, MCIWEM) and Jinsong Chen – Asset Management Consultant (ME (Civil), MBA, QS, Economist) both of Aecom NZ Ltd as at 30 June 2011. The assumptions used are based on the fixed asset policies, statistical analysis and other indices such as Statistics New Zealand and Capital Goods Price Indices. The valuation was performed during May to September 2011. Valuations are carried out on a three-yearly cycle.
- Heritage and Cultural Assets were valued at fair value by Ian J Burgess, Registered Valuer, Quotable Value New Zealand Limited, as at 1 July 2001. This is considered deemed cost.

Infrastructural assets

- These are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function.
- Infrastructural assets (excluding land) have all been valued at optimised depreciated replacement cost by Ian Martin - Principal Consultant (BSc, BE(Hons), CPEng, CEng, MIPENZ, MCIWEM) – Aecom NZ Ltd as at 30 June 2011. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise.
- Infrastructural land under Roads was valued at market value by K Stewart Registered Valuer (FNZIV FPINZ) of Darroch as at 30 June 2011. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise.
- Certain infrastructural assets and land have been vested in the Council as part of the subdivisional consent process. The vested asset has been valued at the latest appropriately certified government valuation or at a mutually agreed market value or at a value determined through arbitration. Vested infrastructural assets have been based on the actual quantities of infrastructural components vested and current “in the ground” cost of providing identical services.
- All other assets are valued at historical cost less accumulated depreciation.

14. Depreciation

Depreciation rates for fixed assets are outlined below.

Operational assets

Depreciation rates for Operational Assets are based on a straight line basis.

Buildings	1.11 - 6.67%
Motor Vehicles	12.50 - 20.00%
Plant and Equipment	6.67 - 20.00%
Information Systems Equipment	25.00%
Library Books	10.00 - 20.00%
Furniture and Fittings	20.00%
Office Equipment	10.00% - 33.33%

Infrastructural assets

Roading

Provision has been made for depreciation of those significant components of the roading asset, based on their remaining lives.

The significant component depreciation rates are as follows:

Traffic Facilities, Signs and Markings	7 - 60 years	1.60 - 15.00%
Bridges	50 - 100 years	1.00 - 2.00%
Footpaths	5 - 50 years	2.00 - 20.00%
Pavement Surfacing	8 - 16 years	6.25 - 12.50%
Drainage and Culverts	40 - 100 years	1.00% - 2.50%
Roading Basecourse	30 - 80 years	1.25% - 3.33%

Water, sewerage and stormwater reticulation systems

Provision has been made for depreciation of components of the assets based on their remaining life.

Water Reticulation	35 - 100 years	1.00 - 2.90%
Water Treatment Plants	10 - 100 years	1.00 - 10.00%
Sewerage Reticulation	50 - 100 years	1.00 - 2.00%
Sewerage Treatment Plants	10 - 100 years	1.00 - 10.00%
Stormwater Pipes	50 - 100 years	1.00 - 2.00%

Restricted assets

Heritage and cultural assets

Provision has been made for depreciation of components of the assets based on their remaining life.

5 - 250 years	0.40 - 20%
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Parks and recreation assets

Provision has been made for depreciation of components of the assets based on their remaining life.

2 - 100 years	1.00 - 50%
---------------	------------

Assets under construction

Assets under construction are not depreciated. All costs are initially capitalised as work in progress. On completion, the cost is transferred to the relevant asset class and is then depreciated.

15. Intangible assets

- The Council has entered into an agreement with Fonterra for the disposal of effluent via the company's outfall. This has been recorded at cost and is amortised on a straight line basis over the life of the agreement (16 years).
- Software licences are recognised at cost and amortised on a straight line basis over the life of the licence (two to five years).

16. Impairment of assets

At each balance date the Council assesses whether there is any objective evidence that any asset has been impaired. Any impairment losses are recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that asset class of asset was previously recognised in the surplus or deficit, a reversal in the impairment loss is also recognised in the surplus or deficit.

17. Financial liabilities

Financial liabilities (creditors, income in advance, loans, bonds and deposits) are initially recognised at fair value. These are subsequently recognised at amortised cost.

The South Taranaki District Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event and it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount 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 and is included in "finance costs".

18. Employee entitlements

Provision is made for employee benefits accumulating as a result of services rendered.

Provision is made in respect of the Council's liability for annual leave and sick leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay, while other provisions have been calculated on an actuarial basis at current rates of pay.

19. Landfill post-closure costs

- As operator of the district landfills, the Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.
- The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including legal requirements, known improvements in technology and all other costs associated with landfill post-closure.
- Amounts provided for landfill post-disclosure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.
- The estimated length of time needed for post-closure care is an additional 30 years for the Hawera Landfill and three years for Opunake, Eltham, Patea, Waverley, Waiinu and Manaia landfills as at 30 June 2011.
- The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to the Council.
- The estimate of the remaining period for pre-closure costs was calculated as per the resource consent from TRC and the engineering team at the Council.

20. Community loans

The Council has acted as guarantor for a number of sports clubs. These are valued in the Council's financial statements at fair value, taking into account the likelihood of the Council being required to make payment on these loans.

21. Public equity

Public equity is the community's interest in the Council, as measured by the value of total assets less total liabilities. Equity is disaggregated and classified to enable a clearer identification of the various components:

- Accumulated balances comprise accumulated surpluses over the years.
- Restricted and Statutory Reserves are those funds subject to external restrictions accepted as binding by the Council, which may not be revised by the Council without reference to the courts or a third party.
- Investment Revaluation Reserves comprise accumulated valuation increments.
- Asset Revaluation Reserves comprise accumulated revaluation increments.

22. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the period in which they are incurred. The assets under operating leases revert back to the lessor at the end of the lease period. The Council does not have the option to purchase the asset at the end of the lease term.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period the Council is expected to benefit from their use. The finance cost is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

23. Statement of cash flows

- Cash means cash balances on hand, held in bank accounts, deposits on demand and other highly liquid investments in which the Council invests as part of its day-to-day cash management.
- Operating Activities include cash received from all income sources and record the payments made for the supply of goods and services. Agency transactions (for example, the collection of regional council rates) are recognised as receipts and payments in the statement of cash flows given that they flow through the Council's main bank account.
- Investing Activities are those activities relating to the acquisition and disposal of non-current assets.
- Financing Activities comprise activities that change the equity and debt capital structure of the Council.

24. Critical accounting estimates and assumptions

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. These estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

Infrastructural assets

There are a number of assumptions and estimates used when performing the depreciated replacement cost valuation. These include:

- The physical deterioration and condition of an asset. This is mainly for the assets that are not visible (eg underground utilities). There are ongoing physical inspections and condition modelling assessments to improve information on these assets.
- Estimating any obsolescence or surplus capacity of any asset.
- Estimates are made determining the remaining useful lives over which the assets will be depreciated. Published guidelines, component design lives and local conditions have been used to assist with the estimation of the remaining useful lives.

Critical judgements in applying accounting policies

Management has consistently applied the Council's accounting policies for the period ended 30 June 2011 and has not been required to exercise critical judgement in implementing these policies beyond what would be expected on a normal day to day basis.

25. Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

- The Council has not capitalised borrowing costs associated with funding capital works in progress, which represents a departure from the treatment required under NZ IAS 23: Borrowing Costs. However it is in line with the decision of the Accounting Standards Review Board to indefinitely defer the adoption of NZ IAS 23 for public benefit entities.

Statement of Financial Performance

For the year ended 30 June 2011

The Income Statement details the income and expenditure relating to all activities of the Council. The supporting operating statements for each significant activity provide further detail as to the costs and revenue of each activity.

Council 2010 \$000	Consolidated 2010 \$000		Note	Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
		Income	1			
27,769	27,769	Rates Income		30,791	31,607	30,791
16,782	16,782	Other Income		14,918	17,067	14,918
7,863	7,863	Financial Income		12,362	8,148	12,362
0	0	Other Gains		0	0	0
52,414	52,414	Total Income		58,071	56,822	58,071
		Expenditure	2			
2,312	2,312	Democratic Process		1,882	1,945	1,882
3,463	3,463	Cultural Services		3,394	3,255	3,394
6,082	6,082	Recreation & Leisure		7,656	7,726	7,656
2,029	2,029	District Economy		2,002	1,808	2,002
1,328	1,328	Community & Social Development		1,242	1,429	1,242
5,492	5,492	Enviromental & Development		3,250	2,889	3,250
8,687	8,687	Water Supply Services		8,971	10,922	8,971
13,375	13,375	Roading & Stormwater Network		15,383	13,943	15,383
7,778	7,778	Waste Services		8,322	7,991	8,322
3,476	3,476	Other Expenses*		3,023	36	3,023
(1,228)	(1,228)	Less Internal Interest		(1,199)	0	(1,199)
52,794	52,794	Total Expenditure		53,926	51,944	53,926
(380)	(380)	Surplus Operating (Deficit) before Tax		4,145	4,878	4,145
		Taxation	3			
(380)	(380)	Suplus Operating (Deficit) after Tax		4,145	4,878	4,145

Explanation of Net Surplus

The Council made a net Operating Surplus \$4,145,000 against a budgeted surplus of \$4,878,000. An explanation of this variance is detailed in the financial commentary.

*Other Expenses includes loss on disposal of assets, loss on derivatives and provision for doubtful debts.

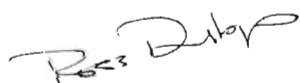
The financial statements should be read in conjunction with the notes and policies and the financial commentary on Pages 10-12.

