



South Wairarapa District Council  
**Annual Report**  
2015/2016





# South Wairarapa District Council Annual Report

For the year ended 30 June 2016

Prepared in compliance with Clause 98 of the Local Government Act 2002

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**Adopted by Council  
Wednesday 26<sup>th</sup> October 2016**

*South Wairarapa District Council*

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*MARTINBOROUGH*

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## DIRECTORY

### COUNCIL

#### **HER WORSHIP THE MAYOR**

Adrienne Staples

#### **COUNCILLORS**

Cr. Margaret Craig

Cr. Dean Davies

Cr. Viv Napier (Deputy Mayor)

Cr. Brian Jephson

Cr. Julie Riddell

Cr. Solitaire Robertson

Cr. Max Stevens

Cr. David Montgomerie

Cr. Colin Olds

### COMMUNITY BOARDS

#### **FEATHERSTON**

Garry Thomas

Lee Carter (Chair)

Katie Beattie

Peter Jackson

Cr. Solitaire Robertson

Cr. Dean Davies

#### **GREYTOWN**

Christine Stevenson

Shane Atkinson (Chair)

Leigh Hay

Ian Farley

Cr. Margaret Craig

Cr. Viv Napier

#### **MARTINBOROUGH**

Pam Colenso

Adi McMaster (Resigned February 2015)

Fiona Beattie (Appointed June 2015)

Lisa Cornelissen (Chair)

Victoria Read

Cr. Julie Riddell

Cr. Max Stevens

## OFFICE LOCATIONS

### **MARTINBOROUGH**

19 Kitchener Street

P O Box 6

Martinborough

Phone 306 9611 Fax 306 9373

e-mail [enquiries@swdc.govt.nz](mailto:enquiries@swdc.govt.nz)

### **FEATHERSTON SERVICE CENTRE**

The Library

Fitzherbert Street

Featherston

Phone 308 9030

e-mail [featherston@swdc.govt.nz](mailto:featherston@swdc.govt.nz)

### **GREYTOWN SERVICE CENTRE**

Greytown Town Centre

Main Street

Greytown

Phone 304 9061

e-mail [greytown@swdc.govt.nz](mailto:greytown@swdc.govt.nz)

### **SENIOR STAFF**

Chief Executive Officer

**Paul Crimp**

Group Manager Infrastructure and Services

**Mark Allingham**

Group Manager Planning and Environment

**Murray Buchanan**

### **AUDITORS**

**Audit New Zealand**

**On behalf of the Auditor-General**

**Mari-Anne Williamson**

### **BANKERS**

**Bank of New Zealand**

**Martinborough**

**Johan Otto**

### **KEY LENDER**

**Local Government Funding Agency**

### **INSURANCE BROKERS**

**Jardine Lloyd Thompson Ltd**

**Wellington**

### **SOLICITORS**

**Gawith Burridge**

**Masterton**

**Jock Kershaw - Partner**

# MAYOR AND CHIEF EXECUTIVE'S REPORT

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Economic development comes in many guises.

**\$28,900,000** represents the value of building consents issued during this financial year.

This figure is slightly below the ten year average of \$30,400,000 per annum, or \$304,000,000 over the ten year period, and represents the amount of investment or development - residential, commercial, and rural - individuals and businesses have made in the South Wairarapa. The future looks equally as successful, with the recent sales of residential and commercial land in our three towns and the rural areas.

Local authorities are under continued pressure to support economic development in their areas. We are very aware Local Authorities are one of only two organisations that can take money off people and give it to others, and we need to be very careful how we do this. It is our view that we should not directly invest in economic development initiatives as ultimately these can end up as profit making business.

We have chosen not to prepare reports or strategies, or provide seed funding for initiatives (direct investment), or employ economic / community development staff.

Instead, our approach is targeted investment where this is prudent that not only includes an economic development component, but also amenity benefits. These initiatives include upgrading toilet facilities in the three towns and coastal areas (research indicates toilet facilities are one of the key things our visitors look for). Construction of the Cross Creek to Featherston cycle way is already showing good patronage, the town centre in Featherston also adds to the amenity value of the town and will have assisted in the sale of the commercial land next to his facility. The Waiinga Centre and town hall will also be a destination and this new and enhanced facility, with the excellent acoustics, will continue to attract visitors to the area. The partnership with the Greytown Soaring Centre on Council land at Papawai has already provided significant economic development benefit for the District, and a great opportunity for youth with the Centres aim of becoming the training centre of excellence for gliding in New Zealand. This partnership will require cooperation from both parties; however the efforts will be well worth it. The partnership has also extended to the wider Papawai community and marae, with a number of young marae members already participating in the "youth glide" training program.

One only has to wander around our three towns and the wider district to see this development. Not many small local authorities could say that there had been in excess of one dozen new shops open in their district in the last year, with more to come. Our urban boundaries are also under stress, the urban zones have almost completely been developed and we need to look at new areas that can be freed up for development. This will take some time, however we will commence this work in the next couple of years.

It is important our infrastructure is capable of meeting our future needs. While our "normal resident population" was reported at 9,525 in the last census, slightly under 30% of our rate demands are sent to addresses outside our district. What that means is that while the population is shown as 9,525, our baseline infrastructure has to cater for a "normal" population more like 13,000 if each of those properties had two people living in them. When we add the tens of thousands visitors we have to some of our events our infrastructure certainly is tested.

Our infrastructure continues to meet the needs of the community, and has sufficient capacity to meet growth projections. To ensure we fully understand the nature of our underground infrastructural assets, and to assist in the efficient collection and treatment of our wastewater, we have commissioned a review of our underground assets with a view to ensuring our assets remain serviceable in the very long term, and that we collect the right amount to ensure funds are available to achieve this.

During the reporting period we approved a number of projects that will provide a positive impact on the district for many, many decades to come. These projects have had quite long gestation periods and it is very satisfying to now be able to make real progress.

We received 35 year consents, the maximum available under the Resource Management Act, for both the Martinborough and Greytown treated wastewater discharges. The end result will be a 100% discharge to land in all but exceptional circumstances making us one of the very few local authorities that can claim this aspirational goal. This goal was set in 2008 and is included in our Wastewater Strategy. We have made good progress on our application for Featherston. We have purchased all the land we require for the three sites, accordingly the risk of significant cost overrun is all but eliminated as it is land and the land availability that has proven to be the highest risk factor in other land discharge scenarios. The risk of a change in environmental standards is also mitigated, if

environmental standards tighten, we can accelerate the introduction of the irrigation infrastructure, a smaller component of the overall project. One aspect that was apparent from the consultation process was that submitters liked the overall approach, however the timeframe was too long for the irrigation component. Council accepted this feedback, and approved the acceleration of stage 1A of the projects earlier ahead of that consented, to the 2016/17 and 2017/18 years. This will result in close to 22% of total annual volume being diverted from fresh waterways much earlier.

As a result of finalising these consents, we can take a proactive approach to managing our discharges in an efficient manner. For example, we have a significant inflow and infiltration issue that now needs to be addressed. In the previous system this dilution was in some ways beneficial, now we need to more carefully manage and control the amount we receive, treat, and ultimately discharge to land.

As a Council, we are always striving to provide the best possible outcomes we can, to be "The Best". We use various indicators to help us assess whether we are on the right track. Our conclusion is, discussed below; we perform to a high standard in what we do. We always strive to improve where we are able.

Local Authorities are constantly under scrutiny, we analyse the various audits and reviews carried out by external parties closely to ensure we are on the right track, and in general terms we fare very well. We are only one of the very few local authorities that have not had any "corrective action requests" following a building consenting authority audit, and this has been the case for the last two audit rounds.

The external audit, performed by Audit New Zealand, provides an in depth assessment of our operations. These days the audits cover much more than reviewing internal controls to ensure the financial statement provide a true and fair view of operations throughout the year. The Government's auditors are required to be alert to a wide range of other issues including whether we are operating in an effective and efficient manner, whether we comply with laws, regulations and contractual requirements, whether Council has obtained and applied the resources of the District council in an economical manner and whether any resources are being wasted. The auditors also review to ensure adequate probity is applied to its operations and the appropriate financial prudence is demonstrated. While Audit New Zealand review these aspects, it is our responsibility to ensure we operate in an appropriate manner. Our auditors have not raised any issues in regards to these aspects.

We receive a significant amount of funding from New Zealand Transport Agency, their audits not only cover whether we are accounting for the funds they give us

in an appropriate manner, but more importantly whether we are investing sufficiently in our Roding network to ensure the long term sustainability of that network. These audits have not raised any material issues.

We also participate in perception surveys and score reasonably well in these. In particular, it is pleasing to note that when asked to use some words to describe Council, our rating for being "friendly" and "helpful" was almost twice the national average. The satisfaction survey we carry out every three years, with another due later this year, generally has an approval rating of 70 to 90% - always good, but with room for improvement in some areas.

One area that is apparent is the need to better and more regularly communicate with the public so we have set aside funding to increase and improve this aspect.

Finally, from a financial aspect, we are in very good shape. We meet or exceed the benchmarks set by government and have a very good understanding of the pressures we are facing both short and long term. The key risk for all local authorities into the future is as a result of the National Policy Statement on Freshwater and the implications this will have, particularly for inland local authorities, for the treatment and disposition of wastewater. The decisions SWDC has made have almost completely mitigated this potential risk. We have the resource consents, we have already purchased sufficient land, and we have the funding available to meet our obligations.

We have again managed our budgets well while delivering on what we said in the Long Term Plan and Annual Plan. Our Total Surplus stands at \$954,000 against a budget surplus of \$3,044,000. The budget surplus of \$3,044,000 includes an anticipated \$2,000,000 in donations and grants in relation to the Waihinga Centre. The Waihinga Centre was not advanced sufficiently at balance date to call in these loans and grants (and expenditure not incurred), accordingly this needs to be excluded from the operating results. When this extraordinary item is excluded the actual surplus of \$954,000 compares very well against the budget of (\$3,044,000 less \$2,000,000) \$1,044,000. Local Authorities are not profit driven as commercial entities are; these surpluses are used to fund capital projects and reserves transfers. All revenue, whether for operational or capital purposes, is required to be reported in the profit and loss statement in the first instance. The profit for capital and reserve transfers then flows into the balance sheet reserves, and is expended from those reserves as needed.



Our Balance Sheet remains strong, with working capital (current assets less current liabilities) sitting at \$7,130,000, and public debt of \$13,402,000.

Our staff always strives to do their best, and in combination with the close working relationship between staff and elected members we have made significant progress.

Finally, our thanks go to Mayor Adrienne Staples for four terms (12 years) as Mayor, and those Councilors not returning for the next tri-ennium, Max Stevens, Julie Riddell, David Montgomerie, Dean Davies, and Solitaire Robertson.



Vivien Napier

**Mayor**



Paul Crimp

**Chief Executive Officer**

A handwritten signature in blue ink, appearing to read "P. Crimp".

# STATEMENT OF COMPLIANCE AND RESPONSIBILITY

## **COMPLIANCE**

The Council and management of the South Wairarapa District Council confirm that all statutory requirements of the Local Government Act 2002 and Local Government (Financial Reporting and Prudence) Regulations 2014, in relation to the Annual Report have been complied with.

## **RESPONSIBILITY**

The Council and management of the South Wairarapa District Council accept responsibility for the preparation of the Annual Report and judgements used in it.

They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and service performance reporting.

In the opinion of the Council and management of the South Wairarapa District Council, the Annual Report for the year ended 30 June 2016 fairly reflect the financial position,

operations and service performance of the South Wairarapa District Council.

Vivien Napier

**Mayor**

Dated: 26<sup>th</sup> October 2016

Paul Crimp

**Chief Executive Officer**



Dated: 26<sup>th</sup> October 2016

## Independent Auditor's Report

### To the readers of South Wairarapa District Council's annual report for the year ended 30 June 2016

The Auditor-General is the auditor of South Wairarapa District Council (the District Council). The Auditor-General has appointed me, Mari-Anne Williamson, using the staff and resources of Audit New Zealand, on her behalf, to:

- audit the information included in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the audited information);
- report on whether the District Council has complied with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report and the Local Government (Financial Reporting and Prudence) Regulations 2014.

#### Opinion on the audited information

In our opinion:

- The financial statements on pages 10 to 15 and pages 17 to 40:
  - present fairly, in all material respects:
    - the District Council's financial position as at 30 June 2016;
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- The funding impact statement on page 16, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's long-term plan.
- The statements of service performance on pages 44 to 103:
  - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2016, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand.

- The statement about capital expenditure for each group of activities on pages 52 to 103, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's long-term plan.
- The funding impact statement for each group of activities on pages 52 to 103, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's long-term plan.

## **Compliance with requirements**

The District Council has:

- complied with the requirements of schedule 10 of the Local Government Act 2002 that apply to the annual report; and
- made the disclosures on pages 10 to 103 which are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information.

Our audit was completed on 26 October 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and we explain our independence.

## **Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the information we audited is free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the audited information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council's preparation of the information we audited in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of the disclosures in the information we audited;

- determining the appropriateness of the reported statements of service performance within the District Council's framework for reporting performance; and
- the overall presentation of the information we audited.

We did not examine every transaction, nor do we guarantee complete accuracy of the information we audited.

When reporting on whether the District Council complied with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report, we limited our procedures to making sure the annual report included the required information and identifying material inconsistencies, if any, with the information we audited. We carried out this work in accordance with International Standard on Auditing (New Zealand) 720; The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements.

We did not evaluate the security and controls over the electronic publication of the information we are required to audit and report on. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of the Council**

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to ensure that the annual report is free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the annual report, whether in printed or electronic form.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the annual report in accordance with the reporting requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014. Our responsibility arises from the Public Audit Act 2001.

### **Independence**

When carrying out our audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. Other than this audit, we have no relationship with or interests in the District Council.



Mari-Anne Williamson  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

## FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2016

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 34.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016				
ACTUAL 2014/2015 \$000		NOTE	ACTUAL 2015/2016 \$000	BUDGET 2015/2016 \$000
<b>OPERATING REVENUE</b>				
12,284	Rates	23	12,602	12,385
353	Finance revenue	2	274	261
1,319	Fees, licences, charges		1,441	1,329
2,573	New Zealand Transport Agency subsidy		2,826	2,600
82	Petrol tax		83	80
292	Grants & subsidies	3	10	2,015
415	Rentals		489	541
132	Assets vesting in council		50	-
458	Development and financial contributions		595	325
-	Profit on sale of assets		4	-
4	Gain on share revaluation		14	-
374	Miscellaneous revenue	5	369	379
(38)	Internal charges		(38)	-
<b>18,249</b>	<b>Total operating revenue</b>		<b>18,720</b>	<b>19,915</b>
<b>OPERATING COSTS</b>				
1,352	Public protection & health		1,586	1,540
325	Economic, cultural & community development		372	308
456	Resource management		450	454
2,837	Amenities		2,920	2,825
5,918	Land transport		5,881	5,239
2,534	Water supply		2,402	2,348
1,477	Solid waste management		1,458	1,346
1,614	Sewerage		1,687	1,851
205	Stormwater drainage		222	218
692	Governance, leadership & advocacy		800	751
17	Rate debtors written off		18	40
131	Bad debts		105	-
-	Loss on Share revaluation		-	-
11	Loss on sale of assets		2	-
(38)	Internal charges		(38)	-
<b>17,530</b>	<b>Total operating costs</b>		<b>17,847</b>	<b>16,920</b>
<b>719</b>	<b>Operating surplus/(deficit) before tax</b>		<b>873</b>	<b>2,995</b>
353	Other gains & losses	8	81	49
<b>1,072</b>	<b>Total surplus/(deficit) before tax</b>	<b>6</b>	<b>954</b>	<b>3,044</b>
-	Tax expense		-	-
<b>1,072</b>	<b>Total Surplus/(Deficit) after tax</b>	<b>6</b>	<b>954</b>	<b>3,044</b>
<b>Note: Operating costs include the following expenses:</b>				
4,501	Depreciation	7	4,000	3,944
16	Amortisation	7	19	14
767	Finance costs	2	806	923

Note: Exchange revenue is Rentals, Finance revenue and Profit on sale the other operating revenue is Non-exchange.

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR YEAR ENDED 30 JUNE 2016

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 34.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2016				
ACTUAL 2014/2015 \$ 000		NOTE	ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
1,072	<b>Total surplus/(deficit) after tax</b>		954	3,044
(15,213)	Increase/(decrease) in revaluation reserves		3,140	2,014
4	Financial assets at fair value through other comprehensive revenue and expense		-	-
(15,209)	<b>Total other comprehensive revenue and expense</b>		3,140	2,014
(14,137)	<b>Total comprehensive revenue and expense</b>		4,094	5,058

## STATEMENT OF MOVEMENTS IN EQUITY FOR YEAR ENDED 30 JUNE 2016

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 34.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016				
ACTUAL 2014/2015 \$ 000		NOTE	ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
393,753	Equity at start of year		379,616	395,971
(14,137)	<b>Total comprehensive revenue and expense</b>		4,094	5,058
379,616	Equity at end of year		383,709	407,415

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016**

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 34.

<b>STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016</b>				
<b>ACTUAL</b> 2014/2015 \$000		<b>NOTE</b>	<b>ACTUAL</b> 2015/2016 \$000	<b>BUDGET</b> 2015/2016 \$000
<b>ASSETS</b>				
<b>Current assets</b>				
7,628	Cash and cash equivalents	9	5,653	3,330
458	Investments	13	1610	3,980
1932	Debtors and other receivables	10	1931	2,407
36	Inventories	11	12	33
-	Non-current assets held for sale	12	2,874	-
<b>10,054</b>	<b>Total current assets</b>		<b>12,081</b>	<b>9,749</b>
<b>Non-current assets</b>				
5	Investment	13	5	5
-	LGFA Investment	13	120	-
<b>Other Financial assets:</b>				
65	-Investment in CCOs and other similar entities	14	79	62
9	-Investment in other entities	14	9	9
<b>74</b>	<b>Total other financial assets</b>		<b>88</b>	<b>71</b>
190	Intangible assets	16	175	200
9,979	Investment properties	15	6,998	9,772
377,725	Property, plant and equipment	17	381,993	404,506
<b>387,972</b>	<b>Total non-current assets</b>		<b>389,379</b>	<b>414,554</b>
<b>398,027</b>	<b>Total assets</b>		<b>401,460</b>	<b>424,303</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
2,982	Creditors and other payables	18	3,591	2,040
295	Employee entitlements	19	317	326
33	Provisions - current portion	20	33	-
1,738	Public debt - current portion	21	1,000	618
-	Finance leases - current portion	21	-	-
<b>5,048</b>	<b>Total current liabilities</b>		<b>4,942</b>	<b>2,984</b>
<b>Non-current liabilities</b>				
382	Provisions - non-current portion	20	407	410
12,980	Public debt - non-current portion	21	12,402	16,538
-	Finance leases - non-current portion	21	-	-
<b>13,362</b>	<b>Total non-current liabilities</b>		<b>12,808</b>	<b>16,948</b>
<b>Equity</b>				
145,392	Public equity	22	146,737	142,347
18,045	Restricted reserves and trust funds	22	17,652	22,852
216,177	Asset revaluation reserve	22	219,317	239,168
3	Other reserves	22	3	4
-	Sinking fund reserves	22	-	-
<b>379,617</b>	<b>Total equity</b>		<b>383,709</b>	<b>404,371</b>
<b>398,027</b>	<b>Total liabilities and equity</b>		<b>401,460</b>	<b>424,303</b>



**STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2016**

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 34.