Statement of Financial Position

For the year ended 30 June 2011

Council 2010 \$000	Consolidated 2010 \$000	Description	Note	Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
Current Assets						
504	504	Cash and Cash Equivalents	4	3,373	286	3,373
7,240	7,240	Accounts Receivable	5	5,686	5,468	5,686
8	8	Derivative Financial Instruments	24	114	0	114
238	238	Prepayments		323	0	323
66,793	66,793	Current Portion of Investments	6	75,056	0	75,056
161	161	Stocks	7	190	0	190
74,944	74,944	Total Current Assets		84,742	5,754	84,742
Non Current Assets						
13,761	13,761	Investments	6	13,309	98,240	13,309
704,141	704,141	Property, Plant and Equipment	8	770,463	761,376	770,463
1,924	1,924	Intangible Assets	9	1,564	1,091	1,564
719,826	719,826	Total Non Current Assets		785,336	860,707	785,336
794,770	794,770	Total Assets		870,078	866,461	870,078
Current Liabilities						
8,051	8,051	Accounts Payable	10	6,248	4,146	6,248
714	714	Employee Entitlements	11	678	753	678
721	721	Income Received in Advance		674	0	674
46	46	Derivative Financial Instruments	24	90	0	90
35,061	35,061	Current Portion of Term Liabilities	13	25,099	2,521	25,099
4	4	Current Landfill Aftercare Provision	12	8	0	8
44,597	44,597	Total Current Liabilities		32,797	7,420	32,797
Non Current Liabilities						
39,048	39,048	Term Liabilities	13	57,055	100,506	57,055
1,078	1,078	Derivative Financial Instruments	24	1,318	0	1,318
23	23	Non-Current Landfill Aftercare Provision	12	22	0	22
40,149	40,149	Total Non Current Liabilities		58,395	100,506	58,395
710,024	710,024	Total Assets Less Liabilities		778,886	758,535	778,886
Total Equity						
528,751	528,751	Accumulated Balances	14	532,814	537,879	532,814
2,342	2,342	Restricted and Statutory Reserves	14	2,424	0	2,424
42	42	Investment Revaluation Reserves	14	(16)	0	(16)
178,889	178,889	Asset Revaluation Reserves	14	243,664	207,972	243,664
710,024	710,024	Total Equity		778,886	745,851	778,886

The Annual Report and associated Audit Report were considered and adopted at a meeting of the South Taranaki District Council on 26 October 2011.



Ross Dunlop
Mayor



Craig Stevenson
Chief Executive

The financial statements should be read in conjunction with the notes and policies and the financial commentary on Pages 10-12.

Statement of Changes in Equity

For the year ended 30 June 2011

Council 2010 \$000	Consolidated 2010 \$000	Note	Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
710,399	710,399		710,024	732,161	710,024
(375)	(375)		68,862	13,690	68,862
710,024	710,024		778,886	745,851	778,886
(375)	(375)	South Taranaki District Council	68,862	13,690	68,862
(375)	(375)	Total comprehensive income	68,862	13,690	68,862

Comprehensive Income Statement

For the year ended 30 June 2011

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
		Income			
15,958	15,958	General Rates	16,914	16,960	16,914
11,657	11,657	Targeted Rates	13,724	14,502	13,724
154	154	Penalties	153	145	153
1,232	1,232	Sundry Revenue	1,131	949	1,131
9,024	9,024	Opnl Grants & Subsidies	7,379	6,960	7,379
1,554	1,554	Cptl Cntrbtns and vested assets	1,199	5,293	1,199
4,972	4,972	Other Income	5,103	3,865	5,103
7,863	7,863	Financial Income	12,362	8,148	12,362
0	0	Gain on Derivative Contract	106	0	106
52,414	52,414	Total Income	58,071	56,822	58,071
		Expenditure			
36,117	36,117	Other Costs	35,020	32,312	35,020
3,822	3,822	Interest	4,938	6,781	4,938
11,626	11,626	Depreciation	13,684	12,851	13,684
1,229	1,229	Loss on Derivative Contract	284	0	284
52,794	52,794	Total Expenditure	53,926	51,944	53,926
(380)	(380)	Operating Surplus/(Deficit) Before Tax	4,145	4,878	4,145
(380)	(380)	Net Cost of Service - Surplus/(Deficit)	4,145	4,878	4,145
		Other Comprehensive Income			
5	5	Increase (Decrease) in Revaluation Reserves	(58)	0	(58)
0	0	Gain on Asset Revaluation	64,775	8,812	64,775
(375)	(375)	Total Comprehensive Income for the year	68,862	13,690	68,862

The financial statements should be read in conjunction with the notes and policies and the financial commentary on Pages 10-12.

Statement of Cashflow

For the year ended 30 June 2011

Council 2010 \$000	Consolidated 2010 \$000	Note	Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
Cash Flows From Operating Activities					
Cash was provided from:					
23,272	23,272	Rates	27,689	30,776	27,689
5	5	Dividends	0	0	0
820	820	Interest on Investments	402	5,645	402
22,210	22,210	Other Revenue	34,317	17,459	34,317
1,776	1,776	Regional Council Rates	2,015	2,030	2,015
Cash was applied to:					
(36,864)	(36,864)	Payments to Suppliers & Employees	(33,994)	(32,367)	(33,994)
(3,822)	(3,822)	Interest paid on Term Debt	(4,938)	(6,781)	(4,938)
(213)	(213)	Net GST paid to/from IRD	(87)	0	(87)
(1,740)	(1,740)	Rates paid to Regional Council	(2,015)	(2,030)	(2,015)
5,444	5,444	Net Cash From Operating Activities	23,389	14,732	23,389
Cash Flows From Investing Activities					
Cash was provided from:					
266	266	Proceeds from Sale of Property, Plant and Equipment	278	0	278
0	0	Net cash inflow from investment	0	0	0
Cash was applied to:					
(11,342)	(11,342)	Net cash outflow to investments	(11,609)	0	(11,609)
(35,605)	(35,605)	Purchase of Property, Plant and Equipment	(15,790)	(18,610)	(15,790)
0	(0)	Purchase and Development of Intangible	0	0	0
(46,681)	(46,681)	Net Cash From Investing Activities	(27,121)	(18,610)	(27,121)
Cash Flows From Financing Activities					
Cash was provided from:					
39,936	39,936	Loans Raised	6,601	9,903	6,601
Cash was applied to:					
(42)	(42)	Repayment of Debt	0	(4,376)	0
39,894	39,894	Net Cash From Financing Activities	6,601	5,527	6,601
(1,343)	(1,343)	Net Increase/(Decrease) In Cash Held	2,869	1,649	2,869
1,847	1,847	Total Cash Resources at 1 July	504	(1,363)	504
504	504	Total Cash Resources at 30 June	3,373	286	3,373
Made Up Of:					
504	504	Cash and Cash Equivalents	3,373	286	3,373

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The financial statements should be read in conjunction with the notes and policies and the financial commentary on Pages 10-12.

Notes to Financial Statements

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
Note 1 Income					
Rates Income					
15,958	15,958	General Rates and Rooding Targeted Rates	16,914	16,960	16,914
7,469	7,469	Water, Wasterwater, Kerbside Collection Targeted Rates	8,142	8,147	8,142
4,188	4,188	Water by Meter Rates	5,582	6,355	5,582
154	154	Penalties	153	145	153
<u>27,769</u>	<u>27,769</u>		<u>30,791</u>	<u>31,607</u>	<u>30,791</u>
0					
Other Income					
3,739	3,739	User Charges and Fees	3,887	3,645	3,887
9,024	9,024	Government Subsidies & Grants	7,379	6,960	7,379
1,232	1,232	Sundries	1,131	949	1,131
1,233	1,233	Donations and other Grants	1,216	4,405	1,216
0	0	Gain on Derivative	106	0	106
1,554	1,554	Capital Contributions and Vested Assets	1,199	1,108	1,199
<u>16,782</u>	<u>16,782</u>		<u>14,918</u>	<u>17,067</u>	<u>14,918</u>
0					
Financial Income					
5	5	Dividends - General	0	0	0
3	3	Interest - General	80	247	80
0	0	Dividends - Long Term Investment Fund	111	0	111
2,087	2,087	Earnings - Long Term Investment Fund	1,612	7,901	1,612
4,162	4,162	Capital Gains on Long Term Investment Fund	10,811	0	10,811
2,834	2,834	Foreign Exchange Gains (Losses) on LTIF	947	0	947
(1,228)	(1,228)	Less Internal Borrowing	(1,199)	0	(1,199)
<u>7,863</u>	<u>7,863</u>		<u>12,362</u>	<u>8,148</u>	<u>12,362</u>
0					
<u>52,414</u>	<u>52,414</u>	Total Income	<u>58,071</u>	<u>56,822</u>	<u>58,071</u>

*There are no other contingencies attached to the grant and subsidies recognised.

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Budget 2011 \$000	Consolidated 2011 \$000
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Rates Remissions

Rates Remissions have been netted off rates revenue above.

Councils Rate Remission Policy provides for rates to be remitted for the following purposes:

15	15	Rates on community halls	17		17
75	75	Rates for sporting, games, branches of the arts, community care and volunteer organisations	82		82
2	2	Rates on land protected for natural, historical or cultural conservation purposes	3		3
37	37	Uniform annual general charges on non-contiguous units owned by the same owner	44		44
116	116	Rates Penalties*	146		146
245	245	Total Rates Remitted	292	175	292

* Rates penalty remissions include penalties remitted for those that have made an arrangement to repay their outstanding rate debts through regular payments.

Note 2: Expenditure by Nature

		Personnel Costs			
9,014	9,014	Salary and Wages	9,492	9,647	9,492
(122)	(122)	Increase/(decrease) in employee entitlements	(36)	0	(36)
8,892	8,892		9,456	9,647	9,456
		Other Operating Expenses			
407	407	Remuneration to Electect Representatives	393	419	393
107	107	Audit Fees for Annual Report	113	110	113
0	0	Audit Fees for Ten Year Plan	0	0	0
659	659	Grants	665	436	665
158	158	Impairment of receivables	300	0	300
11,626	11,626	Depreciation and ammortisation expense	13,684	12,851	13,684
382	382	Fund Manager Fees	389	250	389
2,109	2,109	Loss on Disposal of Asset	1,761	0	1,761
463	463	Operating Lease payments	379	533	379
24,169	24,169	Other Operating Expenses	21,848	20,918	21,847
40,080	40,080		39,532	35,516	39,532
		Finance Costs			
3,822	3,822	Interest Expense	4,938	6,781	4,938
3,822	3,822		4,938	6,781	4,938
52,794	52,794	Total Expenditure	53,926	51,944	53,926

*Loss on disposal of assets mostly relates to the infrastructure assets.

*Remuneration also includes amounts paid to the Community Board members.

Council
2010
\$000

Consolidated
2010
\$000

Council
2011
\$000

Budget
2011
\$000

Consolidated
2011
\$000

Note 3: Income Tax

(380)	(380)	Net Surplus/(Deficit) before Taxation	4,145	4,878	4,145
(114)	(114)	Tax at 30%	1,244	1,366	1,244
		Plus/ (Less) Tax Effect of:			
122	122	Non-taxable income	(1,239)	(1,366)	(1,239)
(5)	(5)	Tax Loss not recognised	(5)	0	(5)
(3)	(3)	Prior period adjustment	0	0	0
0	0	Tax Expense for the Year	0	0	0
Comprising:					
0	0	Current Tax	0	0	0
0	0	Deferred tax	0	0	0
0	0	Deferred tax	0	0	0

The Council has unrecognised tax losses of \$688,811 (2010 \$683,601) with a tax effect of \$192,867 at 28% (2010 \$191,408 at 28%) available to carry forward to future income years.

The Group has unrecognised tax losses of \$2,509,147 (2010 \$2,503,937) with a tax effect of \$702,561 at 28% (2010 \$701,103 at 28%) available to carry forward to future income years.

Council
2010
\$000

Consolidated
2010
\$000

Council
2011
\$000

Consolidated
2011
\$000

Note 4: Cash and Cash Equivalents

3	3	Cash at bank and on hand	3	3
493	493	Westpac current account	265	265
0	0	Westpac on call account	0	0
0	0	TSB On call account	3,105	3,105
9	9	TSB Hub account	0	0
504	504		3,373	3,373

The carrying value of cash at bank short-term deposits with maturity dates of three months or less approximates their fair value.

Note 5: Accounts Receivable

736	736	Accruals and Sundries	1,822	1,822
4,152	4,152	General Debtors (Incl. Water)	1,941	1,941
1,243	1,243	Rate Arrears	1,196	1,196
875	875	Transfund New Zealand	602	602
473	473	Goods and Services Tax	665	665
(239)	(239)	Provision for Doubtful Debts	(540)	(540)
7,240	7,240		5,686	5,686

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
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Fair Value

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms, therefore the carrying value of debtors and other receivables approximate their fair value.

Impairment

The Council regularly reviews all debts to identify any areas of impairment, making provision as necessary. Council utilises a number of options to assist slow-paying debtors fulfil their obligations and debts are only written off when all avenues are exhausted.

The status of receivables as at 30 June 2011 and 2010 are detailed below:

5,937	5,937	Not past due	4,381	4,381
741	741	Past due 1-60 days	389	389
315	315	Past due 61 - 90 days	263	263
247	247	Past due > 90 days	653	653
7,240	7,240		5,686	5,686

Details of the Impairment Provision

The impairment provision has been calculated based on expected losses for the Council's pool of debtors.

Expected losses have been determined based on an analysis of the Council's losses in previous periods and the current provision has been estimated accordingly.

0	0	Individual Impairment	0	0
(239)	(239)	Collective Impairment	(539)	(539)
(239)	(239)	Total provision for impairment	(539)	(539)

Movements in the provision for impairment of receivables are as follows:

(181)	(181)	At 1 July	(239)	(239)
(158)	(158)	Additional provisions made during the year	(483)	(483)
0	0	Provisions reversed during the year		0
100	100	Receivables written-off during the period	183	183
(239)	(239)	At 30 June	(539)	(539)

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

Note 6: Investments

		Financial Assets		
		Current Portion		
668	668	Bonds with Maturities of less than 1 year	1,537	1,537
9,380	9,380	Cash & cash equivalents	9,678	9,678
10,096	10,096	Property	11,362	11,362
46,538	46,538	Equities	52,418	52,418
60	60	LTIF - South Taranaki Medical Trust Loan	60	60
0	0	Other amounts to / from LTIF	0	0
1	1	Rural Housing Loans	1	1
50	50	South Taranaki Muesum	0	0
66,793	66,793	Total Current Portion	75,056	75,056

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
		Non Current Portion		
4,506	4,506	NZ Bonds (Direct Holdings)	4,610	4,610
6,903	6,903	Global Bonds	6,533	6,533
1,140	1,140	LTIF - South Taranaki Medical Trust Loan	1,080	1,080
1	1	Rural Housing Loans	1	1
400	400	Opunake Artificial Reef Trust	400	400
811	811	Other Shares and Notes	685	685
13,761	13,761	Total Non Current Portion	13,309	13,309
80,554	80,554	Total Financial Assts	88,365	88,365

Maturity of Financial Assets

Cash and cash equivalents portion of Council's investments are available immediately and represents funds held for liquidity or funds awaiting reinvestment in other asset classes. The carrying value approximates their fair value.

Property and equities are invested through units in investment funds and can be readily liquidated and are thus classified as current. These funds are invested for the longer term. The carrying value approximates their fair value and is determined as per current market rate.

Bonds with maturities of less than 1 year represent direct holdings of bonds previously managed by ABN AMRO which are to mature in this financial year and a portion of the global bond portfolio. The carrying value approximates their fair value and is determined as per current market rate.

In 2005, the Council resolved to provide a first mortgage to South Taranaki Medical Trust. The loan is to be repaid by 2030. Payments have been made on schedule as per agreement and the interest is calculated on annual basis as per current interest rates.

Impairment

There were no impairment expenses or provisions for other financial assets. None of the financial assets are either past due or impaired.

Note 7: Stocks

		Held for Resale		
26	26	Information Centre Stock	28	28
9	9	New Zealand Post Stock	8	8
35	35		36	36
		Held for Business Contingency		
126	126	Infrastructure Stock	153	153
161	161	Total Stocks Held	189	189

No stocks are pledged as security for liabilities (2010 \$nil). However some stocks are subject to retention of title clause.

The carrying amount of stocks measured at current replacement costs as at 30 June 2011 amounted to \$nil (2010 \$nil).

There were no write-downs in value of any stocks held (2010 \$nil). Stocks held for resale turnover frequently while stocks held for business contingency are regularly assessed to ensure they still fit and are available for intended use would the need arise. Stocks are written down to fair value in the event of impairment.

Note 8: Property, Plant and Equipment

Council *	Cost/ Valuation 30/6/11 \$000	Accumulated Depreciation 30/6/11 \$000	Carrying Value 30/6/11 \$000	Cost/ Valuation 30/6/10 \$000	Accumulated Depreciation 30/6/10 \$000	Carrying Value 30/6/10 \$000
Operational Assets						
Buildings	44,277	0	44,277	46,140	(3,280)	42,860
Land	8,974	0	8,974	8,714	0	8,714
Furniture and Fittings	161	(94)	67	161	(80)	81
Information Systems	2,203	(1,780)	423	2,196	(1,554)	642
Library Books	1,804	(1,123)	681	1,724	(1,117)	607
Office Equipment	228	(175)	53	228	(150)	78
Leased Office Equipment	228	(164)	64	228	(118)	110
Motor Vehicles	368	(311)	57	363	(296)	67
Plant and Equipment	1,154	(969)	185	1,136	(917)	219
Mobile Garbage Bins	0	0	0	0	0	0
Landfills	48	(48)	0	48	(48)	0
Work in Progress	2,121	0	2,121	1,629	0	1,629
Total Operational Assets	61,566	(4,664)	56,902	62,567	(7,560)	55,007
Restricted Assets						
Parks and Recreation	3,793	0	3,793	4,683	(435)	4,248
Heritage and Cultural	1,416	(346)	1,070	1,416	(252)	1,164
Land	46,026	0	46,026	40,166	0	40,166
Work in Progress	462	0	462	295	0	295
Total Restricted Assets	51,697	(346)	51,351	46,560	(687)	45,873
Infrastructural Assets						
Land Under Roads	81,753	0	81,753	81,038	0	81,038
Bridges	36,523	0	36,523	32,637	(1,154)	31,483
Roading	349,635	0	349,635	319,039	(8,797)	310,242
Wastewater	51,197	0	51,197	53,536	(2,725)	50,811
Water Reticulation	105,688	0	105,688	100,263	(4,557)	95,706
Stormwater	21,253	0	21,253	21,885	(776)	21,109
Work in Progress	16,161	0	16,161	12,872	0	12,872
Total Infrastructural Assets	662,210	0	662,210	621,270	(18,009)	603,261
Total Fixed Assets	775,473	(5,010)	770,463	730,397	(26,256)	704,141

* NOTE: Consolidated figures same as for the Council.

MOVEMENTS 2011

	Carrying Value 1/7/10 \$000	Additions \$000	Disposal \$000	Other Adjustments \$000	Depreciation \$000	Carrying Value 30/6/11 \$000
Operational Assets						
Buildings	42,860	1,605	(266)	1,728	(1,650)	44,277
Land	8,714	0	0	260	0	8,974
Furniture and Fittings	81	0	0	0	(14)	67
Information Systems	642	41	(34)	0	(226)	423
Library Books	607	189	(109)	0	(6)	681
Office Equipment	78	0	0	0	(25)	53
Leased Office Equipment	110	0	0	0	(46)	64
Motor Vehicles	67	5	0	0	(15)	57
Plant and Equipment	219	20	0	0	(51)	185
Mobile Garbage Bins	0	0	0	0	0	0
Landfills	0	0	0	0	0	0
Work in Progress	1,629	2,637	(1)	(2,145)	0	2,121
Total Operational Assets	55,007	4,497	(410)	(157)	(2,033)	56,902
Restricted Assets						
Parks and Recreation	4,248	548	0	(740)	(263)	3,793
Heritage and Cultural	1,164	0	0	0	(94)	1,070
Land	40,166	0	(111)	5,971	0	46,026
Work in Progress	295	519	0	(352)	0	462
Total Restricted Assets	45,873	1,067	(111)	4,879	(357)	51,351
Infrastructural Assets						
Land Under Roads	81,038	0	0	715	0	81,753
Bridges	31,483	0	0	5,672	(632)	36,523
Roading	310,242	6,849	0	37,839	(5,295)	349,635
Wastewater	50,811	593	(760)	2,299	(1,746)	51,197
Water Reticulation	95,706	1,763	(613)	11,284	(2,452)	105,688
Stormwater	21,109	48	(326)	860	(438)	21,253
Work in Progress	12,872	12,634	0	(9,345)	0	16,161
Total Infrastructural Assets	603,261	21,887	(1,699)	49,323	(10,563)	662,210
Total Fixed Assets	704,141	27,451	(2,220)	54,045	(12,953)	770,463