<b>STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2016</b>				
<b>ACTUAL 2014/2015 \$ 000</b>		<b>NOTE</b>	<b>ACTUAL 2015/2016 \$ 000</b>	<b>BUDGET 2015/2016 \$ 000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Cash was received from:</b>				
12,139	Receipts from rates revenue		12,505	12,385
3,286	Government grants & subsidies		2,606	4,614
81	Petrol tax		82	80
2,891	Other revenue		3,243	2,215
2,915	Regional council rates		3,151	2,454
324	Interest on investments		237	224
<b>21,635</b>			<b>21,824</b>	<b>21,971</b>
<b>Cash was applied to:</b>				
11,679	Payments to suppliers & employees		12,320	12,193
2,915	Regional council rates		3,151	2,454
767	Interest paid		795	923
(45)	GST (NETT)		-	-
<b>15,316</b>			<b>16,266</b>	<b>15,570</b>
<b>6,319</b>	<b>Net cash flow from operating activities</b>		<b>5,558</b>	<b>6,402</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Cash was received from:</b>				
-	Sale of property, plant & equipment		-	-
440	Investments in loan redemption & sinking funds		-	284
-	Term investments, deposits, shares & advances		1,592	-
<b>440</b>			<b>1,592</b>	<b>284</b>
<b>Cash was applied to:</b>				
9,160	Purchase of property, plant & equipment		4,942	7,199
447	Term investments, deposits, shares & advances		2,864	293
12	Investments in loan redemption & sinking funds		-	-
<b>9,619</b>			<b>7,808</b>	<b>7,491</b>
<b>(9,179)</b>	<b>Net cash flow from investing activities</b>		<b>(6,216)</b>	<b>(7,207)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Cash was received from:</b>				
-	Finance leases		-	-
4,959	Public debt		7,500	2,305
<b>4,959</b>			<b>7,500</b>	<b>2,305</b>
<b>Cash was applied to:</b>				
-	Repayment of finance leases		-	-
2,516	Repayment of public debt		8,816	565
<b>2,516</b>			<b>8,816</b>	<b>565</b>
<b>2,443</b>	<b>Net cash flow from financing activities</b>		<b>(1,316)</b>	<b>1,740</b>
(416)	Net increase/(decrease) in cash held		(1,975)	935
8,044	Add cash at start of year (1 July)		7,628	6,375
<b>7,628</b>	<b>Balance at end of year (30 June)</b>		<b>5,653</b>	<b>7,310</b>
<b>REPRESENTED BY:</b>				
85	Cash and cash equivalents	9	425	100
7,544	Short Term Investments		5,228	7,211
<b>7,628</b>			<b>5,653</b>	<b>7,310</b>

## STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR YEAR ENDED 30 JUNE 2016

STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEAR ENDED 30 JUNE 2016	2016					
	RESERVE	ACTIVITIES TO WHICH THE RESERVE RELATES	OPENING BALANCE \$ 000	TRANSFERS IN \$ 000	TRANSFERS OUT \$ 000	CLOSING BALANCE \$ 000
<b>District Property</b>			603	-	(571)	32
To be used for Town Centre Development	All activities					
<b>Asset Realisation</b>			347	-	(184)	163
Capital gains from the sale of Council Assets that have been realised overtime.	All activities					
<b>Plantation Reserve</b>			65	-	-	65
For road protection schemes and seal extensions in the future.	All activities					
<b>Community Board Reserves</b>						
<i>Community Board funds Carried over:</i>						
Featherston	Governance		3	49	(55)	(2)
Greytown	Governance		12	49	(56)	5
Martinborough	Governance		46	49	(89)	6
<b>Restricted Reserves</b>						
To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development, to protect conservation values, To provide opportunities for public access to and along water bodies, to provide recreational opportunities near water bodies	All activities		523	211	(368)	366
<b>Water Race Reserves</b>						
Featherston/Longwood Water race	Water		(9)	76	(84)	(18)
Moroa	Water		217	86	(92)	210
<b>Trusts</b>						
Campground Memorial:	Amenities		7	-	-	7
Pain Farm	Amenities		291	100	(49)	343
Pain Farm: maintaining and improving the Borough's parks, sports grounds, camping ground, swimming baths, providing and maintaining sports facilities and a children's playground.						
<b>Infrastructure Contributions</b>			1,093	383	(118)	1,358
To provide a potable water supply, to safeguard the health of inhabitants and protect the natural environment for inappropriate disposal of sewage, to prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of Stormwater, to ensure sufficient water is available for fire fighting purposes. To provide for the safe and convenient movement on roads of vehicular, bicycles and pedestrians within and through the Wairarapa.	All activities					
<b>Combined District Plan Reserve</b>			(137)	33		(104)
To Spread the costs of the District plan over the life of the plan	Resource Mngmt					
<b>Loan Redemption Reserve</b>			401	11	-	412
	All activities					
<b>Depreciation Reserves</b>			14,602	5,365	(4,895)	15,072
To fund new capital projects	All activities					
<b>Kotui Library Software</b>			(19)	19		-
To Spread the costs of the software	Libraries					
<b>Martinborough Town Hall Reserve</b>			-	136	(581)	(445)
Waiinga Center Project	Amenities					
<b>Rural Roding Reserve</b>			-	200	-	200
Rural Roding	Roding					
<b>Housing Reserve</b>			-	121	(140)	(19)
Housing	Amenities					
			<b>18,045</b>	<b>6,889</b>	<b>(7,282)</b>	<b>17,652</b>

## STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR YEAR ENDED 30 JUNE 2015

RESERVE	2015				
	ACTIVITIES TO WHICH THE RESERVE RELATES	OPENING BALANCE	TRANSFERS IN	TRANSFERS OUT	CLOSING BALANCE
		\$ 000	\$ 000	\$ 000	\$ 000
<b>District Property</b>		603	-	-	603
To be used for Town Centre Development	All activities				
<b>Asset Realisation</b>		347	-	-	347
Capital gains from the sale of Council Assets that have been realised overtime.	All activities				
<b>Plantation Reserve</b>		65	-	-	65
For road protection schemes and seal extensions in the future.	All activities				
<b>Community Board Reserves</b>					
<i>Community Board funds Carried over:</i>					
Featherston	Governance	14	52	(63)	3
Greytown	Governance	19	56	(62)	12
Martinborough	Governance	44	52	(50)	46
<b>Restricted Reserves</b>					
To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development, to protect conservation values, To provide opportunities for public access to and along water bodies, to provide recreational opportunities near water bodies	All activities	774	169	(421)	523
<b>Water Race Reserves</b>					
Featherston/Longwood Water race	Water		67	(77)	(9)
Moroa	Water	203	81	(68)	217
<b>Trusts</b>					
Campground Memorial:	Amenities	7	-	-	7
Pain Farm grounds, camping ground, swimming baths, providing and maintaining	Amenities	277	96	(81)	291
<b>Infrastructure Contributions</b>		1,206	288	(401)	1,093
To provide a potable water supply, to safeguard the health of inhabitants and protect the natural environment for inappropriate disposal of sewage, to prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of Stormwater, to ensure sufficient water is available for fire fighting purposes. To provide for the safe and convenient movement on roads of vehicular, bicycles and pedestrians within and through the Wairarapa.	All activities				
<b>Combined District Plan Reserve</b>		(170)	33		(137)
To Spread the costs of the District plan over the life of the plan	Resource Mngmt				
<b>Loan Redemption Reserve</b>	All activities	377	24	-	401
<b>Depreciation Reserves</b>		13,878	9,753	(9,028)	14,602
To fund new capital projects	All activities				
<b>Kotui Library Software</b>		(42)	23		(19)
To Spread the costs of the software	Libraries				
		<b>17,604</b>	<b>10,692</b>	<b>(10,251)</b>	<b>18,046</b>

**FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016**

<b>FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016</b>				
<b>2015 ANNUAL REPORT</b> \$ 000		<b>2015 ANNUAL PLAN</b> \$ 000	<b>2016 ANNUAL PLAN</b> \$ 000	<b>2016 ANNUAL REPORT</b> \$ 000
<b>Sources of operating funding</b>				
7,805	General rates, uniform annual general charges, rates penalties	8,218	8,393	7,901
4,088	Targeted rates	3,685	3,866	4,529
1,422	Subsidies and grants for operating purposes	3,591	2,600	1,906
1,064	Fees and charges	883	1,109	1,001
278	Interest and dividends from investments	147	224	274
1,467	Local authorities fuel tax, fines, infringement fees, and other receipts	1,571	1,401	1,515
<b>16,124</b>	<b>Total operating funding (A)</b>	<b>18,094</b>	<b>17,591</b>	<b>17,125</b>
<b>Applications of operating funding</b>				
11,469	Payments to staff and suppliers	11,311	11,308	12,306
1,157	Finance costs	1,211	1,360	1,124
266	Other operating funding applications	250	252	312
<b>12,892</b>	<b>Total applications of operating funding (B)</b>	<b>12,772</b>	<b>12,921</b>	<b>13,742</b>
<b>3,231</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>5,322</b>	<b>4,670</b>	<b>3,383</b>
<b>Sources of Capital funding</b>				
1,525	Subsidies and grants for capital expenditure	-	2,000	930
302	Development and financial contributions	159	200	397
2,440	Increase (decrease) in debt	1,033	(76)	(69)
-	- Gross proceeds from sale of assets	-	-	-
156	Lump sum contributions	116	123	197
-	- Other dedicated capital funding	-	-	-
<b>4,423</b>	<b>Total sources of capital funding (C)</b>	<b>1,307</b>	<b>2,247</b>	<b>1,455</b>
<b>Applications of capital funding</b>				
<b>Capital Expenditure</b>				
-	- to meet additional demand	-	46	-
5,147	- to improve the level of service	1,774	1,482	1,029
3,880	- to replace existing assets	4,453	2,965	3,866
(1,372)	Increase (decrease) in reserves	401	2,423	(57)
-	- Increase (decrease) of investments	-	-	-
<b>7,654</b>	<b>Total applications of capital funding (D)</b>	<b>6,629</b>	<b>6,917</b>	<b>4,838</b>
<b>(3,232)</b>	<b>Surplus (deficit) of capital</b>	<b>(5,322)</b>	<b>(4,670)</b>	<b>(3,384)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2016

#### REPORTING ENTITY

**South Wairarapa District Council (SWDC) is a territorial local body governed by the Local Government Act 2002 (LGA 2002 and Local Government Rating Act 2002) and is domiciled in New Zealand.**

The SWDC is a separate legal entity and does not have any subsidiaries.

The SWDC has designated itself as a public benefit entity for financial reporting purposes.

The financial statements of the SWDC are for the year ended 30 June 2016. The financial statements were authorised for issue by Council on 26 October 2016.

#### BASIS OF PREPARATION

The financial reports have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the period.

#### Statement of Compliance

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

These financial statements have been prepared in accordance with Public Benefit Standards with reduced disclosure requirements (Tier 2). The SWDC qualifies for Tier 2 reporting tier as the SWDC has less than \$30 million of expenditure.

These financial statements comply with PBE Accounting Standards.

#### Measurement Base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructure assets, investment property, forestry assets and certain financial instruments.

#### Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000) and this could

result in rounding differences. The functional currency of the SWDC is New Zealand dollars.

Notes to the accounts are in whole dollars

#### Changes in Accounting Policies

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

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### SIGNIFICANT ACCOUNTING POLICIES

#### Revenue

Revenue is measured at the fair value of consideration received or receivable.

#### Rates 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 invoices are created.

Rates collected on behalf of the Greater Wellington Regional Council (GWRC) are not recognised in the financial statements, apart from the Statement of Cashflows, as SWDC is acting as an agent for the GWRC.

#### Other Revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

SWDC receives government grants from the New Zealand Transport Agency, which subsidises part of SWDC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the SWDC are recognised as revenue when control over the asset is obtained.

Sales of goods are recognised when a product is sold to the customer. Sales are in cash. The recorded revenue is the gross amount of the sale.

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

Interest revenue is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. Dividends are recorded net of imputation credits.

### **Development Contributions**

Development contributions and financial contributions are recognised as revenue when the council provides, or is able to provide, the service for which the contribution was charged. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the SWDC provides, or is able to provide, the service.

### **Borrowing Costs**

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

### **GRANT EXPENDITURE**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where SWDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the SWDC's decision.

### **LEASES**

#### **Finance Leases**

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the SWDC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the statement of financial performance over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the SWDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### **Operating Leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

### **DEBTORS AND OTHER RECEIVABLES**

Debtors and other receivables 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 receivables is established when there is objective evidence that the SWDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

### **INVENTORIES**

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost. The valuation includes allowance for slow moving and obsolete items. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the statement of financial performance in the period of the write-down.

## FINANCIAL ASSETS

SWDC classifies its financial assets into the following categories: financial assets at fair value through surplus and deficit, held-to-maturity investments and loans and receivables.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through 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 the SWDC commits 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 SWDC has transferred substantially all the risks and rewards of ownership.

The categories of financial assets are:

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

- Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied. Assets in this category are classified as current assets. SWDC's financial assets at fair value through surplus or deficit include derivatives that are not designated as hedges.
- Currently, the SWDC does not hold any financial assets in this category.
- After initial recognition they are measured at their fair values. Gains or losses on revaluation are recognised in the statement of financial performance.
- Currently, the SWDC does not hold any financial assets in this category.

b) Loans and receivables

- Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. SWDC's loans and receivables comprise cash and cash equivalents, debtors and other receivables, terms deposits, community and related party loans.
- 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 to community organisations made by SWDC at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the statement of financial performance as a grant.

c) Held to maturity investments

- Held to maturity investments are assets with fixed or determinable payments and fixed maturities that SWDC has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.
- After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance.
- Currently, the SWDC does not hold any financial assets in this category.

- d) Fair value through other comprehensive revenue and expense.
- Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. The Council includes in this category:
  - Investments that it intends to hold long-term but which may be realised before maturity; and
  - Shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

## FAIR VALUE

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet 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. SWDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

## IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

- Loans and other receivables, and held to maturity investments.

Impairment is established when there is objective evidence that the SWDC will not be able to collect amounts due according to the original terms of the

debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government stock, and community loans, are recognised directly against the instruments carrying amount.

- Financial assets at fair value through other comprehensive revenue and expense.

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for the investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

## NON-CURRENT ASSETS HELD FOR SALE

Non-current Assets held for sale are classified as held for sale if their carrying amount will be recovered through a sale transaction, not through continuing use. Non-current Assets held for sale



are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

### Operational Assets

These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.

### Restricted Assets

Restricted assets are parks and reserves owned by the SWDC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

### Infrastructure Assets

Infrastructure assets are the fixed utility systems owned by the SWDC. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

### Heritage Assets

Heritage assets are assets owned by the SWDC which are of cultural or historical significance to the community and cannot be replaced due to the nature of the assets. Buildings recorded under the Historic Places Act 1993 have been recorded as heritage assets.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

## ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the SWDC and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

## DISPOSALS

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 statement of financial performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

## SUBSEQUENT COSTS

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the SWDC and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

## DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which also includes the landfill and water races), at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The estimated useful economic lives of major classes of assets have been estimated as follows:

DEPRECIATION		
ASSET	ESTIMATED LIFE	
Buildings	100 years	1%
Heritage assets	100 years	1%
Furniture and equipment	5 to 22 years	20% to 4.5%
Motor vehicles	5 years	20%
Library collections	7 years	14%
Roading*	1 to 100 years	100% to 0.3%
Bridges*	18 to 100 years	5.6% to 1%
Water infrastructure*	1 to 100 years	100% to 2.5%
Sewer infrastructure*	2 to 100 years	50% to 1%
Stormwater infrastructure*	10 to 100 years	10% to 1.25%

**DEPRECIATION**

Parks and reserves	5 to 50 years	20% to 2%
Finance leases	3 to 5 years	33% to 20%

In relation to infrastructural assets marked \* (above), depreciation has been calculated at a componentry level based on the estimated remaining useful lives as assessed by Council's engineers and independent registered valuers.

Land under roads and formation are not depreciated.

A summary of these lives is detailed above.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

**REVALUATION**

Land, buildings (operational and restricted), heritage assets, library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other assets are carried at depreciated historical cost.

SWDC assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

SWDC accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of financial performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of financial performance will be recognised first in the statement of financial performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Those asset classes that are revalued are valued on a three yearly cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

**Land and Buildings**

An independent valuation is carried out to ascertain fair value as determined from market-based evidence by. The most recent valuation was performed by Angela Scott (BBS (VPM), MPINZ), Rupert Yortt BBS (VPM), David Cornford BBS (VMP), MPINZ of QV Asset & Advisory, and the valuation is effective as at 30 June 2016.

Heritage assets are also included in this category. Additions are recorded at cost.

**Infrastructure Assets**

Infrastructure asset classes are roads, bridges & footpaths, water systems, sewerage systems and stormwater systems.

At fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date the SWDC assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. The most recent valuation was performed by John Vessey (BE (Civil), BA (Economics), FIPENZ (Civil), CPEng, and IntPE) of Opus International Consultants on 30 June 2015. Additions are recorded at cost.

**Vested Assets**

At the actual costs or the current cost of providing identical services.

**Library Collections**

At depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of New Zealand in May 2002. Library valuations are performed by Colin Gerrard (BSc, MSc, GIPENZ) and Sarah Seel (BE, MIPENZ) of AECOM New Zealand Limited, and the valuation is effective as at 30 June 2015.

**Assets Held for Sale**

Assets held for sale are valued annually at the lower of carrying value and fair value less costs to sell as determined from market-based evidence by an independent valuer. Angela Scott (BBS (VPM), MPINZ), Rupert Yortt BBS (VPM), David Cornford BBS (VMP), MPINZ of QV Asset & Advisory, and the valuation is effective as at 30 June 2016.