MOVEMENTS 2010

	Carrying Value 1/7/09 \$000	Additions \$000	Disposal \$000	Other adjustments \$000	Depreciation \$000	Carrying Value 30/6/10 \$000
Operational Assets						
Buildings	23,213	21,098	(290)	(9)	(1,152)	42,860
Land	8,452	262	0	0	0	8,714
Furniture and Fittings	70	28	0	0	(17)	81
Information Systems	723	203	(234)	(20)	(30)	642
Library Books	537	169	0	0	(99)	607
Office Equipment	70	32	0	0	(24)	78
Leased Office Equipment	156	0	0	0	(46)	110
Motor Vehicles	83	0	0	0	(16)	67
Plant and Equipment	217	50	0	0	(48)	219
Mobile Garbage Bins	0	0	0	0	0	0
Landfills	0	0	0	0	0	0
Work in Progress	12,377	9,383	0	(20,131)	0	1,629
Total Operational Assets	45,898	31,225	(524)	(20,160)	(1,432)	55,007
Restricted Assets						
Parks and Recreation	4,064	432	0	0	(248)	4,248
Heritage and Cultural	1,210	0	0	0	(46)	1,164
Land	40,337	9	(180)	0	0	40,166
Work in Progress	4,546	1,014	0	(5,265)	0	295
Total Restricted Assets	50,157	1,455	(180)	(5,265)	(294)	45,873
Infrastructural Assets						
Land Under Roads	81,038	0	0	0	0	81,038
Bridges	31,858	265	(97)	0	(543)	31,483
Roading	307,360	7,154	0	77	(4,349)	310,242
Wastewater	43,868	8,694	(427)	47	(1,371)	50,811
Water Reticulation	77,413	22,359	(1,771)	27	(2,322)	95,706
Stormwater	21,065	408	0	24	(388)	21,109
Work in Progress	23,968	25,208	0	(36,304)	0	12,872
Total Infrastructural Assets	586,571	64,088	(2,295)	(36,129)	(8,973)	603,261
Total Fixed Assets	682,625	96,768	(2,999)	(61,554)	(10,699)	704,141

Council
2010
\$000

Consolidated
2010
\$000

Council
2011
\$000

Consolidated
2011
\$000

Note 9: Intangible Assets

Acquired Computer Software

	Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
Balance 1 July					
	1,645	1,645	Cost	2,187	2,187
	(550)	(550)	Accumulated amortisation and impairment	(729)	(729)
	<u>1,095</u>	<u>1,095</u>	Carrying value 1 July	<u>1,458</u>	<u>1,458</u>
	542	542	Additions	23	23
	(179)	(179)	Amortisation charge	(282)	(282)
Closing Balance					
	2,187	2,187	Cost	2,210	2,210
	(729)	(729)	Accumulated amortisation and impairment	(1,011)	(1,011)
	<u>1,458</u>	<u>1,458</u>	Carrying value 30 June	<u>1,199</u>	<u>1,199</u>

Fonterra Outfall - use rights

Balance 1 July					
	1,320	1,320	Cost	1,320	1,320
	(753)	(753)	Accumulated amortisation and impairment	(854)	(854)
	<u>567</u>	<u>567</u>	Carrying value 1 July	<u>466</u>	<u>466</u>
	0	0	Additions	0	0
	(101)	(101)	Amortisation charge	(100)	(100)
Closing Balance					
	1,320	1,320	Cost	1,320	1,320
	(854)	(854)	Accumulated amortisation and impairment	(954)	(954)
	<u>466</u>	<u>466</u>	Carrying value 30 June	<u>366</u>	<u>366</u>
	<u>1,924</u>	<u>1,924</u>	Total Intangible Assets	<u>1,564</u>	<u>1,564</u>

Council
2010
\$000

Consolidated
2010
\$000

Council
2011
\$000

Consolidated
2011
\$000

Note 10: Accounts Payable

4,901	4,901	Trade Liabilities	3,895	3,895
755	755	Accrued expenses and other payables	887	887
(76)	(76)	Accrued salaries and wages	(37)	(37)
2,471	2,471	Bonds and Deposits	1,503	1,503
<u>8,051</u>	<u>8,051</u>		<u>6,248</u>	<u>6,248</u>

Trade liabilities are non-interest bearing and are generally settled with 30 day term. Therefore, the carrying value of trade liabilities approximates their fair value. Accrued expenses and other payables are amounts due as of year end but not yet invoiced. Bonds and Deposits are amounts Council holds on behalf of third parties through various negotiated agency agreements. Bonds are generally classified as refundable and deposits are generally classified as non-refundable.

Note 11: Employee Entitlements

673	673	Annual leave	637	637
41	41	Sick leave	41	41
<u>714</u>	<u>714</u>		<u>678</u>	<u>678</u>

Note 12: Landfill Aftercare

23	23	Opening Balance	28	28
0	0	Work completed	0	0
4	4	Provision reassessed	4	4
1	1	Unwinding of discount	(2)	(2)
<u>28</u>	<u>28</u>	Closing Balance	<u>30</u>	<u>30</u>
		Being:		
4	4	Current Portion	8	8
24	24	Term Portion	22	22
<u>28</u>	<u>28</u>		<u>30</u>	<u>30</u>

The Council holds resource consents to operate within the district. The Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill sites after closure. There is an external liability where the landfill is not situated on Council-owned land.

There are closure and post-closure responsibilities such as the following:

Closure responsibilities:

- final cover application and vegetation.
- Incremental drainage control features.
- completing facilities for leachate collection and monitoring.
- completing facilities for water quality monitoring.
- completing facilities for monitoring and recovery of gas.

Post-closure responsibilities:

- treatment and monitoring of leachate.
- ground water and surface monitoring.
- gas monitoring and recovery.
- implementation of remedial measures such as needed for cover, and control systems.
- ongoing site maintenance for drainage systems.

The cash outflows for landfill post-closure are expected to occur over the next 12 years and are based on current costs. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 6.75%. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. All other landfills are now closed.

Note 13: Term Liabilities

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
Financial Liabilities				
0	0	Debt Securities - Commerical Paper	25,000	25,000
38,920	38,920	Debt Securities - Local Authority Stock	30,000	30,000
35,000	35,000	Bank Facilities - Line of Credit Facility	25,570	25,570
189	189	Finance Leases	141	141
0	0	Operating Lease	1,444	1,444
74,109	74,109	Total Financial Liabilities	82,155	82,155
Current Liabilities				
0	0	Debt Securities - Commerical Paper	25,000	25,000
35,000	35,000	Bank Facilities - Line of Credit Facility	0	0
61	61	Finance Leases	61	61
0	0	Operating Lease	38	38
35,061	35,061	Total Current Liabilities	25,099	25,099
Non-Current Liabilities				
38,920	38,920	Debt Securities - Local Authority Stock	30,000	30,000
0	0	Line of Credit Facility	25,570	25,570
128	128	Finance Leases	80	80
0	0	Operating Lease	1,406	1,406
39,048	39,048	Total Non-Current Liabilities	57,056	57,056

Secured Loans

The Council currently has \$70 million (2010 \$50 million) of committed lines of credit available. The Council used \$25.57 million as at balance date and a further \$44.43 million under lines of credit facilities are available. The lines of credit are subject to daily floating interest rates. The Council has issued \$25 million of commercial paper with interest set on wholesale market rates. This matures on 19 July 2011.

Debt Securities - Local Authority Stock

The following is a summary of interest costs incurred in respect of Council's local authority stock, as well as a maturity analysis. Contractual maturity analysis of financial liabilities:

Reference Rate	Maturity	Amount \$000
Fixed 7%	15/08/2016	2,000
Fixed 7%	15/08/2016	3,000
Floating BKBM FRA +200bp	29/04/2013	15,000
Floating BKBM FRA +210bp	29/04/2014	10,000
		30,000

Council 2010 \$000	Consolidated 2010 \$000	Financial Institution - Expiry	Council 2011 \$000	Consolidated 2011 \$000
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Security

The Finance Lease is secured by a charge over the specific asset being financed. Loans are secured by pledging targeted rates on various parts of the district or the district as a whole through a deed of charge.

In December 2007 Trustees Executors Ltd were appointed as Trustees of the debenture trust deed used to secure current and future borrowings over the Council's rates revenue. This appointment sees the Trustees act on behalf of all Holders of Council's debt securities to ensure Council complies with all statutory prudential requirements for any debt issued.

As at 30 June 2011 the Council has first ranking stock totalling \$134 million of which security for \$125 million credit facility has been provided.

Line of Credit expiration dates:

20,000	20,000	Westpac - 403129 - March 2015	20,000	20,000
15,000	15,000	Westpac - 403757 -August 2013	15,000	15,000
15,000	15,000	Westpac - 403756 -August 2013	15,000	15,000
10,000	10,000	ANZ - April 2011	0	0
20,000	20,000	TSB Bank Ltd - July 2015	20,000	20,000
80,000	80,000		70,000	70,000

Interest Rate Swaps

The following is a summary of interest rate swaps as at the end of June 2011.

Fixed Rate	Start Date	Maturity	Amount
5.44%	20/02/2009	20/02/2013	10,000,000
5.64%	20/04/2009	23/10/2018	5,000,000
5.34%	20/04/2009	23/10/2018	5,000,000
3.93%	29/04/2009	29/04/2012	10,000,000
4.23%	29/04/2009	29/10/2011	5,000,000
5.26%	20/10/2009	21/10/2013	5,000,000
5.97%	22/02/2010	20/02/2018	5,000,000
5.24%	20/05/2010	20/11/2018	1,000,000
4.60%	29/04/2010	29/01/2015	4,000,000
4.83%	22/06/2010	23/06/2014	5,000,000
4.64%	20/08/2010	20/08/2015	5,000,000
4.98%	21/03/2011	20/06/2019	6,000,000
5.32%	20/05/2011	20/11/2020	4,000,000
5.00%	31/10/2011	29/04/2017	3,000,000
5.25%	31/10/2011	29/04/2019	1,000,000
4.57%	31/10/2011	31/10/2014	1,000,000
4.51%	22/11/2011	22/02/2016	2,000,000
4.66%	22/11/2011	22/11/2016	3,000,000
			80,000,000

Marked to Market Valuation of Interest Rate Swaps

The fair value (marked to market valuation) of interest rate swaps as at the balance date was -\$1,294,088 (2010 -\$1,115,971).

Finance Leases

Year ending 30 June	Finance Leases	Interest Rate Range	Weighted Average
2011/12	61,252	12.26%	12.26%
2012/13	25,522	12.26%	12.26%
	<u>86,774</u>		

Total minimum future lease payments	86,774
Less: Amounts of lease that represent interest*	<u>7,490</u>
Present value of minimum lease payments	79,284

* Calculated using the interest rate at inception of each lease.