**INTANGIBLE ASSETS****Software Acquisition and Development**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of

software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

### Easements

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite life and are not amortised, but are instead tested for impairment annually.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in statement of financial performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

TANGIBLE ASSET	ASSET LIFE	AMORTISATION RATE
Computer Software	5 years	20%

## INVESTMENT PROPERTIES

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at cost, including transaction costs.

After initial recognition, the SWDC measures all investment property at fair value as determined annually by an independent valuer.

Investment properties are valued annually at fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Angela Scott (BBS (VPM), MPINZ), Rupert Yortt BBS (VPM), David Cornford BBS (VMP), MPINZ of QV Asset & Advisory, and the valuation is effective as at 30 June 2016.

Gains and losses arising from a change in the fair value of investment property are recognised in the statement of financial performance.

## IMPAIRMENT OF PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

Assets that have an indefinite useful life or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recovered. When there is an indicator of impairment, the asset recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of financial performance.

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of financial performance.

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 class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the statement of financial performance.

## CREDITORS AND OTHER PAYABLES

Creditors and other payables are recorded at their face value.

## EMPLOYEE ENTITLEMENTS

### Short-term Employee Entitlements

Employee benefits that the SWDC expects to be settled within twelve months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, long service leave entitlements expected to be settled within twelve months, and sick leave.

The SWDC recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earning in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the SWDC anticipates it will be used by staff to cover those future absences.

The SWDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### Presentation of Employee Entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

### Long-term Employee Entitlements

#### *Superannuation Schemes*

Obligations for contributions to Kiwi Saver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the statement of financial performance as incurred.

## PROVISIONS

The SWDC 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, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures 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 a finance cost expense.

## BORROWINGS

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless SWDC has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are expected to be settled after 12 months of balance date.

## EQUITY

Equity is the community's interest in the SWDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Public equity – accumulated funds
- Special reserves and trust funds
- Asset revaluation reserves

## RESTRICTED AND COUNCIL CREATED RESERVES

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the SWDC.

Restricted reserves are those subject to specific conditions accepted as binding by the SWDC and which may not be revised by the SWDC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

The SWDC's objectives, policies and processes for managing capital are described in note 34.

The asset revaluation reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserves comprises the net cumulative change in the fair value through other comprehensive revenue and expense instruments.

## GOODS AND SERVICES TAX (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then 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.

## BUDGET FIGURES

The budget figures are those approved by SWDC in its 2015/2025 Long Term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the SWDC for the preparation of the financial statements. Please refer to note 34 for an explanation of significant variances to budget.

## COST ALLOCATION

The SWDC has derived the cost of service for each significant activity of the SWDC using the cost allocation system outlined below.

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

## CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the SWDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments 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. The 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 discussed below:

### Landfill Aftercare Provision

Note 20 discloses an analysis of the exposure of the SWDC in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

### Infrastructural Assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets.

These include:

- The physical deterioration and condition of an asset, for example the SWDC could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes

that are underground. This risk is minimized by the SWDC performing a combination of physical inspections and condition modelling assessments of underground assets.

- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the SWDC could be over and under estimating the annual depreciation charge recognised as an expense in the statement of financial performance.
- To minimise this risk, SWDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the SWDC asset management planning activities, which gives the SWDC further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

## CRITICAL JUDGMENTS IN APPLYING THE SWDC'S ACCOUNTING POLICIES

Management has exercised the following critical judgments in applying the SWDC's accounting policies for the year ended 30 June 2016

### CLASSIFICATION OF PROPERTY

SWDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the SWDC's social housing policy. These properties are accounted for as property, plant and equipment.

### STATEMENT OF CASH FLOWS

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the SWDC invests as part of its day-to-day cash management. GST is disclosed

net as disclosing gross amounts does not provide any further meaningful information.

Operating activities include cash received from all revenue sources and cash payments made for the supply of goods and services. Agency transactions (the collection of Regional Council rates) are recognised as receipts and payments in the statement of cash flows because they flow through the SWDC's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt structure of the SWDC.

## COST OF SERVICE STATEMENTS

The cost of service statements, as provided in the statement of service performance, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

### NOTE 2: FINANCE REVENUE AND COSTS

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>FINANCE REVENUE</b>		
Interest revenue:		
- term deposits	274,369	353,196
<b>Total finance revenue</b>	<b>274,369</b>	<b>353,196</b>
<b>FINANCE COSTS</b>		
Interest expense:		
- interest on bank borrowings	805,884	766,743
<b>Total finance costs</b>	<b>805,884</b>	<b>766,743</b>

**NOTE 3: GRANTS AND SUBSIDIES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Libraries	5,286	10,662
Community buildings	-	276,605
Miscellaneous	4,471	5,141
<b>Total grants and subsidies</b>	<b>9,757</b>	<b>292,408</b>

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised \$Nil (2015: \$Nil).

**NOTE 4: PERSONNEL COSTS**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Salaries and wages	3,003,310	2,799,257
Defined contribution plan employer contributions	63,701	53,838
Increase/(decrease) in employee entitlements/liabilities	32,145	14,050
<b>Total personnel costs</b>	<b>3,099,155</b>	<b>2,867,145</b>

Employer contributions to defined contribution plans are contributions to Kiwisaver and are recorded net of any rebate provided by the government.

**NOTE 5: MISCELLANEOUS REVENUE**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Commissions	66,313	67,682
Investments	164	328
Roading recoveries	247,039	256,931
Other recoveries	12,423	15,584
Miscellaneous	41,793	33,883
<b>Total miscellaneous revenue</b>	<b>367,731</b>	<b>374,407</b>

**NOTE 6: SUMMARY COST OF SERVICES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>REVENUE</b>		
Public protection	799,974	760,931
Resource management	401,210	311,782
Amenities	440,759	752,140
Land transport	3,346,300	3,079,125
Water supply	345,952	287,111
Solid waste management	319,843	317,639
Sewerage	262,433	157,023
Governance, leadership & advocacy	1,184	4,128
<b>Total activity revenue</b>	<b>5,917,655</b>	<b>5,669,879</b>
Rates	12,219,776	11,893,673
Rates penalties	171,932	228,545
Finance revenue	274,164	277,384
Fees, licences & charges	1,290	1,173
Profit on sale of assets	4,436	249
Miscellaneous revenue	104,092	80,368
Internal charges	(37,505)	(37,505)
<b>Total revenue</b>	<b>18,655,839</b>	<b>18,113,765</b>
<b>EXPENDITURE</b>		
Public protection	1,566,452	1,351,894
Economic cultural & community development	372,281	325,192
Resource management	449,990	455,893
Amenities	2,920,304	2,836,646
Land transport	5,881,405	5,917,986
Water supply	2,401,978	2,533,694
Solid waste management	1,458,362	1,476,975
Sewerage	1,687,072	1,613,738
Stormwater drainage	221,590	205,275
Governance, leadership & advocacy	799,898	691,953
<b>Total activity expenditure</b>	<b>17,759,332</b>	<b>17,409,246</b>
Rate debtors written off	18,372	17,182
Bad debts	105,194	130,869
Loss on sale of assets	1,598	11,367
Internal charges	(37,505)	(37,505)
<b>Total expenditure</b>	<b>17,846,991</b>	<b>17,531,159</b>
Other gains/(losses)	145,357	489,632
<b>Total surplus/(deficit) before tax</b>	<b>954,205</b>	<b>1,072,239</b>
Tax expense	-	-
<b>Total surplus/(deficit) after tax</b>	<b>954,205</b>	<b>1,072,239</b>

Each significant activity is stated gross of internal costs and revenues, and includes targeted rates attributable to activities (refer note 23). In order to fairly reflect the total external operations for the SWDC in the statement of comprehensive revenue and expense, these transactions are eliminated as shown above.

**NOTE 7: OTHER REVENUE AND EXPENSES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>REVENUE</b>		
Rental Revenue from Investment Properties	167,434	211,710
<b>EXPENDITURE</b>		
	-	-
<b>Depreciation:</b>		
Roads	189,115	2,054,271
Bridges	442,723	591,906
Water systems	782,517	894,996
Sewerage systems	355,583	393,405
Stormwater systems	104,986	109,280
Buildings	78,509	66,912
Furniture & equipment	100,355	98,440
Library collections	129,039	175,478
Motor vehicles	41,687	33,063
Parks & reserves	39,585	53,394
Heritage assets	33,415	29,712
	<b>3,999,515</b>	<b>4,500,857</b>
Amortisation	18,524	15,712
Councillors' remuneration	224,945	210,760
Interest expense	805,884	766,743
Provision: discount unwinding	25,218	3,764
Rates debtors written off	18,372	17,182
Change in provision for doubtful debts	147,483	146,814
Superannuation contributions	63,701	53,838

**NOTE 8: OTHER GAINS AND LOSSES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Gain/(loss) in fair value of investment property	79,235	353,283
Gain/(loss) in fair value of properties intended for sale	2,000	-
<b>Total gains/(losses)</b>	<b>81,235</b>	<b>353,283</b>

**NOTE 9: CASH AND CASH EQUIVALENTS**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Cash at bank and in hand	424,998	84,683
Term deposits with maturities of less than 3 months at acquisition	5,228,421	7,543,573
<b>Total cash and cash equivalents</b>	<b>5,653,419</b>	<b>7,628,255</b>

Cash and cash equivalents include the above for the purposes of the cash flow statement.

The total value of cash and cash equivalents that can only be used for a specific purpose is \$411,512 (2015: \$400,615).

**MATURITY ANALYSIS AND EFFECTIVE INTEREST RATES**

The maturity analysis for all other financial assets with the exception of equity investments are as follows:

**2015**

Short term deposits	7,543,573
Weighted average effective interest rate	3.07%

**2016**

Short term deposits	4,094,576
Weighted average effective interest rate	2.72%

**NOTE 10: DEBTORS & OTHER RECEIVABLES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Rates receivables	533,039	667,874
Other receivables	1,181,428	1,101,371
Goods and services tax	316,187	287,679
Prepayments	46,945	21,869
	<b>2,077,599</b>	<b>2,078,792</b>
Less provision for impairment of receivables	(147,483)	(146,814)
<b>Total debtors &amp; other receivables</b>	<b>1,930,116</b>	<b>1,931,978</b>

The impairment provision has been calculated based on expected losses for the SWDC's pool of debtors. Expected losses have been determined based on an analysis of the SWDC's losses in previous periods, and review of specific debtors.

	30 JUNE 2016 \$	30 JUNE 2015 \$
Collective impairment	147,483	146,814
<b>Total provision for impairment</b>	<b>147,483</b>	<b>146,814</b>

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

	30 JUNE 2016 \$	30 JUNE 2015 \$
At 1 July	146,814	184,192
Additional provisions made during the year	105,194	146,814
Provisions reversed during the year	-	-
Receivables written off during the year	(104,525)	(184,192)
<b>At 30 June</b>	<b>147,483</b>	<b>146,814</b>



**NOTE 11: INVENTORIES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Works inventory	9,020	24,670
Rubbish bags	2,149	8,93
Recycling bin Inventory	1,032	2,742
<b>Total inventories</b>	<b>12,202</b>	<b>36,325</b>

The carrying amount of inventories held for distribution that are measured at current replacement cost as at 30 June 2016 amounted to \$12,202 (2015: \$36,325).

The inventories expensed during the year were \$40,073 (2015: \$36,516).

The carrying amount of commercial inventories that are measured at net realisable value is \$Nil (2015: \$Nil).

The carrying amount of inventories pledged as security for liabilities is \$Nil (2015: \$Nil).

**NOTE 12: NON-CURRENT ASSETS HELD FOR SALE**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Assets held for sale are:		
Buildings	279,000	-
Land	2,595,000	-
<b>Total assets held for sale</b>	<b>2,874,000</b>	<b>-</b>

At 30 June 2016 SWDC owns several properties which have been presented as held for sale following the approval by Council on 24 February 2016 to sell these premises. The SWDC has approved the sale of the premises, as they will provide no future use to the SWDC. The completion date of the sale is expected to be by June 2017 (2015: \$Nil). No properties were sold during the year.

**NOTE 13: INVESTMENTS**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>CURRENT PORTION</b>		
<b>Loans and receivables</b>		
Term deposits	1,610,317	457,904
<b>Total current portion</b>	<b>1,610,317</b>	<b>457,904</b>
<b>NON-CURRENT PORTION</b>		
<b>Held to maturity</b>		
LGFA borrower notes	120,000	-
Other investments	5,226	5,226
<b>Total non-current portion</b>	<b>125,226</b>	<b>5,226</b>

There were no impairment provisions for other financial assets.

The fair value of community loans is \$Nil (2015: \$Nil).

The face value of community loans is \$Nil (2015: \$Nil).

The weighted average interest rate of the investments is 2.72% (2015: 3.07%).

**NOTE 14: OTHER FINANCIAL ASSETS**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>Investment in CCOs and other similar entities</b>		
New Zealand Local Government Insurance Corporation Ltd (53,930 shares)	78,738	64,716
<b>Total</b>	<b>78,738</b>	<b>64,716</b>
<b>Investment in other entities</b>		
Airtel Ltd (4,900 shares)	7,791	7,791
Farmlands Trading Society Ltd (699 shares)	1,159	1,159
<b>Total</b>	<b>8,950</b>	<b>8,950</b>
	<b>87,688</b>	<b>73,666</b>

**UNLISTED SHARES – VALUATION**

The fair value of the unlisted shares of Airtel Limited and Farmlands Trading Society Limited have been revalued to market value based on advice supplied by the respective companies as there is no active market to determine the value of the shares.

The New Zealand Local Government Insurance Corporation Limited shares have been revalued to market value on an annual basis using the net asset backing per share value as at 30 June 2016.

**IMPAIRMENT**

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

**NOTE 15: INVESTMENT PROPERTIES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>Balance 1 July</b>	<b>9,979,000</b>	<b>9,723,000</b>
Disposals	-	(106,000)
Transfers	(3,060,235)	-
Additions	-	8,717
Fair value gains/(losses) on valuation	79,235	353,283
<b>Balance 30 June</b>	<b>6,998,000</b>	<b>9,979,000</b>

SWDC's investment properties are valued annually at fair value with the latest valuation effective 30 June 2016. All investment properties were based on open market evidence. The valuation was performed by Angela Scott (BBS (VPM), MPINZ), Rupert Yortt BBS (VPM), David Cornford BBS (VMP), MPINZ of QV Asset & Advisory.

Contractual obligations in relation to investment properties at balance date but not recognised in the financial statements are nil. There are no capital commitments as at 30 June 2016 (2015: Nil).

**NOTE 16: INTANGIBLE ASSETS**

	\$
<b>Cost</b>	
Balance at 1 July 2014	326,305
<b>Balance at 30 June 2015</b>	<b>301,635</b>
Balance at 1 July 2015	301,635
Additions	3,625
Disposals	-
<b>Balance at 30 June 2016</b>	<b>305,260</b>
<b>Accumulated amortisation and impairment</b>	
Balance at 1 July 2014	126,843
<b>Balance at 30 June 2015</b>	<b>111,667</b>
Balance at 1 July 2015	111,667
Amortisation charge	18,523
Disposals	-
<b>Balance at 30 June 2016</b>	<b>130,190</b>
<b>Carrying amount</b>	
Balance at 30 June 2014	199,461
Balance at 30 June 2015	189,968
Balance at 30 June 2016	175,069

There are no restrictions over the title of SWDC's intangible assets, nor are any intangible assets pledged as security for liabilities.

**EASEMENTS**

Easements are non-cash generating in nature, instead they give SWDC the right to access private property where infrastructural assets are located. These easements have not been valued as SWDC believes that this amount would be immaterial. As a result, no value for easements has been included as intangible assets.

NOTE 17: PROPERTY, PLANT AND EQUIPMENT											
30 JUNE 2016	COST/ REVALUATION 30 JUNE 2016 \$	ACCUMULATED DEPRECIATION 30 JUNE 2016 \$	CARRYING AMOUNT 30 JUNE 2016 \$	CURRENT YEAR ADDITIONS \$	CURRENT YEAR DISPOSALS \$	CURRENT YEAR GAIN (LOSES) ON SALE \$	CURRENT YEAR DEPRECIATION \$	REVALUATION, IMPAIRMENTS & DEPRECIATION RECOVERED OR REVALUED \$	COST/ REVALUATION 30 JUNE 2016 \$	ACCUMULATED DEPRECIATION 30 JUNE 2016 \$	CARRYING AMOUNT 30 JUNE 2016 \$
<b>INFRASTRUCTURAL ASSETS</b>											
Roads	288,651,000	-	288,651,000	1,845,008	-	-	1,891,115	-	290,496,008	1,891,115	288,604,894
Bridges	15,588,000	-	15,588,000	10,241	-	-	442,723	-	15,598,242	442,723	15,155,518
Water systems	20,729,000	-	20,729,000	100,800	-	-	782,517	-	20,829,799	782,517	20,047,283
Sewerage systems	13,559,000	-	13,559,000	99,074	-	-	355,583	-	13,658,074	355,583	13,302,491
Stormwater systems	3,032,000	-	3,032,000	-	-	-	104,986	-	3,032,000	104,986	2,927,013
	<b>341,559,000</b>	-	<b>341,559,000</b>	<b>2,055,123</b>	-	-	<b>3,576,924</b>	-	<b>343,614,123</b>	<b>3,576,924</b>	<b>340,037,199</b>
<b>OPERATIONAL</b>											
Land	24,906,001	-	24,906,001	240,100	-	-	-	1,482,199	26,628,300	-	26,628,300
Buildings	5,212,943	127,226	5,085,717	158,878	-	-	78,509	474,985	5,846,806	-	5,846,806
Furniture & equipment	1,674,990	1,244,461	430,529	116,105	(27,709)	-	100,355	-	1,763,386	1,319,024	444,362
Library collections	612,374	-	612,374	92,343	-	-	129,039	-	704,717	129,039	575,678
Motor vehicles	297,089	201,879	95,210	51,747	(59,818)	-	41,687	-	289,017	183,748	105,269
Parks & reserves	256,963	234,069	22,894	-	-	-	2,586	-	256,963	236,655	20,308
Playgrounds	392,000	-	392,000	-	-	-	36,999	-	392,000	36,999	355,001
	<b>33,352,360</b>	<b>1,807,635</b>	<b>31,544,725</b>	<b>659,173</b>	<b>(87,528)</b>	-	<b>389,176</b>	<b>1,957,185</b>	<b>35,881,190</b>	<b>1,905,464</b>	<b>33,975,725</b>
<b>OTHER ASSETS</b>											
Heritage assets	3,162,488	58,892	3,103,596	313,292	-	-	33,415	884,923	4,360,703	-	4,360,703
Work in progress	1,517,220	-	1,517,220	2,102,620	-	-	-	-	3,619,840	-	3,619,840
<b>Total assets</b>	<b>379,591,068</b>	<b>1,866,527</b>	<b>377,724,540</b>	<b>5,130,208</b>	<b>(87,528)</b>	-	<b>3,999,515</b>	<b>2,842,108</b>	<b>387,475,856</b>	<b>5,482,388</b>	<b>381,993,466</b>

NOTE 17: PROPERTY, PLANT AND EQUIPMENT											
30 JUNE 2015	COST/ REVALUATION 30 JUNE 2014 \$	ACCUMULATED DEPRECIATION 30 JUNE 2014 \$	CARRYING AMOUNT 30 JUNE 2014 \$	CURRENT YEAR ADDITIONS \$	CURRENT YEAR DISPOSALS \$	CURRENT YEAR GAIN (LOSS) ON SALE \$	CURRENT YEAR DEPRECIATION \$	REVALUATION, IMPAIRMENTS & DEPRECIATION RECOVERED ON REVALUE \$	COST/ REVALUATION 30 JUNE 2015 \$	ACCUMULATED DEPRECIATION 30 JUNE 2015 \$	CARRYING AMOUNT 30 JUNE 2015 \$
<b>INFRASTRUCTURAL ASSETS</b>											
Roads	304,842,044	3,693,487	301,148,558	2,536,523	-	-	2,054,271	(12,979,809)	288,651,000	-	288,651,000
Bridges	19,416,763	1,102,365	18,314,398	30,973	-	-	591,906	(2,165,465)	15,588,000	-	15,588,000
Water systems	23,189,668	1,623,129	21,566,540	77,969	-	-	894,996	(20,513)	20,729,000	-	20,729,000
Sewerage systems	14,623,206	712,503	13,910,703	465,633	-	-	393,405	(423,931)	13,559,000	-	13,559,000
Stormwater systems	3,012,048	201,843	2,810,204	963	-	-	109,280	330,112	3,032,000	-	3,032,000
	<b>365,083,729</b>	<b>7,333,327</b>	<b>357,750,403</b>	<b>3,112,062</b>	-	-	<b>4,043,858</b>	<b>(15,259,606)</b>	<b>341,559,000</b>	-	<b>341,559,000</b>
<b>OPERATIONAL</b>											
Land	20,492,547	-	20,492,547	4,413,454	-	-	-	-	24,906,001	-	24,906,001
Buildings	4,596,448	60,314	4,536,134	616,496	-	-	66,912	-	5,212,943	127,226	5,085,717
Furniture & equipment	1,761,978	1,307,021	454,957	77,379	(164,367)	-	98,440	-	1,674,990	1,244,461	430,529
Library collections	920,717	282,579	638,138	92,520	(471)	-	175,478	57,666	612,374	-	612,374
Motor vehicles	297,089	168,816	128,273	-	-	-	33,063	-	297,089	201,879	95,210
Parks & reserves	256,963	220,798	36,165	-	-	-	13,271	-	256,963	234,069	22,894
Playgrounds	463,942	70,601	393,341	47,435	-	-	40,124	(8,652)	392,000	-	392,000
	<b>28,789,683</b>	<b>2,110,129</b>	<b>26,679,554</b>	<b>5,247,283</b>	<b>(164,838)</b>	-	<b>427,288</b>	<b>49,013</b>	<b>33,352,360</b>	<b>1,807,635</b>	<b>31,544,725</b>
<b>OTHER ASSETS</b>											
Heritage assets	2,966,698	29,180	2,937,518	195,790	-	-	29,712	-	3,162,488	58,892	3,103,596
Work in progress	828,895	-	828,895	688,325	-	-	-	-	1,517,220	-	1,517,220
<b>Total assets</b>	<b>397,669,005</b>	<b>9,472,636</b>	<b>388,196,369</b>	<b>9,243,460</b>	<b>(164,838)</b>	-	<b>4,500,857</b>	<b>(15,210,593)</b>	<b>379,591,068</b>	<b>1,866,527</b>	<b>377,724,540</b>

<b>DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY</b>		
	30 JUNE 2016 \$	30 JUNE 2015 \$
Public protection & health	31,078	16,202
Resource management	3,248	2,696
Amenities	301,350	350,540
Land transport	2,333,989	2,646,348
Water supply	783,209	896,005
Solid waste management	21,443	23,734
Sewerage	365,828	395,038
Stormwater drainage	104,986	109,280
Governance, leadership & advocacy	7,289	7,468
Total directly attributable depreciation and amortisation by group of activity	3,952,420	4,447,311
Depreciation and amortisation not directly related to group of activities	65,618	69,258
<b>Total depreciation and amortisation expense</b>	<b>4,018,038</b>	<b>4,516,569</b>

<b>NET WORK ASSETS</b>				
	ACQUISITIONS CONSTRUCTED BY SWDC	TRANSFERRED TO SWDC	CLOSING BOOK VALUE	REPLACEMENT COST
<b>Water Supply</b>				
Treatment plants and facilities	28,116	0	4,824,279	5,155,116
Land	0	0	880,200	880,200
Other Assets	72,684	0	15,223,005	15,644,684
<b>Sewerage</b>				
Treatment plants and facilities	11,362	0	4,035,048	4,087,362
Land	0	0	1,840,000	1,840,000
Other Assets	87,712	0	9,267,443	9,570,712
<b>Stormwater Drainage</b>	0	0	2,927,013	3,032,000
<b>Roads and Footpaths</b>	1,845,008	0	288,604,894	290,496,008

<b>NOTE 18: CREDITORS &amp; OTHER PAYABLES</b>		
	30 JUNE 2016 \$	30 JUNE 2015 \$
Trade payables	3,022,992	2,348,321
Accrued expenses	102,479	132,276
Revenue in advance	196,720	263,840
Rates in advance	268,900	237,843
<b>Total creditors and other payables</b>	<b>3,591,091</b>	<b>2,982,281</b>

Except for rates in advance, all creditors and payables are assessed as exchange as these balances are from transactions carried at normal business terms.

<b>NOTE 19: EMPLOYEE ENTITLEMENTS</b>		
	30 JUNE 2016 \$	30 JUNE 2015 \$
Accrued pay	98,199	76,682
Annual leave	219,118	218,490
<b>Total employee entitlements</b>	<b>317,317</b>	<b>295,172</b>
Comprising:		
Current	317,317	295,172
<b>Total employee entitlements</b>	<b>317,317</b>	<b>295,172</b>

<b>NOTE 20: PROVISIONS</b>		
	30 JUNE 2016 \$	30 JUNE 2015 \$
Landfill aftercare provision		
Opening balance	414,815	411,051
Provision expensed for the year	(35,000)	(35,000)
Adjustment to NPV	60,218	38,764
<b>Total provisions</b>	<b>440,033</b>	<b>414,815</b>
Comprising:		
Current portion	33,486	33,144
Non-current portion	406,546	381,671
<b>Total provisions</b>	<b>440,033</b>	<b>414,815</b>

### PROVISION FOR LANDFILL AFTERCARE COSTS

SWDC gained resource consent to operate the landfill. SWDC has responsibility under the resource consent to provide on-going maintenance and monitoring of the landfill after the site has closed until February 2035.

The cash outflows for landfill post-closure are expected to occur until 2035. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be

incurred. The provision has been estimated taking into account existing technology and using a discount rate of 4.52% (2015: 5.60%).

<b>NOTE 21: BORROWINGS</b>		
	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>CURRENT</b>		
Secured loans	1,000,427	1,737,651
<b>Total current borrowings</b>	<b>1,000,427</b>	<b>1,737,651</b>
<b>NON-CURRENT</b>		
Secured loans	12,401,887	12,980,181
<b>Total non-current borrowings</b>	<b>12,401,887</b>	<b>12,980,181</b>

The range of interest rates applying to the above loans is 3.21% to 6.22% with a weighted average of 4.52% (2015: 5.60%). Loans are secured by way of rates.

### FIXED-RATE DEBT

SWDC's secured debt of \$13,402,313 (2015: \$14,717,832) is issued at fixed rates of interest.

### Security

SWDC's loans are secured over either separate or general rates of the district.

SWDC manages its borrowings in accordance with its funding and financial policies, which includes a liability management policy. These policies have been adopted as part of the SWDC's Long Term Plan.

### MATURITY ANALYSIS AND EFFECTIVE INTEREST RATES

The following is a maturity analysis of SWDC's borrowings. There are no early repayment options.

<b>2016</b>	
<b>LESS THAN ONE YEAR:</b>	
Secured loans	1,000,427
<b>Total</b>	<b>1,000,427</b>
<b>LATER THAN ONE YEAR BUT NOT MORE THAN FIVE YEARS:</b>	
Secured loans	10,601,887
<b>Total</b>	<b>10,601,887</b>
<b>LATER THAN FIVE YEARS:</b>	
Secured loans	1,800,000
<b>Total</b>	<b>1,800,000</b>

2015	
<b>LESS THAN ONE YEAR:</b>	
Secured loans	1,737,651
<b>Total</b>	<b>1,737,651</b>
<b>LATER THAN ONE YEAR BUT NOT MORE THAN FIVE YEARS:</b>	
Secured loans	12,980,181
<b>Total</b>	<b>12,980,181</b>
<b>LATER THAN FIVE YEARS:</b>	
<b>Total</b>	<b>-</b>

### FAIR VALUES OF BORROWING

The carrying amounts and the fair values of borrowing are as follows:

2016	CARRYING AMOUNTS \$	FAIR VALUES \$
Secured loans	13,402,314	13,402,314
<b>Total</b>	<b>13,402,314</b>	<b>13,402,314</b>

2015	CARRYING AMOUNTS \$	FAIR VALUES \$
Secured loans	14,717,832	14,717,832
<b>Total</b>	<b>14,717,832</b>	<b>14,717,833</b>

NOTE 22: EQUITY		
	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>PUBLIC EQUITY</b>		
As at 1 July	145,391,706	142,418,672
Net transfer (to)/from reserves	391,048	(441,369)
Net transfer (to)/from sinking fund reserve	-	2,337,182
Transfers from Revaluation reserve on disposals	-	2,882
other transfers	-	2,100
Total surplus / (deficit) after tax for the year	1,931,436	1,072,239
<b>As at 30 June</b>	<b>147,714,190</b>	<b>145,391,706</b>
<b>Sinking fund reserves</b>		
As at 1 July	-	2,337,182
Interest earned	-	75,865
Maturities	-	(2,413,047)
<b>As at 30 June</b>	<b>-</b>	<b>-</b>
<b>Restricted reserves &amp; trust funds</b>		
As at 1 July	18,045,415	17,604,046
Transfers to fund	6,837,320	10,636,386
Transfers from fund	(7,230,237)	(10,195,017)
<b>As at 30 June</b>	<b>17,652,498</b>	<b>18,045,415</b>
<i>Restricted reserves and trust funds consist of:</i>		
Discretionary reserves	259,730	1014,891
Community board reserves	9,228	61,756
Restricted reserves	366,081	522,740
Water race reserves	192,679	207,178
Council loan redemption reserves	411,512	400,615
Other reserves	16,063,868	15,540,057
Trusts	349,398	298,178
<b>Total restricted reserves and trust funds</b>	<b>17,652,497</b>	<b>18,045,415</b>
<b>Asset revaluation reserve</b>		
As at 1 July	216,176,752	231,390,229
Revaluation gains/(losses)	3,140,151	(15,215,901)
Other adjustments	-	-
<b>As at 30 June</b>	<b>219,316,903</b>	<b>216,174,328</b>
<i>Asset revaluation reserves consist of:</i>		
Land	15,243,287	13,761,087
Buildings	3,144,080	2,463,359
Heritage assets	977,231	-
Library collections	934,548	934,548
Bridges	8,580,657	8,580,657
Roading	162,665,570	162,665,570
Water	17,881,125	17,881,125
Sewerage	6,634,156	6,634,156
Stormwater	3,096,099	3,096,099
Playground equipment	152,592	150,167
Other equipment	7,559	7,559
<b>Total</b>	<b>219,316,903</b>	<b>216,174,328</b>
<b>Fair value through other comprehensive income reserve</b>		
As at 1 July	2,891	2,548
Valuation gains / (losses) taken to equity	-	343
<b>As at 30 June</b>	<b>2,891</b>	<b>2,891</b>

**NOTE 23: RATES REVENUE**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>General Rates</b>	<b>6,629,901</b>	<b>6,903,250</b>
<b>Targeted Rates Attributable to Activities</b>		
Water races	132,843	121,607
Sewerage	1,658,873	1,445,941
Water	2,038,173	2,088,558
Refuse	487,929	432,304
Amenities	1,272,057	902,451
	<b>5,589,875</b>	<b>4,990,562</b>
<b>Total Rates, Excluding Targeted Rates for Water by Meter</b>	<b>12,219,776</b>	<b>11,893,812</b>
<b>Targeted Rates for Water By Meter</b>	<b>210,733</b>	<b>161,848</b>
<b>Rates penalties</b>	<b>171,932</b>	<b>228,545</b>
<b>Total Revenue from Rates and Penalties</b>	<b>12,602,441</b>	<b>12,284,205</b>

**RATES REMISSION**

Revenue is shown net of rates remissions and non-rateable land. Under the Council's rate remission policies, the Council allowed remissions of \$18,612 (2015: \$20,136) for the purposes listed below.

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>Rates Revenue Before Remissions</b>	<b>12,621,053</b>	<b>12,304,341</b>
Council policy remissions:		
Rural halls	2,709	3,119
Sports bodies	5,988	5,766
Community organisations	3,896	6,834
Conservation	6,020	4,417
<b>Total Remissions</b>	<b>18,612</b>	<b>20,136</b>
<b>Rates Revenue after Remissions</b>	<b>12,602,441</b>	<b>12,284,205</b>

In accordance with the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under SWDC's rates remission policy.

**NOTE 24: STATEMENT OF CAPITAL COMMITMENTS AND OPERATING LEASES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Water system	136,362	687,403
Roading	648,820	-
Sewerage system		95,563
<b>Total capital commitments</b>	<b>785,181</b>	<b>687,403</b>

Refer to note 15 for capital commitments for investments properties.

**OPERATING LEASES AS LESSOR**

Investment property is leased under operating leases. The leases have non-cancellable terms ranging from 12 months to 359 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	30 JUNE 2016 \$	30 JUNE 2015 \$
Not later than one year	209,599	218,266
Later than one year and not later than five years	158,899	353,824
Later than five years	17,599	14,415
<b>Total non-cancellable operating leases</b>	<b>386,097</b>	<b>586,505</b>

**OPERATING LEASES AS LESSEE**

Council lease buildings and plant and equipment in the normal course of its business. The leases have non-cancellable terms ranging from 1 months to 20 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	30 JUNE 2016 \$	30 JUNE 2015 \$
Not later than one year	48,077	17,923
Later than one year and not later than five years	35,014	-
<b>Total non-cancellable operating leases</b>	<b>83,091</b>	<b>17,923</b>

Contingent liability for 2016 is \$Nil (2015: \$Nil).

There are no contingent assets for 2016 (2015: \$Nil).

No contingent rents have been recognised during the period.

There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.



**NOTE 26: RELATED PARTY TRANSACTIONS****KEY MANAGEMENT PERSONNEL**

During the year councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Council (such as payment of rates and purchase of rubbish bags etc.).

Dean Davies (a councillor) has a directorship in Guten Appetit Catering Limited. Payments made by the Council in the normal course of business on normal commercial terms for the year amounted to \$Nil (2015: \$2,845). Payments received by council in the normal course of business on normal commercial terms for the year amounted to \$Nil (2015: \$Nil)

Colin Olds (a councillor) Payments received by council in the normal course of business on normal commercial terms for the year amounted to \$150 (2015: \$150)

Adrienne Staples (The Mayor) has a directorship in Sanctuary Hill Ltd. Payments received by council in the normal course of business on normal commercial terms for the year amounted to \$Nil (2015: \$ Nil )

All payments were made on a cash basis and no payments were delayed. No interest was charged and there are no outstanding balances as at 30 June 2016.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2015: \$Nil).

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>Councillors</b>		
Remuneration	224,945	210,760
Full-time equivalent members	10	10
<b>Senior Management Team, including Chief Executive</b>		
Remuneration	487,456	452,398
Plus back pay relating to 14-15 year	4,264	
Full-time equivalent members	3	3
<b>Total key management personnel compensation</b>	<b>716,665</b>	<b>663,158</b>

Key management personnel include the Mayor, councillors and Chief Executive

**NOTE 27: REMUNERATION****CHIEF EXECUTIVE**

The Chief Executive of the SWDC appointed under section 42 of the Local Government Act 2002.

Paul Crimp was The Chief Executive for the year ended 30 June 2016 he received a salary of \$219,263, included in this amount was \$4,264 which related to the prior year (2015: \$187,625).

**ELECTED REPRESENTATIVES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
A Staples	69,000	66,300
V Napier	22,845	21,160
M Craig	16,300	15,100
D Davies	16,300	15,100
B Jephson	16,300	15,100
D Montgomerie	16,300	15,100
C Olds	19,000*	17,600*
J Riddell	16,300	15,100
S Robertson	16,300	15,100
M Stevens	16,300	15,100
<b>Total elected representatives remuneration</b>	<b>224,945</b>	<b>210,760</b>

\*Remuneration Authority approved additional salary in relation to Waitua Committee.

COUNCIL EMPLOYEES	30 JUNE 2016 \$	30 JUNE 2015 \$
<\$60,000	39	
\$60,000 -79,999	8	
\$80,000 - \$99,999	5	
\$ 100,000 - 259,999	3	
<\$60,000		49
\$60,000 -79,999		4
\$80,000 - 139,999		6
140,000-259,000		1
<b>Total employees</b>	<b>55</b>	<b>60</b>

Total remuneration includes non-financial benefits provided to employees. At balance date, the council employed 34 (2015 30) full-time employees, with the balance of staff representing 10 (2015 9) full-time equivalent employees. A full-time employee is determined on the basis of a 40 hour working week.

**NOTE 28: SEVERANCE PAYMENTS**

No severance payments made in 2016 (2015: Nil).

**NOTE 29: EVENTS AFTER BALANCE DATE**

Assets held for sale have been sold subsequent to balance date but prior to adopting the Annual Report.

16-18 Kitchener Street Martinborough and 20 Broadway Street was sold for \$625,000. This was the valuation we received for these properties. These properties had a carrying value of \$651,000.