Description of material leasing arrangements

The Council has entered into a finance lease for one item of office equipment. The net carrying amount of the leased item is shown in Note 8. There are no restrictions as a result of lease arrangements.

Operating Leases – (South Taranaki District Council as a Lessor)

Operating Leases	
No later than one year	37,500
Between 1-5 years	187,500
5 years and over	1,218,750
	<u>1,443,750</u>

Lease Income Recognition for 2010-11

The Council has recognised \$56,250 for the year 2010-11.

Description of material leasing arrangements

Ministry of Education have contributed \$1.5m for the use of TSB Hub for the Hawera High School for the next 40 years.

Other Borrowings

At 30 June 2011 Council had internally borrowed \$18,300,088 (2010 \$18,759,116) from its Special Fund Investments held with the Fund Managers.

Note 14: Equity

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
		Public Equity		
528,751	528,751	Accumulated Balances	532,814	532,815
2,342	2,342	Restricted and Statutory Reserves	2,424	2,424
42	42	Investment Revaluation Reserves	(16)	(16)
178,889	178,889	Asset Revaluation Reserves	243,664	243,664
<u>710,024</u>	<u>710,024</u>	Total Closing Public Equity	<u>778,886</u>	<u>778,886</u>

		Accumulated Balances			
529,450	529,450	Opening Balance 1 July	528,751	528,751	
(380)	(380)	Net Surplus (Deficit)	4,145	4,145	
0	0	Transfer from Asset Revaluation Reserves	0	0	
		Less appropriation to			
319	319	Restricted Reserves	88	88	
0	0	Statutory Reserves	0	0	
		Funds applied from			
0	0	Restricted Reserves	0	0	
0	0	Statutory Reserves	6	6	
528,751	528,751	Closing Balance 30 June	532,814	532,814	
		Restricted Reserves			
966	966	Opening Balance 1 July	1,301	1,301	
478	478	Add Appropriation	187	187	
(143)	(143)	Less Application of Funds	(99)	(99)	
1,301	1,301	Closing Balance 30 June	1,389	1,389	
		Statutory Reserves			
1,057	1,057	Opening Balance 1 July	1,041	1,041	
171	171	Add Appropriation	86	86	
(187)	(187)	Less Application of Funds	(92)	(92)	
1,041	1,041	Closing Balance 30 June	1,035	1,035	
2,342	2,342	Total Closing Restricted and Statutory Reserves	2,424	2,424	
		Investment Revaluation Reserves			
37	37	Opening Balance 1 July	42	42	
0	0	Gain/(Loss) on Long Term Investment Fund	0	0	
0	0	Gain/(Loss) on Shares and Notes	(58)	(58)	
5	5	Less Revaluation Attributed to Assets Sold	0	0	
42	42	Closing Balance 30 June	(16)	(16)	
		Being:			
0	0	Long Term Investment Fund	0	0	
42	42	Shares and Notes	(16)	(16)	
42	42		(16)	(16)	

		Asset Revaluation Reserves			
178,889	178,889	Opening Balance 1 July	178,889	178,889	
0	0	Revaluation of Operational Land	0	0	
0	0	Revaluation of Restricted Land	5,971	5,971	
0	0	Revaluation of Buildings	1,988	1,988	
0	0	Revaluation of Infrastructural Assets	47,708	47,708	
0	0	Less Revaluation Attributed to Assets Sold	0	0	
178,889	178,889	Closing Balance 30 June	234,556	234,556	
Being:					
3,894	3,894	Operational Land	4,154	4,154	
4,182	4,182	Restricted Land	10,153	10,153	
15,584	15,584	Buildings	17,312	17,312	
155,229	155,229	Infrastructural Assets	212,045	212,045	
178,889	178,889		243,664	243,664	

Note 15: Reconciliation of Net Surplus to Cash Flow from Operating Activities

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
(380)	(380)	Reported Surplus (Deficit) after Taxation	68,862	68,862
Add (Deduct) Non Cash Items				
11,626	11,626	Depreciation and Amortisation	13,684	13,684
0	0	Movement in Asset Revaluation	(64,775)	(64,775)
(175)	(175)	Vested Assets	(1,118)	(1,118)
2,109	2,109	{Gain}/Loss on Disposal of Property, Plant and Equipment	1,759	1,759
5	5	Movement in Landfill Aftercare Provision	3	3
(3,630)	(3,630)	Interest and gains direct to investment	3,798	3,798
9,555	9,555		22,213	22,213
Add (Less) Movements in Other Working Capital Items:				
(574)	(574)	(Increase)/Decrease in Accounts Receivable	1,448	1,448
(2,184)	(2,184)	Increase/(Decrease) in Accounts Payable	(1,519)	(1,519)
(122)	(122)	Increase/(Decrease) in Employee Entitlements	(36)	(36)
(11)	(11)	(Increase)/Decrease in Inventory	(29)	(29)
(1,108)	(1,108)	Increase/(Decrease) Income Received in Advance	1,397	1,397
(112)	(112)	(Increase)/Decrease in Prepayments	(85)	(85)
5,444	5,444	Net Cash Inflow (Outflow) from Operating Activities	23,389	23,389

Note 16: LTIF Allocation

The total Long Term Investment Fund sector allocation at 30 June 2010 was as follows:

2010		2011
59%	Global Equities	61%
12%	New Zealand Cash	11%
0%	Foreign Cash	0%
0%	New Zealand Equities	0%
6%	New Zealand Fixed Interest	6%
10%	Foreign Fixed Interest	9%
13%	Property	13%
<u>100%</u>		<u>100%</u>

Note 17: Related Parties

There are no transactions entered into between the South Taranaki District Council and its 100% owned subsidiary Novus Contracting Ltd.

Council paid Shera Parker Lawyers \$188,642 (2010 \$152,742) of which S Shera (partner) is a director of Novus Contracting Ltd (CCO).

Councillors

Council paid Beccard Motors \$2,516 (2010 \$3,122) for the purchase of goods. Councillor A Beccard owns 50% of Beccard Motors. Council paid Sports Taranaki grants of \$43,891 (2010 \$56,449). Councillor G Lawson is a Trustee of this organisation.

The above transactions were conducted on normal commercial terms.

Key Management Personnel

Council 2010	Consolidated 2010		Council 2011	Consolidated 2011
919,908	919,908	Salaries and other short term employee benefits	817,066	817,066
0	0	Post-employment benefits	0	0
0	0	Other long-term benefits	0	0
0	0	Termination benefits	0	0
<u>919,908</u>	<u>919,908</u>	Total key management personnel compensation	<u>817,066</u>	<u>817,066</u>

Key management personnel include the Chief Executive and other senior management personnel. The 2010 comparative year includes the Mayors salary, this has been excluded in the 2011 year.

Apart from the normal customer relationships involving such items as the payments of rates and water charges, there were no other significant transactions between Senior Management, Councillors and the Council during the financial year.

Remuneration Paid – Elected Members

Council 2010			Council 2011
71,741	Dunlop R J	Mayor	78,438
23,184	Armstrong I	Councillor	19,573
21,502	Ballantyne A	Councillor	24,677
20,782	Beccard A	Councillor	19,573
0	Bigham B	Councillor	14,056
13,798	Bourke K	Councillor	14,388
22,390	Hickey M A	Councillor	5,534
0	Hohaia T	Councillor	14,712
18,667	Johnson P	Councillor	13,063
0	Judkins K	Councillor	10,673
19,993	Lawson G	Councillor	17,606
26,308	Packer D	Councillor	7,082
20,697	Powell M	Councillor	19,573
13,798	Rangiwahia S	Councillor	3,715
0	Self M	Councillor	11,346
18,268	Smith I	Councillor	4,443
26,780	Wards I	Councillor	24,434
<u>317,908</u>		Total	<u>302,886</u>
<u>245,583</u>	Stevenson C	Chief Executive	<u>254,989</u>

Note 18: Severance Payments:

For the year ended 30 June 2011 the Council made six severance payments to employees totalling \$28,370. The value of each of the severance payments was \$4,379, \$6,775, \$3,226, \$1,651, \$2,754 and \$9,585 (2010 \$25,285).

Note 19: Contingent Liabilities

The Council has provided guarantees to a number of organisations. There is no indication that the organisations are unable to meet their obligations and therefore require the Council to contribute toward the loan. No provision for these has been made on the Statement of Financial Position.

Council 2010	Consolidated 2010		Council 2011	Consolidated 2011
		Financial guarantees as at balance date:		
30,000	30,000	Hawera Cinema 2 Trust	30,000	30,000
<u>30,000</u>	<u>30,000</u>		<u>30,000</u>	<u>30,000</u>
		Other contingent liabilities:		
123,705	123,705	Estimate of legal financial settlements	35,869	35,869
0	0	Kaupokonui Quarry	50,000	50,000
0	0	Risk Pool	71,921	71,921
12,500	12,500	Easement Dispute	23,000	23,000
<u>136,205</u>	<u>136,205</u>		<u>180,790</u>	<u>180,790</u>

110 The Council's Liability Management Policy limits the total amount of financial guarantees to community and sporting organisations to \$500,000, with no one organisation having more than 10% (\$50,000) of the potential total guarantees given.

Easement dispute

Council is currently in discussion with a private land owner over an easement relating to a water pipeline. There is a potential risk that this could result in legal proceedings of \$23,000 (2010 \$12,500). The matter is still pending in 2011.

Risk Pool Insurance

The Council obtains public liability and professional indemnity insurance cover from New Zealand Mutual Liability Risk Pool. This operates as a mutual fund where each member makes an annual contribution to obtain cover, however, should claims exceed contributions then calls can be made on the members of that fund year for the shortfall amount. During the 2009/10 financial year a call was advised for \$33,566 and for the 2010/11 financial year \$71,921. Risk Pool have advised that further calls of a greater amount may be required for the past pool periods. As the amount and timings is uncertain no provision has been made for any future calls.