The majority of land at the south end of Greytown was sold for slightly more than the valuation received. The sale price was \$1,500,000. We are unable to ascertain accurately the carrying value as the sale did not include the entire property and the subdivision remains uncompleted.

This is a non-adjusting event.

**NOTE 30: FINANCIAL INSTRUMENT CATEGORIES**

The accounting policies for financial instruments have been applied to the line items below:

<b>FINANCIAL ASSETS</b>		
	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>Fair value through profit and loss – held for trading</b>		
Derivative financial instrument assets	-	-
<b>Loans and receivables</b>		
Cash and cash equivalents	5,653,419	7,628,255
Investments	-	-
Debtors and other receivables	1,930,116	1,931,979
Other financial assets:		
- Investments	1,610,317	457,904
<b>Total loans and receivables</b>	<b>9,193,852</b>	<b>10,018,138</b>
<b>Held to maturity</b>		
Other financial assets:		
- Investments	125,226	5,226
<b>Total held to maturity</b>	<b>125,226</b>	<b>5,226</b>
<b>Fair value through other comprehensive income</b>		
Other financial assets:		
- unlisted shares	87,688	73,666
<b>Total fair value through equity</b>	<b>87,688</b>	<b>73,666</b>

**FINANCIAL LIABILITIES**

	30 JUNE 2016 \$	30 JUNE 2015 \$
<b>Fair value through profit and loss – held for trading</b>		
Derivative financial instrument liabilities	-	-
<b>Financial liabilities at amortised cost</b>		
Creditors and other payables	3,591,091	2,982,280
Borrowings:		
- secured loans	13,402,314	14,717,832
<b>Total financial liabilities at amortised cost</b>	<b>16,993,405</b>	<b>17,700,113</b>

**NOTE 31: INTERNAL BORROWING**

	30 JUNE 2016				
	OPENING BALANCE	AMOUNT BORROW ED	AMOUNT REPAID	INTEREST PAID	CLOSING BALANCE
Amenities	250,000			16,625	250,000
Roading	110,000			7,920	110,000
Sewerage	180,000			12,960	180,000
	30 JUNE 2015				
	OPENING BALANCE	AMOUNT BORROW ED	AMOUNT REPAID	INTEREST PAID	CLOSING BALANCE
Amenities	250,000			16,625	250,000
Roading	110,000			7,920	110,000
Sewerage	180,000			12,960	180,000

The roading loan was internally funded as this was a cheaper option for ratepayers at the time. This internal loan was used to cover storm damage to the Roothing network. The sewerage internal loan was internally funded as this was a cheaper option for ratepayers at the time. This internal loan was used to cover storm damage to the Martinborough wastewater treatment plant.

The Amenities internal loan was internally funded as this was a cheaper option for ratepayers at the time. This internal loan was used to cover urgent work required for swimming pools.

**NOTE 32: INSURANCE OF ASSETS**

	30 JUNE 2016 \$	30 JUNE 2015 \$
Total value of property, plant and equipment	381,993,466	377,724,541
Value of assets covered by insurance contracts	66,760,272	48,092,918

The value of assets covered by insurance excludes land and land under roads.

In addition to Council's insurance, in the event of natural disaster it is assumed that Central Government will contribute, 60% towards the restoration of Council owned underground drainage,

waste and water assets and the New Zealand Transport Agency will contribute between 49-59% towards the restoration of Rooding assets.

<b>NOTE 33: RATING BASE INFORMATION</b>		
	30 JUNE 2016 \$ 000	30 JUNE 2015 \$ 000
Number of rating units	6,825	6,781
Capital Value of rating units	3,692,580	3,636,452
Land value of rating units	2,224,363	2,216,631

## REPORTING FORMAT

These financial statements incorporate applicable amendments to legislation governing financial reporting requirements. In addition this is the first year of reporting following adoption of the 2015/25 10 Year Plan.

**NOTE 34: EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET**

Explanations for major variations from South Wairarapa District Council's estimated figures in the 2015/25 Long Term Plan are as follows.

**STATEMENT OF FINANCIAL PERFORMANCE**

- Rates revenue ahead of budget due to the reclassification of targeted rates for water by meter, from fees and licence revenue. The budget is required to remove in fees as disclosed in the LTP.
- Fees and licence revenue ahead of budget as building consent, LIMs, landfill revenue well ahead of forecast. The budget includes targeted rates for water by meter this has been reclassified into the rates actual income for this Annual report.
- NZTA revenue ahead of budget due to, Revetment work being done on the special purpose road that was not budgeted for, this work was 100% claimable from NZTA leading to more income than budgeted.
- Grants and subsidy revenue behind budget as pledges and grants not called in for the Waihinga centre project due to the delay in receiving Lotteries funding confirmation (project commencement moved to 2016/17 year)
- Development activity in the district ahead of forecast, resulting in revenue ahead of forecast.
- Land transport output higher than forecast due to emergency works following storm events on the Palliser special purpose road.

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE**

- The total surplus after tax is lower than forecast due to grants and pledges for Martinborough town hall not received as work had not yet started.

**STATEMENT OF MOVEMENTS IN EQUITY**

- The comprehensive revenue and expense for the year is significantly lower than forecast due to the variances described above.

**STATEMENT OF FINANCIAL POSITION**

- Cash & cash equivalents lower than budget following the early repayment of loans, and the grants and pledges not called in for the Waihinga centre project due to the delay in receiving Lotteries funding confirmation.
- Total public debt, current and non-current is lower than forecast due to the repayment of loan earlier than anticipated.
- Asset revaluation reserve lower than forecast due to a prior year devaluation in Roading assets following receipt of a significantly lower maintenance and upgrade contract.

**STATEMENT OF CASHFLOWS**

The notes below are for the 2015/2016 year.

- Government grants & subsidies are lower than budget as pledges and grants for Waihinga Centre project not yet received.
- Other revenue ahead of budget due to building consent, LIMs, user levies, fees revenue being ahead of forecast. In addition, capital contributions based on sub divisional activity was ahead of budget.
- Repayment of public debt higher than forecast due to repayment of cash flow loan.

# FINANCIAL PRUDENCE BENCHMARKS

## FINANCIAL PRUDENCE DISCLOSURE STATEMENT

### What is the purpose of this statement?

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **Regulations**). Refer to the Regulations for more information, including definitions of some of the terms used in this statement.

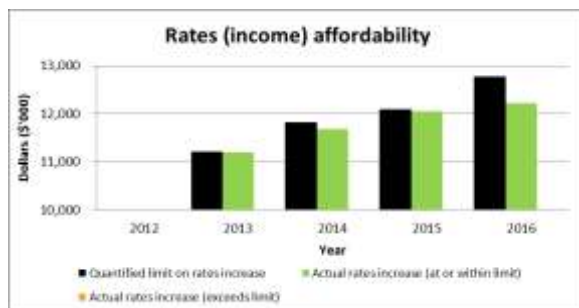
### Rates affordability benchmark

The Council meets the rates affordability benchmark if:

- Its actual rates income equal equals or is less than each quantified limit on rates; and
- Its actual rates increases equal or are less than each quantified limit on rates increases.

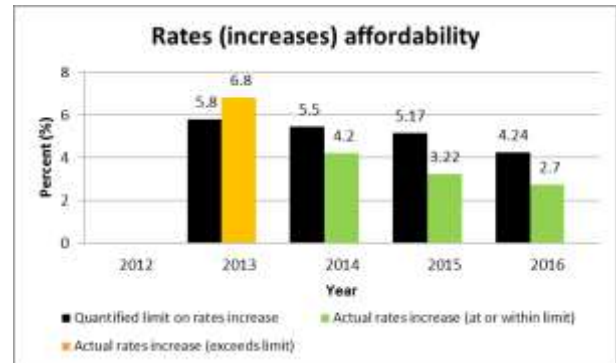
### Rates (income) affordability

The following graph compares the council's actual rates income with the quantified limit on rates set in the financial strategy included in the council's long-term plan. Actual rates increases were at or within the quantified limit set.



### Rates (increases) affordability

The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's long-term plan. The quantified limit is the percentage change in average rates must not exceed the increase in the opening BERL local government cost index plus 2 percent.



Quantified limits on rates increases were first set for the year ended 30 June 2013.

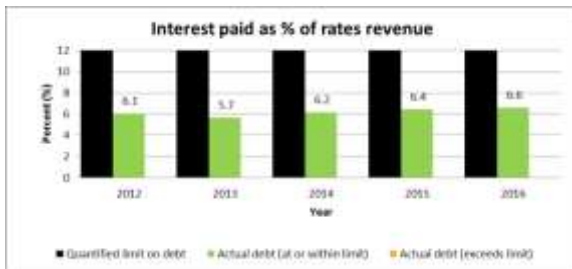
Comparative information is not available for the average rates increases (as defined in the quantified limit) for the years prior to 2013.

The 2012/13 rates strike increase was 4.5%, due to a database error the actual received during 2011/12 was lower than anticipated, resulting in an increase of rates actually received on a percentage comparative basis being higher than actually struck.

**Debt affordability benchmark**

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

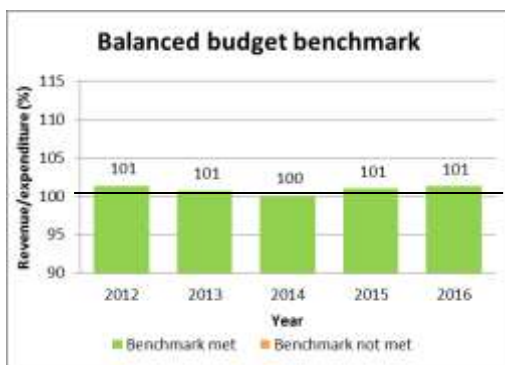
The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is that gross interest paid on term debt must not exceed 12 percent of rates revenue.



**Balanced budget benchmark**

The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

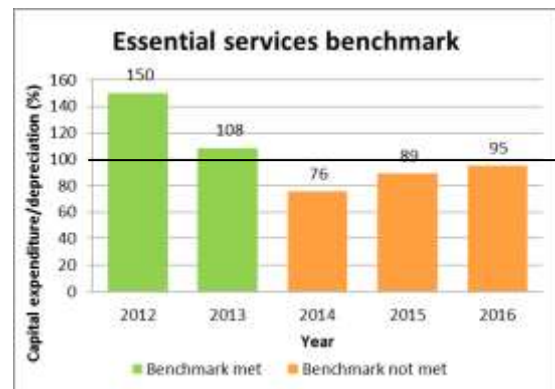


**Essential services benchmark**

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services.

The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

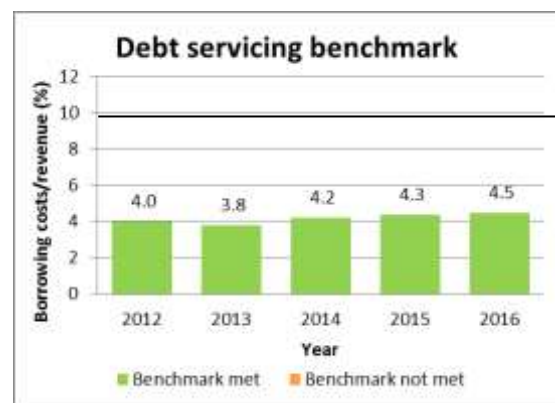
Council plans its network expenditure to ensure assets are maintained for the very long term, and on an as needed basis. Expenditure is based on maintenance need. Unspent funds are held in reserve until required.



**Debt servicing benchmark**

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

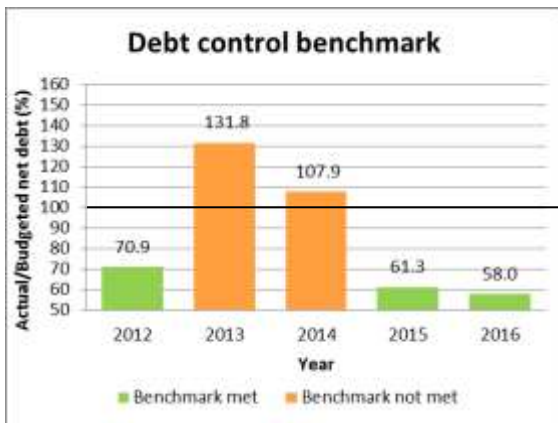


**Debt control benchmark**

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt. The benchmarks were significantly exceeded in 2013 and 2014 as Council purchased land in Greytown and Featherston for the distribution of treated wastewater. These purchases were made years in advance of the timings for land acquisition anticipated in Councils Wastewater Strategy.

During 2015 and 2016 we did not advance the wastewater capital program as planned as we had not received the appropriate resource consents as forecast.



**Operations control benchmark**

The following graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.

During 2016 we did not receive grants and pledges in relation to the Waihinga centre as forecast, resulting in lower net cashflow from operations as planned. Expenditure against this revenue was not incurred.



# COUNCIL'S SIGNIFICANT ACTIVITIES

## OVERVIEW

### 1. COMMUNITY OUTCOMES

The 2006/16 Community Outcomes are still current and are used in this year's Annual Report to provide a broader community context to Council's role in the district. The community outcomes have guided Council's strategic direction, and Council has set priorities in response to these outcomes. In this way, Community Outcomes assist in maintaining and enhancing the services that Council provide to you. The Community Outcomes agreed for the South Wairarapa district in 2006 were:

- Healthy & economically secure people.
- Educated and knowledgeable people.
- Vibrant and strong communities.
- A place that's accessible and easy to get around.
- Sustainable South Wairarapa.

The financial year 2015/16 is the first year of the 2015/2025 Long Term Plan. Throughout the financial year our activities have contributed to achieving the Community Outcomes in many ways. A summary of some of the accomplishments and successes for this financial year follows. In many cases the projects listed contribute to more than one outcome. Whilst this section focuses on 'highlights', more information about Council activities and how they have performed during the 2015/16 year can be found in the Activity section of this Annual Report. This year the Council is required to report on how its own activities have contributed to the Community Outcomes.

### 2. HEALTHY & ECONOMICALLY SECURE PEOPLE

Continued focus on solid waste management and minimisation, and enhancements to the wastewater system contribute to the health of the wider community. Significant planning and investigation has been undertaken in these areas, particularly wastewater, and this will form one of the key challenges in the years ahead. Provision of potable water supplies are also a focus, with significant work required in the next few years to maintain and enhance these systems, both to secure supply, and meet the ever increasing health requirements. Council retained Building Consent Authority accreditation, providing assurance our building

control work, and ultimately the buildings themselves, are to a high standard.

### 3. EDUCATED AND KNOWLEDGEABLE PEOPLE

Council is actively involved in the provision of information, which contributes to the education of the community. Council archival material covers many generations, and its' library services are an important educational asset for the wider community. The easy access to relevant legislation, district planning material and other regulatory material provides an important component in ensuring the community is aware of the parameters within which we all need to operate.

### 4. VIBRANT AND STRONG COMMUNITIES

Key aspects of this outcome include ensuring residents and visitors feel safe within the community. Governance and Public Protection activities ensure aspects such as alcohol licensing and building code requirements are applied and monitored. Provision of safe roading, and the provision of amenities are important to meet the needs of the mobile, active members of our communities.

### 5. A PLACE THAT'S ACCESSIBLE AND EASY TO GET AROUND

One of the key outputs of Council is the transportation network. Our urban and rural roads continue to achieve a high "smooth travel exposure" as assessed by independent agencies. As a mainly rural economy, maintenance of the roading network is a priority; our planned cyclical maintenance regime has helped achieve this standard. Transit New Zealand has removed the subsidy for seal extensions for the foreseeable future, any future extension work will need to be carefully managed.

### 6. SUSTAINABLE SOUTH WAIRARAPA

Sustainability is managed by the "district plan" process. A significant body of work has gone into the production of the "Combined District Plan" which will achieve a consistent outcome on resource management and planning issues across the wider community. The Combined Plan was adopted on 25 May 2011.



## UPDATE ON KEY ISSUES FROM THE LTP

The following comments report back on progress during the past year with the key issues that were identified in the Council's Long Term Plan (LTP) which was adopted in June 2015.

UPDATE ON KEY ISSUES FROM THE LTP	
KEY ISSUES	PROGRESS
<p>Roading in the district is vital, not only for car traffic which is the predominant means of transport for most residents and visitors, but also commercial traffic which is essential to service major industrial enterprises, particularly farming, horticulture and the wine industry.</p>	<p>The roading programme was completed as planned. This program is agreed with NZTA and is subject to significant oversight, NZTA need to be assured that their contribution is being well spent. The reseals programme is managed to ensure that only those sections of road that require sealing are sealed. This targeted approach is the most efficient method of ensuring the network is maintained to the highest standard affordable. A significant amount of work was carried out on the Cape Palliser "special purpose road". As this section of our network abuts the sea, it is important to carry out as much preventative maintenance as possible as we head towards the one network road scheme.</p>
<p>Council will continue to work with other Councils in developing shared services in a number of areas. Due consideration will also be given to the possibility of amalgamation with the neighbouring local authorities.</p>	<p>South Wairarapa has worked with the other Wairarapa Councils on a number of initiatives, including electricity pricing, insurance cover, solid waste, and roading contracts, where a combined maintenance contract was signed resulting in significant savings. One key output during the year was the application to the Local Government Commission by the Wairarapa Governance Review Working Party. This working party was delegated by the three Wairarapa Councils to investigate governance options for the Wairarapa and concluded that a Unitary Authority would best meet the financial and governance needs of the Wairarapa.</p>
<p>Alternative effluent disposal systems such as discharge to land for the waste water systems in the three towns will be investigated to meet GWRC's discharge standards. This will be the most significant capital expenditure item in the next three years.</p>	<p>The 2015/16 year has seen excellent progress with the acquisition of 35 year wastewater consents for Greytown, and Martinborough. An application for Featherston is due to be lodged in September 2016 with a 35 year consent expected.</p>
<p>Waihinga Centre</p>	<p>The Martinborough Town Hall strengthening and Waihinga Centre upgrade was approved in February 2016. The tender process has been completed and work is due to start in December.</p>

## SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS

The following comments report back on significant acquisitions or replacements of assets.