Note 20: Commitments

Operating Leases

The Council leases office equipment and vehicles in the normal course of business. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
167	167	Within 12 months	135	135
34	34	1 - 2 Years	50	50
31	31	2 - 5 Years	21	21
0	0	Over 5 Years	0	0
<u>232</u>	<u>232</u>		<u>206</u>	<u>206</u>

Capital Commitments

The Council has the following capital commitments as at balance date:

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
58	58	Roading - Pavement Rehabilitation and Associated Improvements (Prior year - Area Wide Treatment)	0	0
16	16	Footpath and Drainage	0	0
0	0	Bridges	136	136
127	127	Minor Improvements	0	0
0	0	Recreation and Leisure	0	0
373	373	Water	556	556
365	365	Wastewater	75	75
26	26	Stormwater	0	0
0	0	Solid Waste	0	0
0	0	Software License Fees	0	0
1,382	1,382	The Hub	0	0
<u>2,347</u>	<u>2,347</u>		<u>767</u>	<u>767</u>

The above commitments represent expenditure on all contracts to which the Council is committed for the future.

A breakdown of the commitments in terms of time periods is outlined below:

Within 12 months	767
1 - 2 years	0
2 - 5 years	0
Over 5 years	0
	<u>767</u>

Note 21: Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise accumulated balances and reserves. Equity is represented by net assets (Total Assets less Total Liabilities). The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing these items. The objective of managing them is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council.

Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance. The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's Ten Year Plan.

The Council's Accounting Policies detail the various components of Public Equity held and Note 14 shows movements during the year.

Note 22: Significant Acquisitions

The Local Government Act requires the Council to report on significant acquisitions or replacement of assets. This Note only refers to acquisitions and replacements valued at \$500,000 or more.

During the year the following works were planned, undertaken or completed. Further information regarding these projects can be found within the relevant activity pages within this Annual Report.

Project Number	Project	Actual	Budget	Comment on Significant Variances
10501	The Hub Stage 4 - Recreation and Leisure (The Hub)	1,529,673	1,983,600	Project not yet complete - carry over requested.
09004	Independent Inlet & Outlet Mains from Scott St	505,485	375,000	Project complete - Cost overruns as a result of scope changes.
09001	Kapuni to Waimate West Connection	163,378	1,037,000	Project not yet complete - will be completed in 2011/12.
10117	Ohawe AC trunk main renewal	1,426	858,562	Project deferred to optimise replacement.
07016	Patea WTP Upgrade	172,512	800,000	Project not complete - will be completed 2011/12.
10124	Waimate West PRV renewals 09/10	376,965	550,605	Project not complete - will be completed in 2011/12.
10134	Waimate West Reservoir improvements	99,990	545,544	Project not complete - 1st stage complete - roof repair still to take place. The project will be completed in 2011/12.
Total		2,849,429	6,150,311	

Note 23: Financial Instruments

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
Financial Assets				
Fair Value through Surplus or Deficit				
8	8	Derivative Financial Instrument Assets	114	114
68,710	68,710	Long Term Investment Fund	76,461	76,461
68,718	68,718	Total Fair Value through Surplus or Deficit	76,575	76,575

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
Loans and Receivables				
9,884	9,884	Cash and Cash Equivalents	13,051	13,051
7,240	7,240	Accounts Receivable	5,686	5,686
1,200	1,200	LTIF - South Taranaki Medical Trust Loan	1,140	1,140
0	0	Other amounts to / from LTIF	0	0
2	2	Rural Housing Loans	1	1
50	50	South Taranaki Museum	0	0
400	400	Opunake Artificial Reef Trust	400	400
18,776	18,776	Total Loans and Receivables	20,278	20,278
Held to Maturity				
69	69	Prime Infrastructure Networks Ltd	0	0
69	69	Total Held to Maturity	0	0
Fair Value through Other Comprehensive Income				
445	445	Fonterra	445	445
13	13	Ravensdown	14	14
0	0	LIC	1	1
188	188	The N.Z. Local Government Ins. Corporation Ltd.	149	149
96	96	Wanganui Forestry Committee	76	76
742	742	Total Fair Value through Other Comprehensive Income	685	685
Financial Liabilities				
Fair Value through surplus or Deficit				
1,124	1,124	Derivative Financial Instrument Liabilities	1,408	1,408
1,124	1,124	Total Fair Value through Comprehensive Income	1,408	1,408
Financial Liabilities at Amortised Cost				
8,127	8,127	Creditors and other payables	6,285	6,285
Borrowings				
43,920	43,920	Secured Loans	50,570	43,920
30,000	30,000	Debentures	30,000	30,000
82,047	82,047	Total Financial Liabilities and Amortised Costs	86,855	80,205

Liquidity Risk

Liquidity risk is the risk that Council will not be able to raise funds to meet commitments as they fall due. Liquidity risk is managed by issuing debt when appropriate, use of uncommitted lines of credit facilities and the ability to liquidate investments.

In accordance with the Liability Management Policy, the Council is required to have sufficient borrowings and uncommitted facilities to meet its projected debt forecast for the following 12 months to manage liquidity risk.

As at 30 June 2011 Council had committed Line of Credit arrangements totalling \$70m (2010 \$80 million) in place with Westpac \$50 million (2010 \$50 million), ANZ Bank \$0 million (2010 \$10 million) and TSB Bank \$20 million (2010 \$20 million). A total of \$25,570,000 which includes \$20,070,000 from Westpac and \$5,500,000 from TSB (2010 \$43,920,000 – all from Westpac) was drawn down as at balance date. Interest rates are related to the official 30 day bank bill mid rate as quoted on Reuters Screen page BKBM at the time of draw down and are dependent on current market conditions and the term of the draw down. Draw downs can be for a term ranging from overnight up to the length of the term remaining of the applicable facility.

Sensitivity Analysis

The following shows the impact of a 1% (100 basis point shift in interest rates) on the valuation of the swaps.

Fair Value	(1,294,083)
Upwards Shift in Zero Rate (100 bp)	391,879
Downwards Shift in Zero Rate (100 bp)	(5,203,704)

Interest Rate Risk

Both amounts available as a draw down under the lines of credit and term debt are subject to changes in market interest rates. This risk is actively managed in conjunction with Asia Pacific Risk Management by transacting interest rate swaps in accordance with the Liability Management Policy. Interest rates are therefore converted to an effective fixed rate for amounts between 55% and 95% of projected debt.

Currency Risk

The Council incurs currency risk for its overseas equities as a result of investment transactions entered into by the Fund Managers.

Interest Rate Risk

The following investments of the Council are sensitive to changes in interest rates: bank balances, current term investments and securities held by the Fund Managers. The Council adopts a conservative risk profile, while aiming to maximise its returns. Notes 6 and 13 document the interests for investments and borrowings.

The Council's Liability Management Policy limits financial guarantees to single organisations of no more than 10% of the total financial guarantees, which is capped at \$500,000. The Council departed from this policy for the Opunake Sports Centre Trust as multiple sporting organisations are catered for by this facility.

Market Risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Council is exposed to price risk through its equity securities, which are classified as financial assets held at fair value through equity. This price risk arose due to market movements in listed securities. This price risk is managed by the diversification of the Council's investment portfolio and is managed by the Fund Managers in accordance with the agreed Statement of Investment Policy and Objectives and Council's Investment Policy.

Liquidity Risk

Liquidity risk is the risk that the Council will encounter difficulty in raising sufficient funds to meet financial commitments as they fall due. The Council manages this risk by maintaining adequate funds available to meet projected needs. This is managed in conjunction with loans raised for capital projects. Funds are managed in conjunction with the funding and financial policies, which include the Liability Management Policy and the Investment Policy.

Credit Facilities

Other than day to day credit facilities with suppliers, the Council has credit facilities available through line of credit and finance leases (see Note 13).

Fair Value Hierarchy Disclosures (IFRS 7)

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
Financial Assets				
Derivative Financial Instrument				
0	0	- Quoted Market Price	0	0
8	8	- Observable Inputs	114	114
0	0	- Significant Non Observable Inputs	0	0
Cash Funds				
0	0	- Quoted Market Price	0	0
9,884	9,884	- Observable Inputs	13,051	13,051
0	0	- Significant Non Observable Inputs	0	0
NZ Bonds				
0	0	- Quoted Market Price	0	0
4,526	4,526	- Observable Inputs	4,877	4,877
0	0	- Significant Non Observable Inputs	0	0
Global Bonds				
0	0	- Quoted Market Price	0	0
7,550	7,550	- Observable Inputs	7,804	7,804
0	0	- Significant Non Observable Inputs	0	0
Trans Tasman Equities				
0	0	- Quoted Market Price	0	0
13,419	13,419	- Observable Inputs	15,807	15,807
743	743	- Significant Non Observable Inputs	685	685
Global Equities				
0	0	- Quoted Market Price	0	0
33,120	33,120	- Observable Inputs	36,611	36,611
0	0	- Significant Non Observable Inputs	0	0
Trans Tasman Property Funds				
0	0	- Quoted Market Price	0	0
4,141	4,141	- Observable Inputs	6,364	6,364
0	0	- Significant Non Observable Inputs	0	0
Global Property Funds				
0	0	- Quoted Market Price	0	0
5,955	5,955	- Observable Inputs	4,998	4,998
0	0	- Significant Non Observable Inputs	0	0
Financial Liabilities				
Derivative Financial Instrument				
0	0	- Quoted Market Price	0	0
1,124	1,124	- Observable Inputs	1,408	1,408
0	0	- Significant Non Observable Inputs	0	0

There were no transfers between the different levels of the fair value hierarchy.

Fair Value Hierarchy Disclosures

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

737	737	Balance at 1 July	742	742
5	5	Gain and losses recognised in other comprehensive income	(59)	(59)
742	742	Balance at 30 June	683	683

Financial Instrument Risks

The Council's maximum credit exposure for each class of financial asset (excluding equities) is as follows:

Credit Risks

To the extent another party has a payable to the Council, there is a credit risk in the event of non-performance by that counter party.

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
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No collateral or other security is required to support financial instruments.

Council has no significant concentrations of credit risk as it has a large number of customers, mainly ratepayers.