SIGNIFICANT ACQUISITIONS OR REPLACEMENT OF ASSETS				
PROJECT	COMMENT	2015/16 BUDGET \$'000	2015/16 ACTUAL \$'000	2014/15 ACTUAL \$'000
<b>Amenities</b> Featherston Town Centre Development	Local Authorities are responsible for providing the public with serviceable amenities. Up to date and functional amenities encourage visitors and provide a positive image for the towns. The town centre development opportunity arose some years ago with the acquisition of the land, and following feedback from the community the facility developed. This was not quite completed at balance date.	625	513	-
<b>Wastewater</b> Resource Consent Applications	Local Authorities are required to manage the treatment and disposal of sewerage to ensure the conditions of the resource consents are met. Sewerage disposal options preferred by the regulatory authorities have resulted in the need for a full and comprehensive investigation of the options available. While discharge to water is still a viable option, the community, through a series of consultative working groups in each town, has identified that discharge to land should be investigated. Expenditure includes a significant amount of data collection and analysis to enable options to be ascertained and recommendations made. Expenditure is ahead of budget due to the workload required to finalise the consent applications, and hold the hearings. We were delighted to obtain 35 year consents for Martinborough and Featherston. Part of these costs relate to the Featherston application, which is due to be lodged in the next financial year.	489	637	597
<b>Water</b> Alternative supply for Featherston	To provide a more secure water source for the towns of Featherston and Greytown, three bores were developed and connected to the existing water treatment plant. This was not completed at balance date	734	1,030	113

### OPPORTUNITIES FOR MAORI TO CONTRIBUTE

South Wairarapa District Council's main Maori consultative group is the Maori Standing Committee. The role of this Council funded committee is to:

- a) Advise on tangata whenua and Maori interests in the Council's major areas of activity.
- b) Establish a method of consultation, which involves tangata whenua, on all matters relating to the district's resources, and involving the district's planning processes.
- c) Advise on consultation processes with Maori in the district and assist in the development of consultation networks throughout the district.

- d) Promote the development of processes within Council, which develop policy, processes and guidelines, based on the Treaty of Waitangi principles of participation, partnership and active protection.

Maori input has been sought on the current wastewater project, particularly on the impact of discharges to the Papawai stream.

Public participation at Council and community board meetings is another forum whereby Maori can have input into matters Council is considering.

# STATEMENTS OF SERVICE PERFORMANCE

## GOVERNANCE/LEADERSHIP/ ADVOCACY

### 1. DESCRIPTION

The Local Government Act 2002 defines the purpose of local government which is to:

- Enable democratic local decision-making and action by, and on behalf of, communities; and
- Promote the social, economic, environmental and cultural well-being of communities, in the present and for the future.

While Council provides a limited range of services compared with the larger local authorities, its leadership and advocacy on behalf of the community is a major role for Council. Such leadership and advocacy can cover a very wide range of issues important to the community.

Governance is the means for collective action in society, responding to and guiding change that is beyond the capacity of private action. Council believes it has carried this out appropriately and will continue to do so.

The governance model under the Act is representative democracy. The community elects individuals to make judgements on behalf of the community about what will promote well-being. Although the model is one of representative democracy there are strong elements of citizen participation.

There are 3 elements to governance under the Act, these are:

- Representing the community.
- Strategic planning and policy development.
- Monitoring performance.

### Representation

This involves the provision of leadership and governance of the District through the Mayor's office, the Council/committee structure and the three community boards at Greytown, Featherston and Martinborough. The Mayor is elected "at large" by the district as a whole, irrespective of the existence of wards, and chairs the meetings of full Council. The Mayor is usually appointed to be the spokesperson on behalf of the Council on decisions and policies made by the Council.

Council and community board meetings are held six weekly.

In the interests of efficiency, and to provide separation between the Council's regulatory and non-regulatory roles, the Council may choose to establish committees. Representation on and delegations to committees is decided by the Mayor, usually after each triennial election. A committee chairperson is responsible for presiding over meetings of a committee and ensuring that the committee acts within the powers delegated by Council.

The chairs of Council committees and the three community boards are elected from within by each of the respective committees/community boards.

The South Wairarapa District Council currently operates three publicly notified committees as follows:

- The Maori Standing Committee (6 weekly)
- The Policy and Finance Committee (6 weekly)
- The Planning Hearings committee (as required)

A number of operational committees, working parties and focus groups also meet.

A fundamental role of the Council is to represent the views of its electors. It differs from the governance role in that the latter is about decision making on matters before the Council, whereas representation encompasses being accessible to the community to receive and understand their views, and if appropriate explain Council reasoning behind a particular decision or policy to those who might be interested. Representation also includes representation of Council through membership of various Council and community organisations.

For this the Mayor, Councillors and Community Board Members are set remuneration independently by the Remuneration Authority.

### Strategic Planning and Policy Development

This involves carrying out long term and annual planning for the district and producing plans which reflect the Council's role and level of involvement in helping to achieve the community outcomes. The Long Term Plan is produced on a three yearly cycle.

Communicating and consulting with the community is fundamental to the Council's strategic planning role. Formal consultation is required before certain decisions can be made. The trigger for the extent of

consultation is determined by Council based on the extent to which the Council is already aware of the issues, the interests of those affected by a particular proposal, and the regard to the circumstances in which a decision is being made.

This is outlined in the Significance and Engagement Policy.

The activity also involves planning and strategy development for urban and district growth to ensure growth is sustainable and infrastructural planning for the future can be carried out with certainty within clearly defined boundaries. Reviews of the District Plan are included in this activity. Policy development arising from this activity provides the framework for the community's strategic direction.

### Monitoring and Reporting

Monitoring of community outcomes takes place independently on a three-yearly cycle. The objective is to measure the impact of Council's role and programmes on achieving the outcomes, and to report on the progress made.

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

This Report summarises progress toward achieving the Council's strategic and long term approach to governance, leadership and advocacy.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the Governance/Leadership/Advocacy activity contributes are described in the table below:

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW GOVERNANCE / LEADERSHIP / ADVOCACY CONTRIBUTES
Healthy & economically secure people	By demonstrating leadership and advocacy for the community with regard to health services, social services etc.
	By continuing the provision of housing for disadvantaged older people
	By encouraging people to be active
Educated and knowledgeable people	By demonstrating leadership and advocacy for the community with regard to education and by the provision of good information
Vibrant and strong communities	By demonstrating leadership and advocacy for the community with regard to policing and community safety
	By demonstrating pride in the

### COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

	District and a sense of belonging
	By demonstrating sound and considered governance by Council
Sustainable South Wairarapa	By demonstrating leadership and advocacy to ensure economic development and environmental management go hand in hand
A place that's accessible and easy to get around	By demonstrating leadership and advocacy in all forms of land transport that will assist the community
	By continuing to provide and improve the District's roading network

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The governance/leadership/advocacy activity goal is:

- a) To provide for the governance, leadership, advocacy and policy making activities in the South Wairarapa District.

Council's principal objectives are:

- a) To be a vigorous advocate for issues of concern to the community and demonstrate leadership in carrying out its work.
- b) To demonstrate sound and considered governance.
- c) To develop good policies in order to guide its work in a consistent manner.
- d) To assist in co-ordinating the many different actions of central government, education providers and businesses to make Council's vision a reality.
- e) To have strategies and planning which will be keys to success, as will new and innovative ways of doing things.
- f) To encourage and facilitate public consultation and opportunities for effective public partnership in Council's decision making process.
- g) To keep people informed and hold a sound database of information.
- h) To use best practice to achieve measurable results and to continue to make South Wairarapa a great place in which to live and to work.
- i) To work with others (councils included) in partnerships to achieve best results for South Wairarapa and also Wairarapa as a whole.
- j) To foster Iwi relationships and meet treaty obligations

#### **4. ASSETS WE LOOK AFTER**

The only asset under this activity is a motor vehicle.

#### **5. PROJECTS FOR 2015/16**

Completion of the Annual Report for 2014/15.

*This was achieved with Council adopting the Annual Report on 29 October 2015 and the Audit Opinion issued on that date.*

Continued involvement in the regional governance review.

*Work continues by the Local Government Commission on the options for Wairarapa. We continue to be involved providing input where requested. This process is being led by the Commission.*

Review Policies as they fall due.

*Policies are now required to be presented to Community Boards before the Policy and Finance Committee. All policies not affected by legislative change are now current. A hold will be placed on policies due for review until the new Council takes office.*

Advocate for Public Transport to meet community's need.

*SWDC agreed to work closely with GWRC to ensure our public's needs were given due consideration and lobbied to form a Public Transport working group consisting of the 3 Wairarapa councils and GWRC. This was formed late in the financial year and has met once.*

Review Combined Wairarapa District Plan.

*Discussions have commenced in regard to the required data collection that is needed to assess plan effectiveness.*

Council adopted the 2016/17 Annual Plan following consultation.

*A total of 108 submissions were received, many of these submitting on multiple issues. The Annual Plan was adopted on 29 June 2016*

#### **6. SIGNIFICANT NEGATIVE EFFECTS**

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

## 7. STATEMENT OF SERVICE PERFORMANCE

GOVERNANCE, LEADERSHIP AND ADVOCACY MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15	2015/16	2015/16	COMMENTS
		ACTUAL	TARGET	ACTUAL	
Opportunities are provided for the community to have its views heard	Ratepayers and residents feel they can contact a Council member to raise an issue or problem	73%	75%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	62%	70%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Council determines what activities it should engage in through consultation and regulatory requirements then sets clear direction	Ratepayers and residents are satisfied with Council's decisions and actions	59%	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	64%	78%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	Greytown 92% Featherston 95% Martinborough 95%	90%	Greytown 98% Featherston 97% Martinborough 97%	This measure reports on the percentage of resolutions made that relate solely to local issues.
	% of ratepayers and residents who know how to contact a community board member	65%	65%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Opportunities are available to raise local issues and understand what will happen as a result	Ratepayers and residents satisfied with the way Council involves the public in the decision it makes	49%	68%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Opportunities are available to raise issues relating to Maori through the Maori Standing Committee	The Maori Standing Committee makes recommendations to Council in relation to policy and plan development and resource management applications	Achieved	100%	100%	Maori Standing Committee met on 6 occasions. In total 5 resource consent applications were considered, however due to the timing of the meetings 1 was considered outside normal meetings.

**8. GOVERNANCE, LEADERSHIP AND ADVOCACY OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016**

<b>GOVERNANCE, LEADERSHIP &amp; ADVOCACY OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016</b>			
<b>ACTUAL 2014/2015 \$ 000</b>		<b>ACTUAL 2015/2016 \$ 000</b>	<b>BUDGET 2015/2016 \$ 000</b>
	<b>INCOME</b>		
4	Miscellaneous income	1	-
<b>4</b>	<b>Total income</b>	<b>1</b>	<b>-</b>
	<b>OPERATING COSTS</b>		
478	Administration expenses	560	559
4	Elections	9	13
175	Community boards	198	145
35	Maori standing committee	33	35
<b>692</b>	<b>Total operating costs</b>	<b>800</b>	<b>751</b>
<b>(688)</b>	<b>Net cost of service</b>	<b>(799)</b>	<b>(751)</b>
	<b>CAPITAL</b>		
1	IT Hardware	1	-
1	Office Equipment & Furniture	-	-
1	Other Equipment	-	-
-	Motor vehicle	-	-
<b>3</b>	<b>Total</b>	<b>1</b>	<b>-</b>

## 9. GOVERNANCE, LEADERSHIP AND ADVOCACY FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR GOVERNANCE, LEADERSHIP & ADVOCACY				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
	<b>Sources of operating funding</b>			
669	General rates, uniform annual general charges, rates penalties	641	662	663
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
-	- Fees and charges	-	-	-
-	- Interest and dividends from investments	-	-	-
36	Local authorities fuel tax, fines, infringement fees, and other receipts	29	25	38
<b>705</b>	<b>Total operating funding (A)</b>	<b>670</b>	<b>687</b>	<b>701</b>
	<b>Applications of operating funding</b>			
366	Payments to staff and suppliers	388	387	441
1	Finance costs	1	2	1
37	Internal charges and overheads applied	307	358	350
-	- Other operating funding applications	-	-	-
<b>684</b>	<b>Total applications of operating funding (B)</b>	<b>696</b>	<b>747</b>	<b>792</b>
<b>20</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(26)</b>	<b>(60)</b>	<b>(91)</b>
	<b>Sources of Capital funding</b>			
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lumpsum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
-	<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	-
3	- to replace existing assets	-	-	1
17	Increase (decrease) in reserves	(26)	(60)	(92)
-	- Increase (decrease) of investments	-	-	-
<b>20</b>	<b>Total applications of capital funding (D)</b>	<b>(26)</b>	<b>(60)</b>	<b>(91)</b>
<b>(20)</b>	<b>Surplus (deficit) of capital funding</b>	<b>26</b>	<b>60</b>	<b>91</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



## **PUBLIC PROTECTION**

### **1. DESCRIPTION**

The Long Term plan summarises the Council's strategic and management long term approach to Public Protection.

Public protection activities entail numerous responsibilities in the regulatory field under a range of central government legislation. These responsibilities include:

- Public nuisances and health
- Noise
- Safe and sanitary buildings
- Dogs and animals
- Alcohol and safe food
- Emergency management and civil defence
- Rural fire
- Gaming machine numbers and venues
- Location of brothels

### **PUBLIC NUISANCE AND HEALTH**

Council aims to ensure the environmental health of the District and its citizens through enforcement and licensing under relevant statutes, regulations and bylaws, together with educational activities.

### **NOISE**

The Combined Wairarapa District Plan sets noise limits and Council aims to enforce these for the benefit of residents and those operating any business or activity that has a noise component. In addition Council enforces section 326 of the Resource Management Act 1991 relating to excessive noise.

### **SAFE AND SANITARY BUILDINGS**

Council's role is to ensure that all new building works and building activities in the district comply with legislative requirements for safety and sanitary conditions. Council provides services to ensure all:

- Building works subject to consent meet the appropriate design and construction standards.
- Address non-compliance with the Building Act.

Adjustments made to the building fees and charges schedule are to recognise increased costs in processing building consent applications since the last fee adjustment 3 years. In reviewing the fees,

Council also consulted with MDC and CDC consequently MDC are also adjusting their fees by 4.1%.

### **DOGS AND ANIMALS**

Council provides a response service to address issues with dogs and other animals to prevent nuisances and ensure public safety. The service enforces the requirements of the:

- Dog Control By-law 2005.
- The Dog Control Act 2003.
- The Council's own policies and bylaws.

### **ALCOHOL**

Council administers the Sale and Supply of Alcohol Act 2012 with the aim of encouraging responsible and safe drinking in the South Wairarapa. Council does this through the development and implementation of its Local Alcohol Policy, use of inspection services, enforcement and educational processes for licencees and staff. Council also supports the operation of the District Licensing Committee in carrying out its decision making responsibilities under the Act.

### **SAFE FOOD**

The Food Act came into effect in March 2015. Provision for a 3 year transition period has been incorporated into regulations. During this time food premises operating under the former Food Hygiene Regulations 1974 will be required to transition to the new regulatory regime

The Act replaces the Food Hygiene Regulations which required registration of food premises based on inspection of physical facilities against standards towards a system based on risk based Food Control Plans (FCP) and National Programmes.

Council retains a primary role as a registration authority, and is the first point of contact for a significant proportion of businesses. Council also monitors for compliance. This process is more extensive than previous systems and is requiring additional resources to be applied, for Council to fulfil its responsibilities under the Act ensuring safe food is available to its community.

### **EMERGENCY MANAGEMENT AND CIVIL DEFENCE**

The Wellington region is exposed to a wide range of natural and man-made hazards (earthquake, flooding, landslide, tsunami, storm, biological, chemical, terrorism, etc). However, there is a great deal that we can do to reduce the impact of these

hazards on our communities. Our approach to emergency management is based on the principles of reduction of risk, readiness, response and recovery.

Greater Wellington has joined with the city and district councils in the region to form a semi-autonomous civil defence and emergency management group. All the councils' emergency management staff and resources are pooled together. Improved effectiveness from increased scale and co-ordination, as well as efficiencies from the centralised provision of services such as training and public education has occurred. Local emergency management offices will be retained to enable effective local responses to emergencies. The team has:

- Prepared the Wellington Region CDEM Group Plan and associated plans
- Lead further development of the Community response plans for Martinborough, Featherston and Greytown.
- Educated people about the risks they face and how to prepare for emergency events, through attending Public events, running training courses and attending community group meetings.
- Maintained the Wellington Region CDEM Groups' emergency operations centre so that it can be quickly activated to manage an emergency event. The centre has information management systems, robust communication systems and trained volunteer staff.
- Worked with central government, emergency services, welfare groups, lifeline utilities and a wide range of interested and affected organisations on emergency management issues.

The Civil Defence Emergency Management Act 2002 requires each region to have a CDEM Group and prepare a CDEM Group Plan. The Act also requires Greater Wellington to be the administering authority for the Wellington region CDEM Group. While all staff of the team are Greater Wellington employees, the work of the team is overseen by the CDEM Group (a joint committee of all the Mayors in the region along with the Chair of Greater Wellington) and the Co-ordinating Executive Group<sup>1</sup>.

<sup>1</sup> The Co-ordinating Executive Group is a requirement of the Civil Defence and Emergency Management Act 2002 and is made up of the Chief Executives of Greater Wellington, the district and city councils and district health boards in the region, along with senior representatives from NZ Policy, NZ Fire Service, Wellington Lifelines Group and

Wairarapa has 1.5 staff dedicated to the area.

A civil defence response, while coordinated by the regional body, relies heavily on small local groups within the community.

## RURAL FIRE

Council is required to maintain a rural fire organisation capable of responding to rural fire events as provided for in the Forest and Rural Fire Act 2002. From 1 July 2011 the 'Wairarapa Rural Fire District' (WRFD) administers this responsibility on Council's behalf.

The WRFD is a contractor to SWDC, and this model continues to have a positive impact.

This Report summarises progress toward achieving the Council's strategic and long term approach to Public protection.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the public protection activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE PUBLIC PROTECTION CONTRIBUTES
Healthy and economically secure people	By providing services which help to protect the community
Educated and knowledgeable people	By contributing to Council's data base of public information
Vibrant and strong communities	By providing services which help to protect the community
Sustainable South Wairarapa	By providing services in a sustainably managed way

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The public protection activity goal is:

- To ensure adequate levels of protection of public health, welfare and safety.

The Council's principal objectives are:

- To ensure that services are provided to meet legislative requirements and reasonable community expectations.
- To ensure that the required services are provided in a cost effective manner to the community.

the Regional Commissioner for the Ministry of Social Development.

- c) To put in place appropriate operational regimes for all matters relating to public protection.

#### 4. ASSETS WE LOOK AFTER

The only assets under this activity are motor vehicles (2), and noise measurement device.

#### 5. PROJECTS FOR 2015/16

- Monitor the performance of and if required review, update and consult on the Council's bylaws.