Financial instruments which subject the Council to potential credit risk principally consist of the following bank balances, investments and receivables as at balance date:

9,884	9,884	Cash and Cash equivalents	13,051	13,051
12,077	12,077	Bonds	12,680	12,680
1,652	1,652	Loans and Receivables	1,541	1,541
0	0	Other Non Equity Investments	0	0
7,240	7,240	Accounts Receivable	5,686	5,686
30,853	30,853	Total Financial Asset Credit Risk	32,958	32,958

Counterparties with Credit Ratings

		Bonds			
1,739	1,739	AAA, Government & Agency	6,431	6,431	
2,397	2,397	AA+/AA/AA-	3,586	3,586	
4,254	4,254	A+/A/A-	1,798	1,798	
1,268	1,268	BBB+/BBB	797	797	
0	0	Sub Prime Grade	69	69	
9,658	9,658		12,681	12,680	
		Cash			
247	247	AAA, Government & Agency	224	224	
5,379	5,379	AA+/AA/AA-	4,140	4,140	
4,251	4,251	A+/A/A-	5,577	5,577	
0	0	BBB+/BBB	3,105	3,105	
9,877	9,877		13,046	13,046	

Counterparties without Credit Ratings

		<i>Existing Counterparties with no defaults in the past</i>			
1,652	1,652	Loans and Receivables	1,541	1,541	
7	7	Cash and Cash equivalents	5	5	
33,120	33,120	Global Equities	36,611	36,611	
5,955	5,955	Global Property	4,998	4,998	
13,419	13,419	Trans Tasman Equities	15,807	15,807	
4,141	4,141	Trans Tasman Property	6,364	6,364	
811	811	Other Shares and notes	685	685	
2,418	2,418	Unrated Bonds / Liquidity	0	0	
61,523	61,523		66,011	66,011	
81,058	81,058	Total Financial Assets	91,738	91,738	

Financial Assets Sensitivity Analysis

Cash and Cash Equivalents

As part of a diversified portfolio of investments Council has an investment of \$8.84m in a wholesale cash funds.

Additionally the Council and its Investment Managers maintain cash amounts (liquidity) to manage their day to day cash requirements. This ensures that sufficient funds are available for Council and enables the Council to allocate funds between investment asset classes to maintain its risk profile. Accordingly amounts can fluctuate significantly and impact the potential level of financial income earned.

Interest Rate Risk

Both the wholesale cash fund and liquidity balances are subject to changes in market interest rates. This risk is actively managed by the fund managers and is spread across a range of investments and maturities. The amount of liquidity is managed between Council and its Investment Managers and advisors. A 1% change in interest rates would have a impact of \$130,051 over a 1 year period if balances remained unchanged.

Credit Risk

Both the wholesale cash fund and liquidity balances are exposed to losses resulting from the failure of any bank or cash investment. This risk is managed by strict limits on the type and nature of permissible investments and investments are spread across a range of counterparties and maturities. It is not practicable or possible to model the impact of a change in credit rating or default event.

Liquidity Risk

There is a risk that funds do not have sufficient cash funds to meet a drawdown by Council. This risk is not significant as sufficient liquidity is maintained through lines of credit facilities and units can be sold in the funds on demand

Bonds

As part of a diversified portfolio of investments Council has an investment of \$12.68m in a bond funds.

This comprises an investment in One Path's NZ Bond Portfolio \$2.65m, \$5.94m in Henderson's Credit Flex, PIMCO and Wellington portfolios managed by Tower \$1.86m and \$2.23m in direct holdings in NZ bonds managed by OnePath.

Interest Rate Risk

Both the global bond fund and direct bond holdings to changes in market interest rates. This risk is managed by the fund managers and is spread across a range of investments and maturities. A 1% change in interest rates would have a impact of \$127,000 over a 1 year period if balances remained unchanged.

Credit Risk

Both the wholesale cash fund and liquidity balances are exposed to losses resulting from the failure of any underlying investment. This risk is managed by strict limits on the type and nature of permissible investments and investments are spread across a range of counterparties and maturities. It is not practicable or possible to model the impact of a change in credit rating or default event.

Currency Risk

The direct bond holdings are mainly held in New Zealand dollars and therefore not subject to any significant currency risk. The global bond portfolio is subject to changes in foreign currency. The largest non NZD exposure is to Euro, a 10% change in currency would result in an impact of \$270,000.

Loans and Receivables

All loans and receivables due to Council which are liable to earn interest are charged based on an agreed commercial schedule. Such items are intended to be held through to maturity with interest rates reviewed as required in the terms of the advance.

Interest Rate Risk

All loans and receivables due to Council are subject to changes in market interest rate. A 1% change in interest rate would result in an impact of \$15,000.

Credit Risk

All loans and receivables are exposed to losses resulting from the failure of the entity to which a loan has been made. No formal credit monitoring procedures exist.

Accounts Receivables

All counterparties within the accounts receivable mainly arise from Council's statutory functions or a community development decision made by Council. The Council has no significant concentration of credit risk in relation to debtors. The Council has power under the Local Government Rating Act 2002 to recover money from rate payers.

Credit Risk

Other than standard internal credit monitoring procedures there are no cost effective measures available to monitor the credit quality of such counterparties.

Equities

As part of a diversified portfolio of investments Council has an investments of \$52.42m in equity funds and an investment in Trans Tasman Property \$5.00m and in Global Property \$6.36m.

Market Price Risk

Equity investments are subject to equity price risk. A 1% change in the value of equities would have a maximum unhedged impact of \$524,000.

Currency Risk

Trans Tasman Equities are mainly held in New Zealand and Australian dollars. The currency risk of this portfolio is accepted as part of the overall investment strategy. The global equity portfolio is 50% hedged by foreign exchange contracts executed by the fund manager. Property investments are via New Zealand denominated indices.

Foreign Currency Exposure

Total foreign currency exposure before hedging is as follows:

Council 2010 \$000	Consolidated 2010 \$000		Council 2011 \$000	Consolidated 2011 \$000
3,370	3,370	Australian Dollar	3,701	3,701
90	90	Canadian Dollar	0	0
0	0	Swiss Franc	347	347
5	5	Danish Krone	0	0
13,255	13,255	European Euro	15,618	15,618
5,138	5,138	British Pound	4,159	4,159
2,359	2,359	Japanese Yen	2,390	2,390
0	0	Mexican Peso	87	87
0	0	Swedish Krona	102	102
23,859	23,859	United States Dollar	27,641	27,641
30,014	30,014	New Zealand Dollar	32,094	32,094
78,090	78,090		86,139	86,139

Financial Instrument Risk

The table below analyses the Council and group's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

Liabilities

	Carrying Amount	Contractual Cash flows	Less than 1 Year	1 - 2 Years	2 - 5 Years	More than 5 Years
Council 2011						
Creditors and Other Payables	6,285	6,285	6,285	0	0	0
Secured Loans	50,570	54,852	26,157	1,119	27,576	0
Debentures	30,000	34,410	1,526	16,405	11,436	5,043
Finance and Operating Leases	1,584	1,584	99	117	113	1,255
Net Settled Derivative Liabilities	1,408	6,906	1,486	1,291	2,540	1,589
Total	89,847	104,037	35,553	18,932	41,665	7,887
Consolidated 2011						
Creditors and Other Payables	6,285	6,285	6,285	0	0	0
Secured Loans	50,570	54,852	26,157	1,119	27,576	0
Debentures	30,000	34,410	1,526	16,405	11,436	5,043
Finance and Operating Leases	1,584	1,584	99	117	113	1,255
Net Settled Derivative Liabilities	1,408	6,906	1,486	1,291	2,540	1,589
Total	89,847	104,037	35,553	18,932	41,665	7,887
Council 2010						
Creditors and Other Payables	8,127	8,127	8,127	0	0	0
Secured Loans	43,920	47,737	21,707	979	25,051	0
Debentures	30,000	35,966	1,535	1,535	27,505	5,391
Finance and Operating Leases	189	209	61	61	87	0
Net Settled Derivative Liabilities	1,124	5,858	1,263	1,125	2,063	1,407
Total	83,360	97,897	32,693	3,700	54,706	6,798
Consolidated 2010						
Creditors and Other Payables	8,127	8,127	8,127	0	0	0
Secured Loans	43,920	47,737	21,707	979	25,051	0
Debentures	30,000	35,966	1,535	1,535	27,505	5,391
Finance and Operating Leases	189	209	61	61	87	0
Net Settled Derivative Liabilities	1,124	5,858	1,263	1,125	2,063	1,407
Total	83,360	97,897	32,693	3,700	54,706	6,798

The table below analyses the Council and group's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

Assets

	Carrying Amount	Contractual Cash flows	Less than 1 Year	1 - 2 Years	2 - 5 Years	More than 5 Years
Council 2011						
Cash and Cash equivalents	13,051	13,051	13,051	0	0	0
Loans and Receivables	1,541	2,308	539	133	376	1,260
Accounts Receivable	5,687	5,687	5,687	0	0	0
Net Settled Derivative Asset	114	1,595	202	240	706	448
Total	20,393	22,642	19,479	373	1,082	1,708

Consolidated 2011						
Cash and Cash equivalents	13,051	13,051	13,051	0	0	0
Loans and Receivables	1,541	2,308	539	133	376	1,260
Accounts Receivable	5,687	5,687	5,687	0	0	0
Net Settled Derivative Asset	114	1,595	202	240	706	448
Total	20,393	22,642	19,479	373	1,082	1,708

Council 2010						
Cash and Cash equivalents	9,884	9,884	9,884	0	0	0
Loans and Receivables	1,652	2,504	596	139	388	1,381
Accounts Receivable	7,240	7,240	7,240	0	0	0
Net Settled Derivative Asset	8	0	0	0	0	0
Total	18,784	19,628	17,720	139	388	1,381

Consolidated 2010						
Cash and Cash equivalents	9,884	9,884	9,884	0	0	0
Loans and Receivables	1,652	2,504	596	139	388	1,381
Accounts Receivable	7,240	7,240	7,240	0	0	0
Net Settled Derivative Asset	8	0	0	0	0	0
Total	18,784	19,628	17,720	139	388	1,381

Maturity term of LTIF Bonds

	Council 2011 \$000	Consolidated 2011 \$000	Council 2010 \$000	Consolidated 2010 \$000
Less than one year	1,536	1,536	668	668
One to five years	5,639	5,639	6,528	6,528
Greater than five years	5,506	5,506	4,881	4,881
	12,680	12,680	12,077	12,077

Council
2010
\$000

Consolidated
2010
\$000

Council
2011
\$000

Consolidated
2011
\$000

Note 24: Derivative Financial Instruments

		Current Asset Portion			
8	8	Interest rate swaps	0	0	
8	8	Total current asset portion	0	0	
		Non-current asset portion			
0	0	Interest rate swaps	114	114	
0	0	Total non-current asset portion	114	114	
8	8	Total derivative financial instrument assets	114	114	
		Current liability portion			
46	46	Interest rate swaps	90	90	
46	46	Total current liability portion	90	90	
		Non-current liability portion			
1,078	1,078	Interest rate swaps	1,318	1,318	
1,078	1,078	Total non-current liability portion	1,318	1,318	
1,124	1,124	Total derivative financial instrument liabilities	1,408	1,408	

Fair Value

Interest Rate Swaps

The fair value of interest rate swaps have been determined by calculating the expected cash flows under the terms of the swaps and discounting these values to present value.