*Council reviewed the Coastal Camping Bylaw. This has resulted in the notification of a change to this bylaw to allow dogs to accompany campers at the Ngawi and Ngawi Surf Break free camping sites. This change will be completed in the second half of 2016.*

- Setup and commence project to scan existing building consent files along with all new building consents.

*The project has commenced with a half time position created and scanning equipment and software purchased. The project is anticipated to take three years to complete.*

- Commence development and establishment of electronic Building Consent processing and work with Masterton District Council and Carterton District council where appropriate.

*Software has been purchased to enable electronic lodgement and processing. Systems and specifications are under consideration.*

- Review the Gambling Policy

*This Policy has been reviewed in conjunction with Masterton and Carterton district councils, and is due for adoption on 10th August 2016.*

- Review adequacy of current pound facility and determine necessary improvements.

*Review completed no funding assigned.*

- Work where practicable, with the other councils in the Wairarapa region to develop procedures and practices to implement the new Food Act.

*All 3 Wairarapa Councils have been grappling with the complexities of implementing the new Food Act. Common forms and processes have been developed to deal with template Food Control Plans (FCP). CDC and Council have decided to focus on template FCP's only (statutory requirement) while MDC have initially decided to undertake verifications for custom FCP's.*

- Complete the development of a Local Alcohol Policy with MDC and CDC and monitor the performance of DLC and Council processes in implementation of the Act and LAP.

*Policy appealed hearing before ARLA scheduled for March 2017. In the interim discussions with the 3 appellants has led to the withdrawal of one appeal and the likely settlement of another.*

- Maintain accreditation as a Building Control Authority. Next bi-annual review is due in 2018.

*Accreditation maintained. No corrective actions were issued by IANZ*

- Review regulatory Policy documents by due dates.

*The Earthquake prone buildings policy will need to be amended in line with legislative changes in 2017, no action is required before then. The Dangerous and Insanitary buildings policy is planned for review. All other policies are current.*

- Consider earthquake strengthening support opportunities.

*To be considered in line with new legislation in 2016/17.*

#### 6. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this activity will have on social, environmental, or cultural well-being of the local community. The activity may restrain some economic activity by limiting how people wish to undertake business.

## 7. STATEMENT OF SERVICE PERFORMANCE

PUBLIC PROTECTION: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15 RESULTS	2015/16 TARGET	2015/16 ACTUAL	COMMENT
Food services used by the public are safe	Premise have appropriate FMP in place and meet the risk based standards set out in the Plan.	100%	100%	100%	New Food Act took effect in March. Council resolved to undertake only its statutory functions. 31 premises are operating on a food control plan. 87 premises operating under the Food Hygiene Regulations, with many expected to transition to food control plans in the year ahead. All 118 premises have appropriate plans in place compared with 107 last year.
	Premises are inspected in accord with regulatory requirements.	New	100%	100%	Inspections are undertaken as required by statute or request. There are 105 premises within the district that were registered under the now superseded Food Hygiene Regulations. Under the new Food Act there are 80 premises that will need to transition to template Food Control Plans. These premises will need verification by Council.
The sale and supply of alcohol is controlled and responsible drinking is promoted	Premises are inspected as part of licence renewals or applications for new licences.	100%	100%	100%	There were 66 applications for licences (renewals and new). Premises that had licences issued were inspected. 33 On-licences, 26 Off Licences, 7 club licences, 91 Special licences, and 5 temporary licences were issued. 122 manager's certificates were issued. In 2014/15 27 premises were checked prior to renewal of their licence and all complied with the Act. 27 On/Off Licences, 2 club licences, one temporary licence were issued. 128 managers certificates were issued
The Council will respond when I need some help with noise control	Premises that are high or medium risk are inspected annually, while low risk premises are audited no less than once every three years.	New	100%	75%	A number of premises are yet to be inspected. The exact number covered is not recorded but is estimated at 75%.
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement.	New	100%	100%	3 Controlled Purchase Operations were completed in South Wairarapa in accord with the Combined Liquor Enforcement Group (CLEG) protocol have been undertaken in South Wairarapa. 8 are required each year across Wairarapa. Staff have attended regular coordination meetings of the CLEG partners (NZ Police, Medical Officer of Health, Carterton and Masterton District Councils).
	% of calls received by Council that have been responded to within 1.5 hours.	100%	100%	89%	102 noise issues were reported to Council, all of which were followed up on either by our After-hours contractor, or by Council Officers. The variance was caused by a failure with the afterhours service which has been rectified. This compared to 118 in 2014/15.
Dogs don't wander freely in the street or cause menace to or harm humans or stock	Undertake public education, school and community visits to promote safe behaviour around dogs and/or responsible dog ownership.	0	New Material produced and distributed	6 visits	6 schools were visited and a two week continual radio education campaign was completed. Two separate radio campaigns were undertaken, one about dog registration and the second targeting safety.
	Complaints about roaming and nuisance dogs are responded to within 4 hours.	100%	100%	91%	There were 319 complaints received during the year. 91% of these complaints were responded to within the 4 hour target response time. This compared to 213 in 2014/15.
	Complaints about dog attacks on persons or stock are responded to within 1 hour.	New	100%	62%	There were 21 dog attacks, with 71% (15) responded to in 1 hour.
Stock don't wander on roads, farmers are aware of their responsibilities	Stock causing a traffic hazard is responded to within 1 hour.	100%	100%	93%	There were 42 incidents of wandering stock This compared to 67 instances in 2014/15.
	In cases where multiple stock escapes (more than 1 occasion) have occurred from a property, taking enforcement action against the property owner.	New	100%	100%	There were no instances of multiple stock escapes.
	Council responds to complaints regarding animals within 48 hours.	100%	100%	100%	17 other complaints and notifications regarding animals were responded to within the 48 hours target time. This compares to 20 in 2014/15.
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	74%	75%	74%	-
	Regional Civil Defence Emergency Annual Plan achieved.	New	Yes	Yes	

Council certifies all consented work complies with the building code – ensuring our communities are safe	Code Compliance Certificate applications are processed within 20 working days.	99%	100%	100%	All 353 CCC's were within 20 working days. This compares to 296 in 2014/15.
	Building consent applications are processed within 20 working days.	99%	100%	99.72%	356 consents with a value of \$28,707,488.00 have been processed this year, with 355 issued within 20 working days. This compares to 390 in 2014/15.
The Council processes, inspects and certifies building work in my district	Council maintains its processes so that it meets BCA accreditation every 2 years.	Yes	Yes	Yes	Accreditation has been maintained. The IANZ audit in Jan 2016 confirmed Council accreditation until 2018. The next review is now scheduled for late January 2018.
	Earthquake prone buildings reports received.	50%	70%	63.43%	There are 229 properties listed on the district wide(not just Council owned) EQP register. 118 of these have been assessed or strengthened and are no longer considered to be EQP buildings. 27 have had engineers reports that identify strengthening work is required. 84 have not provided an engineer's report.

## 8. PUBLIC PROTECTION OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

<b>PUBLIC PROTECTION &amp; HEALTH OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016</b>			
<b>ACTUAL 2014/2015 \$ 000</b>		<b>ACTUAL 2015/2016 \$ 000</b>	<b>BUDGET 2015/2016 \$ 000</b>
	<b>INCOME</b>		
139	Liquor, health and other licensing	119	122
473	Building inspection fees	515	438
147	Dog licences & pound fees	168	165
	Emergency management	-	-
1	Rural fire	(3)	-
<b>760</b>	<b>Total income</b>	<b>800</b>	<b>724</b>
	<b>OPERATING COSTS</b>		
240	Liquor, health and other licensing	297	335
599	Building inspection	753	714
210	Animal control	230	217
301	Emergency management	279	274
1	Rural fire	8	-
<b>1,352</b>	<b>Total operating costs</b>	<b>1,566</b>	<b>1,540</b>
<b>(592)</b>	<b>Net cost of service</b>	<b>(766)</b>	<b>(815)</b>
	<b>CAPITAL</b>		
-	Motor vehicles	52	25
11	Other Equipment	11	-
-	Equipment/furniture	26	1
	IT hardware	18	-
	IT software		
<b>11</b>	<b>Total</b>	<b>106</b>	<b>26</b>

## 9. PUBLIC PROTECTION FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

<b>SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR PUBLIC PROTECTION</b>				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
	<b>Sources of operating funding</b>			
862	General rates, uniform annual general charges, rates penalties	785	789	790
-	- Targeted rates	-		-
-	- Subsidies and grants for operating purposes	-		-
761	Fees and charges	527	687	800
-	- Interest and dividends from investments	-		-
42	Local authorities fuel tax, fines, infringement fees, and other receipts	36	65	41
<b>1,665</b>	<b>Total operating funding (A)</b>	<b>1,348</b>	<b>1,540</b>	<b>1,630</b>
	<b>Applications of operating funding</b>			
1,104	Payments to staff and suppliers	1,101	1,264	1,308
5	Finance costs	-	9	6
227	Internal charges and overheads applied	222	238	221
-	- Other operating funding applications	-		-
<b>1,336</b>	<b>Total applications of operating funding (B)</b>	<b>1,323</b>	<b>1,510</b>	<b>1,535</b>
<b>330</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>25</b>	<b>30</b>	<b>96</b>
	<b>Sources of Capital funding</b>			
-	- Subsidies and grants for capital expenditure	-		-
-	- Development and financial contributions	-		-
-	- Increase (decrease) in debt	-		-
-	- Gross proceeds from sale of assets	-		-
-	- Lump sum contributions	-		-
-	- Other dedicated capital funding	-		-
-	<b>Total sources of capital funding (C)</b>	-		-
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-		-
-	- to improve the level of service	-		-
11	- to replace existing assets	45	26	104
319	Increase (decrease) in reserves	(21)	4	(8)
-	- Increase (decrease) of investments	-		-
<b>330</b>	<b>Total applications of capital funding (D)</b>	<b>24</b>	<b>30</b>	<b>96</b>
<b>(330)</b>	<b>Surplus (deficit) of capital funding</b>	<b>(24)</b>	<b>(30)</b>	<b>(96)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

## 1. DESCRIPTION

The Long Term plan summarises the Council’s strategic and management long term approach to economic, cultural and community development.

Council’s role to promote the social, economic, environmental and cultural well-being of the community involves working collaboratively with organisations and community groups. Moving forward Council aims to be creative and innovative in its thinking and action.

South Wairarapa District Council is a small rural council with a small ratepayer base. By necessity it has to use its resources carefully and where practicable, work with other Wairarapa councils and other organisations to achieve results. Other organisations in the community undertake social, environmental and cultural work and where appropriate Council provides grants to these organisations as part of the annual planning process.

This Report summarises progress toward achieving the Council’s strategic and long term approach to economic, cultural and community development.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the economic, cultural and community development activity primarily contributes are described in the table below:

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE ECONOMIC/CULTURAL AND COMMUNITY DEVELOPMENT ACTIVITY CONTRIBUTES
Healthy and economically secure people	By contributing to the economic development of the district
Educated and knowledgeable people	By contributing to the cultural development of the district
Vibrant and strong	By contributing to the social and community development of the district
Sustainable South Wairarapa	By contributing to the environmental well-being of the district

## 3. THE ACTIVITY GOAL & PRINCIPAL OBJECTIVES

The economic, cultural and community development activity goals are:

- a) To assist in the stimulation of appropriate and sustainable economic, tourism and cultural growth and the development of employment opportunities throughout the district.

- b) To actively develop a safe, inclusive and cohesive community.

The Council’s principal objectives are:

- a) To create a climate for and give encouragement to organisations and individuals to take initiatives in the stimulation of economic growth, tourism and employment opportunities in the district.
- b) To encourage interest in the social development of the district with the aim of assisting individuals and community groups to help themselves.
- c) To encourage cultural development for the benefit of the district and Wairarapa as a whole.
- d) To actively develop a safe, inclusive and cohesive community by:
  1. Making South Wairarapa a safe place for its residents.
  2. Promoting South Wairarapa as a good place in which to live.
  3. Fostering a sense of community pride.
  4. Consulting widely to ensure representative and inclusive policies.
  5. Respecting obligations under the Treaty of Waitangi.
- e) To provide community leadership, facilitation, advocacy and contribute to funding where it can be by way of grants.

## 4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

## 5. PROJECTS FOR 2015/16

- Continued involvement with economic development both regionally and locally through the Wellington Regional Strategy, Grow Wellington, Destination Wairarapa and other agencies and local business groups.

*This was achieved through the Destination Wairarapa grant supporting Tourism marketing for South Wairarapa and positions held on joint Economic Development Committee*

- Continued support for South Wairarapa Safer Community Council (jointly with Carterton District Council).

*This was achieved through an annual grant to SWSCC.*

- Supported cultural organisations



*This was achieved through annual grants in line with the WSWDC Grants Policy.*

- Continue to administer the Creative Communities scheme under contract with Creative NZ

*Creative Communities scheme administered, 13 applications were processed, with 9 of those granted*

- Continued support for the Wairarapa water project.

*This was achieved through an annual grant towards the project for a feasibility study.*

- Implement a Grants Policy

*Completed*

- Develop an Economic Development Strategy

*Not completed*

- Assist Wellington Gliding Club establishing their new home at the Papawai airstrip.

*Assistance was by way of granting a lease over Council owned land at Papawai, and allowing capital works to be undertaken.*

*Both parties recognise that distribution of treated wastewater is the predominant use*

*for the site, and that cooperation will be needed by both parties to successfully cohabit the site.*

- Promote cycle tourism

*The Cross Creek to Featherston cycle way was completed December 2015. The draft cycle strategy has been completed and public consultation held. Feedback from this consultation will be incorporated.*

*Funded cycle tour*

- Research viability of application to Ministry of Business Innovation & Employment to register interest in funding for Ultra-Fast Broadband 2, Rural Broadband Initiative 2 & Mobile black Spot Fund. Submit application if viable.

*Submission made in conjunction with CDC and MDC outcome unknown at this time.*

## 6. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

## 7. STATEMENT OF SERVICE PERFORMANCE

ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15	2015/16	2015/16	COMMENT
		RESULT	TARGET	ACTUAL	
Programmes that aim to improve the health and safety of our communities can be accessed	Support, and where appropriate, funding is provided to organisations and agencies to help them deliver their programmes and services to their communities	Achieved 8 grants made	Yes	Achieved 10 grants made	10 grant applications received during the year, with 10 meeting the grant criteria outlined in the grants policy and funded within the budget. Applications considered by Council on a case by case basis. This compares to 8 grants 2014/15.
Organisations that support art, heritage and cultural activities are supported	Support, and where appropriate, funding is provided to organisations and agencies to help them deliver their programmes and services to their communities	Achieved, 8 grants made	Yes	Achieved 6 grants made	6 grant applications received during the year, with 6 meeting the grant criteria outlined in the grants policy and funded within the budget. Applications considered by Council on a case by case basis. This compares to 8 grants in 2014/15.

**8. ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT OPERATING STATEMENT  
FOR YEAR ENDED 30 JUNE 2016**

<b>ECONOMIC, CULTURAL &amp; COMMUNITY DEVELOPMENT OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016</b>			
<b>ACTUAL 2014/2015 \$ 000</b>		<b>ACTUAL 2015/2016 \$ 000</b>	<b>BUDGET 2015/2016 \$ 000</b>
	<b>INCOME</b>		
-	Grants & donations	-	-
-	Interest	-	-
-	Miscellaneous income	-	-
-	<b>Total income</b>	-	-
	<b>OPERATING COSTS</b>		
59	Administration costs	61	56
91	Destination Wairarapa	145	122
175	Community grants	166	130
<b>325</b>	<b>Total operating costs</b>	<b>372</b>	<b>308</b>
<b>(325)</b>	<b>Net cost of service</b>	<b>(372)</b>	<b>(308)</b>

## 9. ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
	<b>Sources of operating funding</b>			
299	General rates, uniform annual general charges, rates penalties	291	308	303
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
-	- Fees and charges	-	-	-
-	- Interest and dividends from investments	-	-	-
15	Local authorities fuel tax, fines, infringement fees, and other receipts	13	-	15
<b>315</b>	<b>Total operating funding (A)</b>	<b>304</b>	<b>308</b>	<b>318</b>
	<b>Applications of operating funding</b>			
8	Payments to staff and suppliers	17	8	8
-	- Finance costs	-	1	6
51	Internal charges and overheads applied	47	47	47
266	Other operating funding applications	240	252	312
<b>325</b>	<b>Total applications of operating funding (B)</b>	<b>304</b>	<b>308</b>	<b>372</b>
<b>(10)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>-</b>	<b>-</b>	<b>(54)</b>
	<b>Sources of Capital funding</b>			
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
<b>-</b>	<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	-
-	- to replace existing assets	-	-	-
(10)	Increase (decrease) in reserves	-	-	(54)
-	- Increase (decrease) of investments	-	-	-
<b>(10)</b>	<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>(54)</b>
<b>10</b>	<b>Surplus (deficit) of capital funding</b>	<b>-</b>	<b>-</b>	<b>54</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# RESOURCE MANAGEMENT

## 1. DESCRIPTION

The Long Term plan summarises the Council’s strategic long-term approach to resource management, and controls on the day to day activities of people in the district through the Plan.

Council, together with Carterton and Masterton District Councils, has a Combined District Plan under the Resource Management Act 1991.

Under the Act, Council’s district plan should be monitored and reviewed to ensure the plans objectives, policies and rules continue to achieve integrated management of the effects of activities on the environment; that mitigation or avoidance of natural hazards is achieved, that hazardous substances are managed, that land uses, subdivision of land or use of contaminated land is appropriately controlled, that noise emissions are controlled or mitigated and, activities on the surface of water are appropriately regulated.

This Report summarises progress toward achieving the Council’s strategic and long term approach to Resource Management.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which resource management contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE RESOURCE MANAGEMENT ACTIVITY CONTRIBUTES
Educated and knowledgeable people	By contributing to people’s confidence that they can achieve their aspirations
Vibrant and strong communities	By contributing to people feeling safe, are proud to live and have a sense of belonging
Sustainable South Wairarapa	By ensuring that the District is sustainably managed where economic development and responsible environmental management go hand in hand

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The resource management activity goals are:

- To promote the sustainable management of natural and physical resources of the district
- To maintain an effective District Plan that meets all statutory requirements.
- To administer the District Plan in a consistent, fair and expeditious manner, providing

certainty to residents and meeting legal requirements.

The Council’s principal objectives are:

- To assess all land use and subdivision applications in accordance with the requirements of the Act, Regional policy Statement and the District Plan.
- Seek compliance with and if required enforce the rules of the District Plan, and take appropriate action where breaches have been identified.
- Prepare and implement changes to the District Plan where a change of policy is promoted by Council or deficiencies in the plans provisions have become apparent through practice or monitoring.
- To advise the public on the provisions of the District Plan and on planning matters of whatever nature.