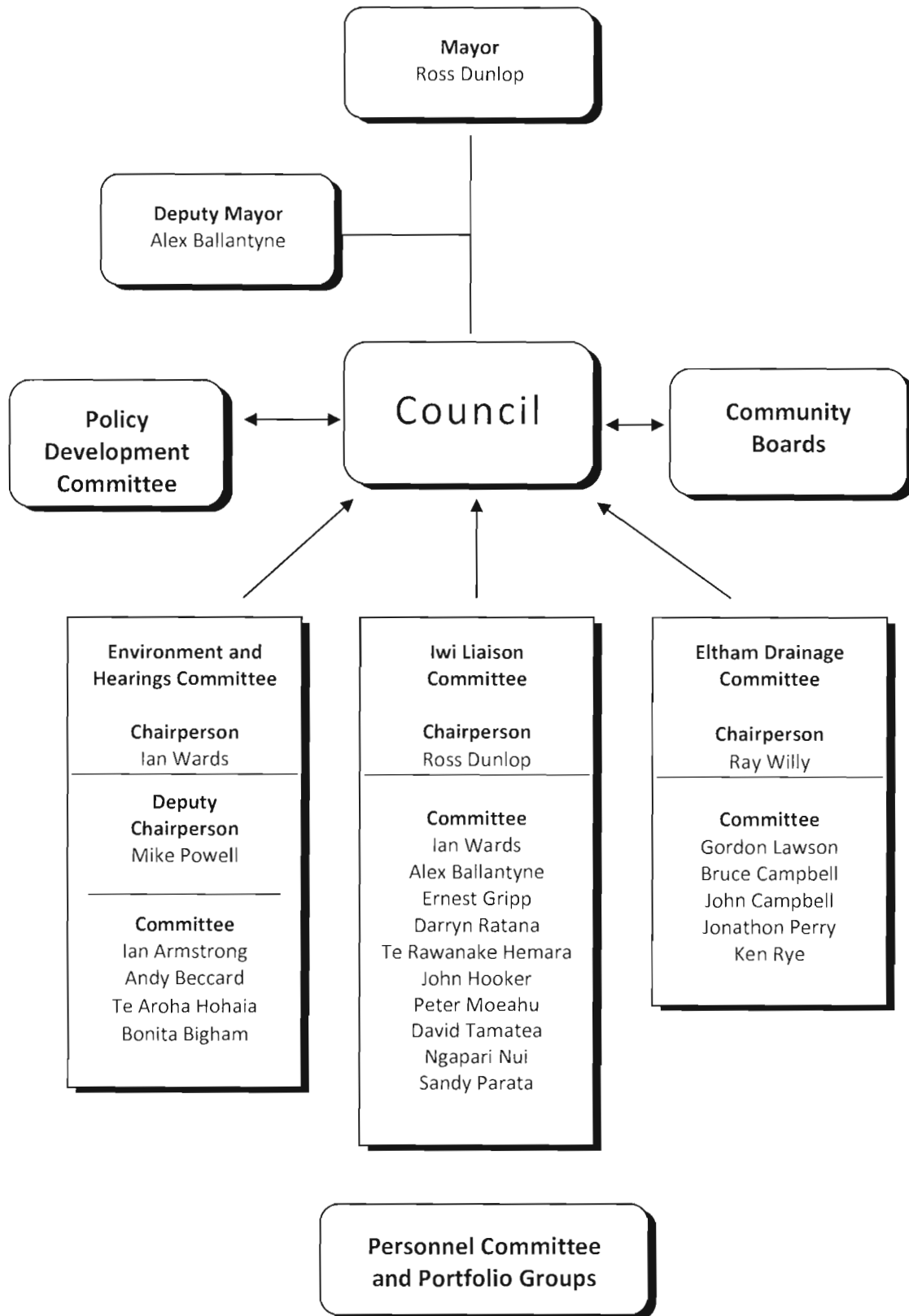
Interest Rate Swaps

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$80 million (2010 \$61 million). At 30 June 2011, the fixed interest rates for cash flow hedge interest rate swaps varied from 3.93% to 5.97% (2010 3.93% to 5.97%).

Note 25: Items subsequent to Balance Date

We have no items subsequent to balance date at this time.

Political Structure



Elected Members

The Mayor, Councillors and Community Board members listed below were elected in October 2010 for a three year term.

Mayor

Mr Ross Dunlop

Deputy Mayor

Mr Alex Ballantyne

Councillors

Mr Ian Armstrong
Mr Andy Beccard
Ms Kirsty Bourke
Mr Peter Johnson
Mr Gordon Lawson
Mr Michael Self

Mr Alex Ballantyne
Ms Bonita Bigham
Ms Te Aroha Hohaia
Mrs Kelly Judkins
Mr Mike Powell
Mr Ian Wards

Community Boards

Egmont Plains Community Board

Mrs Sharon Arlidge (Chair)
Mr Craig Dingle
Mr Ben Julian
Mr Brian Vincent
Cr Michael Self

Eltham Community Board

Mrs Karen Cave
Mr Glenn Hansen
Mr Alan Hawkes
Mrs Maree Liddington
Cr Gordon Lawson (Chair)

Hawera Community Board

Mr Raymond Buckland
Mr Colin Greaves
Mr Mark Hayman
Mrs Fiona Hicks (Chair)
Cr Peter Johnson

Patea Community Board

Mrs Ailsa Aiken
Mrs Shelley Dew-Hopkins
Mr David Honeyfield (Chair)
Mrs Ruth Mackay
Cr Te Aroha Hohaia

Management and Staff

The Chief Executive's role and responsibilities

The Council's Governance Policies and legislation determine the role and responsibilities of the Chief Executive. At the South Taranaki District Council all delegations are from the Council to the Chief Executive Officer with the exception of certain provisions within the Resource Management Act where there is clear direction to delegate to the relevant staff member. The Chief Executive employs all staff and acts on the Council's behalf.

The Chief Executive has approval to expend or commit the Council to any approved expenditure contained in the Ten Year Plan or Annual Plan or over-expenditure within the following thresholds:

- Up to 15% above a budgeted expenditure item greater than \$1 million
- Up to 20% above a budgeted expenditure item greater than \$200,000 but less than \$1 million
- Up to 20% (maximum \$40,000) for items less than \$200,000
- Up to \$100,000 for unbudgeted expenditure; and
- To all works necessary in the case of an emergency (with no financial limit).

Monitoring of Chief Executive's performance

The Personnel Committee, made up of the Mayor, Deputy Mayor and Environment and Hearings Committee Chairperson, have delegated responsibility for negotiating annual performance objectives and measures with the Chief Executive's remuneration package annually.

Executive Management Team

Mr Craig Stevenson Chief Executive

Mrs Alison Gibson Group Manager Environmental Services (Maternity Leave from January 2011 to June 2011)

Mr Andre Phillips Acting Group Manager Environmental Services (From January 2011 to April 2011)

Mr Jim Single Acting Group Manager Environmental Services (From April to June 2011)

Mrs Jan Martin Group Manager Community Services and Development (From July 2010 to October 2010)

Mrs Fiona Greenhill Group Manager Community Services and Development (From November 2010 to June 2011)

Mr Neil McCann Group Manager Engineering Services

Mr Pete Sayers Acting Group Manager Corporate Services (From July to September 2010)

Mrs Phillippa Wilson Group Manager Corporate Services (From September 2010 to June 2011)

Our staff

The table below shows changes in staff numbers across departments.

	2010		2011		
	Fulltime	Part-time	Fulltime	Part-time	Fixed Term
Office of the Chief Executive	5	1	5	1	0
Community Services and Development	42	43	27	42	4
Environmental	18	8	19	2	1
Engineering	22	2	31	4	4
Corporate	25	3	24	5	5
Totals	112	57	106	57	14
Staff on salaries over \$100,000	12	0	16	0	0

Council Controlled Organisations

The South Taranaki District Council has 100% ownership of the Company – Novus Contracting Ltd, Novus Contracting Ltd is exempted of being a Council Controlled Organisation under Section 7 (3) of the Local Government Act 2002.

Office Locations

The main Council Administration Building is located in Albion Street, Hawera and the Council provides an extensive combined library and council service throughout the district, known as LibraryPlus centres in Opunake, Eltham, Hawera, Kaponga, Manaia, Patea and Waverley. Council services include payment of rates and accounts, enquiries for pensioner housing, burials, building consent applications, property file requests and community facility bookings. Six of the LibraryPlus centres act as agencies for the dissemination of visitor information.

Locations

Hawera Administration Centre Albion Street
 Hawera
 Telephone 06 278 0555/0800 111 323
 Fax 06 278 8757

Postal Address
 South Taranaki District Council
 Private Bag 902
 Hawera 4640

Contact Centre Manager Jan Johnston

Hawera LibraryPlus High Street
 Hawera
 Telephone 0800 111 323
 Fax 06 2789407

Customer Services Librarian Kaye Lally

Eltham LibraryPlus High Street
 Eltham
 Telephone 0800 111 323
 Fax 06 764 8857

Kaponga LibraryPlus Egmont Street
 Kaponga
 Telephone 0800 111 323
 Fax 06 764 6088

Customer Services Librarian Victoria Fox

Manaia LibraryPlus South Road
 Manaia
 Telephone 0800 111 323
 Fax 06 274 8374

Opunake LibraryPlus Napier Street
 Opunake
 Telephone 0800 111 323
 Fax 06 761 7039

Customer Services Librarian Josephine Gibson

Patea LibraryPlus Egmont Street
 Patea
 Telephone 0800 111 323
 Fax 06 273 8340

Waverley LibraryPlus Weraroa Road
 Waverley
 Telephone 0800 111 323
 Fax 06 346 6052

126 Customer Services Librarian Cath Sheard

General Information

Bankers	WestpacTrust PO Box 83 Hawera
Auditors	Audit New Zealand, Palmerston North, on behalf of the Auditor General
Solicitors	Shera Parker PO Box 443 Hawera
Postal Address	South Taranaki District Council Private Bag 902 Hawera
Website	www.southtaranaki.com