## 4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

## 5. PROJECTS FOR 2015/16

- Monitor the implementation of the Coastal Reserves Management Plan.

*The Infrastructure and Services Group is undertaking the implementation of this plan and has developed a works programme for Council to consider and fund as appropriate.*

- Continue to improve the functionality of the District Plan and undertake Council initiated plan changes where necessary.

*Council has commenced work on the Greytown Future Development Area. Consultants have been engaged to develop a structure plan. This will be available to Council in the 2016/17 year for consideration.*

- Respond to changes to the Resource Management Act 1991 by Government to ensure compliance with statutory requirements. *Council has updated its reporting systems to reflect new legislative provisions particularly in response to the new National Monitoring Requirements (NMR).*
- Continue to provide an approach that meets the Council's legislative requirements while facilitating investment in buildings and businesses the district.

- *The development of the One Stop Shop process has enabled some "non-qualifying" developments to be handled using a more integrated approach. This enabled issues to be identified earlier in the process. Staff across Council teams were then able to focus on finding solutions that worked for everyone e.g met heritage and building requirements. Review residential water race maintenance. A working party has been set up and this review forms part of their functions.*
- Review Combined Wairarapa District plan in particular notable trees, historic buildings, signage, residential standards, flood management.  
*Council continues to work with the Wellington Regional Council (along with MDC and CDC) on updating the provisions of the WCDP for flood hazard management.*  
*Work has also begun on developing a Plan change to update the protected trees schedule of the WCDP.*
- Review residential water race maintenance.  
*This project has been deferred, for review in the new financial year*

## **6. SIGNIFICANT NEGATIVE EFFECTS**

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

## 7. STATEMENT OF SERVICE PERFORMANCE

RESOURCE MANAGEMENT MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15	2015/16	2015/16	COMMENT
		ACTUAL	TARGET	ACTUAL	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	98%	100%	97.06%	130 resource consent applications were processed this year (2015/16). Of these 127 were completed within statutory timeframes (2014/15 - 127/130; 2013/14- 97/100).
	s.223* certificates issued within 10 working days	97%	100%	100%	33 Section 223 applications were received (2015/16). All were processed within statutory timeframes (2014/15 - 36/37- 97%; 2013/14- 22 - 100%).
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	97%	95%	100%	33 Section 224 applications were received (2015/16). All were processed within timeframes (2014/15 - 35/36; 2013/14- 18 - 100%).
Council has a Combined District Plan that provides certainty of land-use/environmental outcomes at the local and District levels.	Ratepayers and residents satisfied with the image of the closest town centre shown as "satisfied"	70%	72%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	The District Plan has a monitoring programme that provides information on the achievement of its outcomes (Anticipated Environmental Results) (AER's)		Yes	Yes	Achieved - Council has, in response to Ministry for the Environment requirements under the National Monitoring Programme, extended its reporting system to provide the required data. Some analysis has been done to identify areas for further work around data collection and analysis to assist with determining whether the WCDP's AER's are being achieved.
Council has a reserve management programme	Council maintains and updates Reserve Management Plans as required	0	Yes	Yes	Achieved - All Reserve Management Plans are complete and will be reviewed in line with the timetable approved at sign off. (20 RMP's, 8 Development Plans, 1 Concept Plan and 2 Conservation Plans).
<i>Land Information Memoranda</i> It is easy to purchase information on any property in the district	LIMs contained all relevant/ accurate information	100%	100%	100%	341 LIM applications were received compared to 294 in 2014/15. These were all processed within statutory timelines and contained accurate information. No proven complaints were lodged about inaccurate information being provided.
	Non-urgent LIMs processed within 10 days	100%	100%	100%	All non-urgent LIMs were processed within the specified timeframe.

### NOTES:

\* s.223's and s.224's refer to sections 223 and 224 of Resource Management Act.

## 8. RESOURCE MANAGEMENT OPERATING STATEMENT FOR YEAR ENDING 30 JUNE 2016

RESOURCE MANAGEMENT OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016			
ACTUAL 2014/2015 \$ 000		ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
	<b>INCOME</b>		
141	Resource consent fees	188	148
169	Subdivision reserve fees	211	118
2	Miscellaneous income	2	2
<b>312</b>	<b>Total income</b>	<b>401</b>	<b>268</b>
	<b>OPERATING COSTS</b>		
456	Resource management	450	454
<b>456</b>	<b>Total operating costs</b>	<b>450</b>	<b>454</b>
<b>(144)</b>	<b>Net cost of service</b>	<b>(49)</b>	<b>(186)</b>
	<b>CAPITAL</b>		
3	Equipment/furniture	3	-
<b>3</b>	<b>Total</b>	<b>3</b>	<b>-</b>

## 9. RESOURCE MANAGEMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR RESOURCE MANAGEMENT				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
	<b>Sources of operating funding</b>			
428	General rates, uniform annual general charges, rates penalties	433	326	326
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
141	Fees and charges	118	148	190
-	- Interest and dividends from investments	-	-	-
16	Local authorities fuel tax, fines, infringement fees, and other receipts	15	8	9
<b>585</b>	<b>Total operating funding (A)</b>	<b>566</b>	<b>482</b>	<b>525</b>
	<b>Applications of operating funding</b>			
369	Payments to staff and suppliers	447	362	362
-	- Finance costs	-	-	-
84	Internal charges and overheads applied	121	90	85
-	- Other operating funding applications	-	-	-
<b>453</b>	<b>Total applications of operating funding (B)</b>	<b>568</b>	<b>452</b>	<b>447</b>
<b>132</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(2)</b>	<b>29</b>	<b>78</b>
	<b>Sources of Capital funding</b>			
-	- Subsidies and grants for capital expenditure	-	-	-
169	Development and financial contributions	100	118	211
-	- Increase (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
<b>169</b>	<b>Total sources of capital funding (C)</b>	<b>100</b>	<b>118</b>	<b>211</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	-
3	- to replace existing assets	-	-	3
299	Increase (decrease) in reserves	98	147	287
-	- Increase (decrease) of investments	-	-	-
<b>301</b>	<b>Total applications of capital funding (D)</b>	<b>98</b>	<b>147</b>	<b>290</b>
<b>(132)</b>	<b>Surplus (deficit) of capital funding</b>	<b>2</b>	<b>(29)</b>	<b>(78)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



# AMENITIES

## 1. DESCRIPTION

The Long Term Plan summarises the Council's strategic and management long term approach to amenity development.

Council owns a number of properties and amenities in the District. Some are held to assist Council to achieve its objectives (e.g. council offices), some are held for social reasons and others are held for historical reasons.

The Local Government Act 2002 provides the statutory authority for Council to own and manage properties. Council provides the management, planning, administration and maintenance of outdoor sports and recreation areas, children's playgrounds, passive parks, reserves and open spaces for casual and spontaneous leisure needs.

In addition, Council is a key member of the Joint Wairarapa Moana Conservation Project for Lake Wairarapa in partnership with Greater Wellington Regional Council and Department of Conservation.

The Council is also responsible for the provision and maintenance of Council's cemeteries, public swimming pools, and management of Council's forestry plantations (done in conjunction with MDC and Woodnet, largely for road stability) and for the administration of Council's policies relating to amenities.

The libraries in the district are operated as part of the Wairarapa Library Service, a combined operation with the Carterton District Council.

This Report summarises progress toward achieving the Council's strategic and long term approach to amenities.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the amenities activity primarily contributes are described in the following table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE AMENITIES ACTIVITY CONTRIBUTES
Healthy & economically secure people.	By providing amenities to assist active communities
Educated & knowledgeable people.	By providing amenities to assist people achieve their aspirations
Vibrant & strong communities	By providing amenities for outside communities to feel safe, so that they are proud to live here and have a sense of belonging
Sustainable South Wairarapa.	By providing amenities which are sustainably managed

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The amenities activity goals are:

- To provide facilities for recreational and social enhancement.
- To provide facilities that encourage the safe and sustainable use of the natural environment while protecting that natural environment.

The Council's objectives are:

- To maintain its assets enabling the public to safely enjoy the recreational and social services provided.
- To achieve defined standards of customer service.
- To comply with legal requirements.
- To achieve defined technical standards.
- To achieve defined environmental standards.
- To achieve defined management standards.

## 4. ASSETS WE LOOK AFTER

This activity maintains the following assets:

### Featherston

The following Featherston public amenities are owned and maintained by Council:

- Card Reserve/Randolph Park, Stadium and Swimming Pool, Featherston Cemetery, Featherston Information Centre, Clifford

Square Library, Featherston playground, Featherston public toilets, Dorset Square, Anzac Hall, War Memorial, Walkway Kereru Grove to Tetoki Grove, Walkway Hardie Grove to Brandon Street, Walkway Kenward Street to Harrison Street West, Walkway Watt Street, Walkway Brandon St to Ludlum St (SH2), Garden One Tree Hill walkway Revans Street, Garden One Tree Hill Walkway Bell Street, Pensioner Flats (Burling and Mathews), Featherston Swimming Pool, dog park and skateboard park.

### Greytown

The following Greytown public amenities are owned and maintained by Council:

Greytown Cemetery, SH2 berm Greytown Southern Gateway, Dog Park, Arbor Reserve, Pensioner Flats in West Street, Collier Reserve, Kowhai Reserve, Stella Bull Park and old library building, Greytown public toilets, Soldiers Memorial Park (includes playground, carpark, bushwalk and sports fields), Greytown Campground, Greytown Swimming Pool and the Greytown Town Centre building.

### Martinborough

The following Martinborough public amenities are owned and maintained by Council:

Dublin Street Cemetery and Puruatanga Road Cemetery, Centennial Park, Martinborough Motor Camp, Martinborough Swimming Pool, Huangarua Park, Coronation Park and Puruatanga Park, Memorial Square, Martinborough Town Hall, Martinborough Playground, Martinborough Public Toilet, Martinborough Museum, the pensioner flats on Naples Street, and the dog park.

### Rural

The following rural public amenities are owned and maintained by Council:

Camp Memorial and Peace Garden SH2, Otairua Reserve, Lake Reserve off Lake Domain Road south of Featherston, Diversion Reserve off East West Access Road near the Barrage Bridge, Te Hopi camp site off East West Access Road, Lake Ferry two large grassed areas one either side of the Motor Camp (includes toilets and playground), Lake Ferry car park and toilet, coastal camping area with pit toilet, Te Awaiti and Tora Farm Road toilets and sites for camping, Cape Palliser Road litter bin sites and pit toilet, and Ngawi surf break toilet.

### Other amenities

The following amenities are owned and maintained by Council and/or Council's lessees:

- *Featherston:* Daniell Street adjacent to Railway, Johnston Street adjacent to railway, traffic islands and berms.
- *Martinborough:* Grassed area adjacent to the fire station, council offices, information centre building and garden, old council works office and yard, old council chambers in Cork Street, and Pain Farm. The Information centre building and garden, old council works office and yard are currently on the market.
- *Greytown:* Historic railway goods shed, Greytown cycle trail, and the walkway between Udy and Kuratawhiti Streets.

## 5. PROJECTS FOR 2015/16

- Continued the new cemetery development at Featherston.  
*On-going*
- Carry out the strengthening Martinborough Town Hall.  
*The strengthening work on the Martinborough Town Hall was delayed pending the Waihinga Centre development project. This project was approved by Council in February 2016, the project and design work is continuing with construction due to start in December 2016.*
- Program works from the coastal reserves development plans.  
*Design and building consent has started for the upgrade of the toilets at Ngawi and a new toilet on the east coast which will be completed in 2016/17.*
- Establish Soldiers Memorial Park Development Plan.  
*User meetings were held and the development plan will be progressed in 2016/17 initially with a review of the current management plan*
- Featherston Town Square.  
*Work is underway with completion of stage one scheduled for October 2016 following weather delays.*
- Complete the ANZAC Hall Upgrade.  
*All building works completed. Remaining stage one work is stormwater drainage, sub-floor ventilation and paths and kerbs - to be completed by end of September 2016*
- Complete Pool Upgrades.  
*Work completed: Featherston – wash down grandstand and gazebo roof, repainting of changing rooms and offices*

*Greytown – main pool re-fibre glassing and repair to circulation system, repaint grandstand, waterblast concrete, replace floodlighting, repaint front office and entrance, clear spouting and wash down exterior, replace entrance gates  
Martinborough – cleaned down grandstand roof, upgraded pump room ventilation, maintenance works to buildings and fences*

*The last of the big external recommendations will be completed in 2016/17:*

- *Sealing of the header and overflow tanks at all 3 pools*
- *Featherston pool covers to main pool*
- *Martinborough main pool fibreglass*

*We also intend to repair the Featherston toddler pool, and CCTV all of the pool pipework at all 3 pools to establish a future focused maintenance program.*

- Development Plan for Youth focused facility in Greytown.  
*A Working Party has been established and meets monthly. Locations have been considered and final location selected (Pierce St), amenities for park scoped and indicative pricing sought. Design work will be done in 2016/17 along with public consultation and a start of fund-raising.*
- Development Plan for Card reserve.  
*A User group is being established to review the development and management plans.*
- Connect Libraries to Ultra-Fast Broadband.  
*On hold subject to submission to MBIE.*

## **6. SIGNIFICANT NEGATIVE EFFECTS**

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

## 7. STATEMENT OF SERVICE PERFORMANCE

AMENITIES: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15 RESULT	2015/16 TARGET	2015/16 ACTUAL	COMMENT
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	88%	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Our playgrounds in parks and reserves are safe and enjoyed by the community	Ratepayers and residents are satisfied with Council playgrounds	80%	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	Council playground equipment that meets national standards	93.4%	100%	93.4%	3 pieces of equipment (2 Featherston, 1 Greytown) do not comply with NZS 5828:2004 and were installed prior to the introduction of that standard and are not required to comply with it. Playground equipment is checked weekly for safety.
Clean safe public swimming pools can be accessed in the District	Council pools comply with NZ swimming pool water testing standards	91.73%	100%	92%	The pool testing regime in the NZ Standard includes eight tests for water quality and four tests for microbiological contaminants, with test frequencies ranging from three-hourly to monthly. Out of 5255 tests conducted, 4858 (98%) met the required standard. For the combined available chlorine, alkalinity, calcium hardness, and e.coli tests, the standard was met 100% of the time. For the pH, free available chlorine, calculated total dissolved solids, and cyanuric acid tests, the standard was met more than 93% of the time. For the total chlorine test, the standard was met 63% of the time. For the monthly Staphylococcus aureus test, the standard was met 87% of the time, with failures only at the Featherston toddler pool. For the monthly Pseudomonas aeruginosa tests, the standard was met 73% of the time, with failures at the Featherston and Greytown toddler pools. For the monthly HPC/SPC test, there were no passed tests at any of the pools tested. [This test is a count of live bacteria present in a pool water sample, measured monthly. The main source for contamination is general bather hygiene, or lack thereof. This issue is particularly prevalent in the toddler pools, with their smaller water volume, and the type of user. The DHBs have issued new advice designed to limit the spread of cryptosporidium via public swimming pools, and this particularly focuses on bather hygiene before entering the pool. Additional signage will be displayed at all pools over the 2016/17 season, along with specific training for pool staff, and it is expected that these measures will also result in a reduction of poor microbiological test results.]
	Ratepayers and residents satisfaction with Council swimming pools	74%	65%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Provision of some low cost housing for the elderly (or in line with Council policy) in each town	Occupancy of pensioner housing	96%	94%	98.99%	Council provides 14 bedsits and 21 one bedroom units. From the total of 11,680 accommodation available days, 11,205 were used. Consultation was had on transferring to another provider and the decision was made not to proceed.
Well maintained hall facilities that are available for the public to book	Ratepayers and residents satisfied with town halls use	72%	74%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
Cycling embraced in the district	Cycle strategy	New	Developed	Draft in place work plan being developed	A draft plan was developed and consulted on during 2015/16. In line with the consultation amendments will be made and a works program identified for consideration as part of the LTP.
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	92%	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.

There is a wide range of library stock including up-to-date material	Taking programmes out into the community and providing a wide variety of programmes in the library	20 programmes	>3 per library	31	Achieved. Each of the three libraries held preschool reading (Books to Babies), winter reading, and summer reading programmes for children. Total programmes for each Library were: Featherston – 20 programmes – including school holiday crafts, Booktown events, Hell Pizza reading challenge as well as the above Greytown – 4 programmes – Maths is Fun in addition to above Martinborough – 7 programmes – preschool reading in English, te Reo Maori and bilingual streams; the Hell Pizza Reading Challenge and an adults Book Club, winter warmers and summer reading
	% of ratepayers and residents satisfied with libraries	87%	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.

## 8. AMENITIES OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

AMENITIES OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016			
ACTUAL 2014/2015 \$ 000		ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
	<b>INCOME</b>		
73	Parks and reserves	18	18
38	Swimming pools	35	18
43	Libraries	36	48
296	Community buildings	22	2,020
43	Cemeteries	58	39
260	Rental properties	272	286
-	Interest	-	-
<b>752</b>	<b>Total income</b>	<b>441</b>	<b>2,429</b>
	<b>OPERATING COSTS</b>		
980	Parks and reserves	952	904
376	Swimming pools	387	408
750	Libraries	747	710
267	Community buildings	367	384
188	Cemeteries	196	176
275	Rental properties	272	242
<b>2,837</b>	<b>Total operating costs</b>	<b>2,920</b>	<b>2,825</b>
<b>(2,085)</b>	<b>Net cost of service</b>	<b>(2,480)</b>	<b>(396)</b>
	<b>CAPITAL</b>		
93	Library books	92	92
30	Toilets	39	47
111	Parks & reserves	24	73
43	Playgrounds	-	31
168	Swimming pool renewals	2	5
20	Cemetery developments	13	46
-	Campgrounds	25	10
-	Greytown town centre building	-	9
-	Martinborough town hall	25	-
-	Town Centres	2	31
8	Rental properties	-	-
-	ANZAC	246	-
623	Community buildings	197	164
-	Community housing	2	25
-	Libraries	-	22
-	Featherston Town Center Development	53	-
-	Cycle trail	165	-
-	IT hardware	1	-
<b>1,095</b>	<b>Total</b>	<b>1,344</b>	<b>555</b>

## 9. AMENITIES FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR AMENITIES				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
	<b>Sources of operating funding</b>			
1,806	General rates, uniform annual general charges, rates penalties	1,592	2,063	2,065
-	- Targeted rates	-	-	-
16	Subsidies and grants for operating purposes	-	-	10
-	- Fees and charges	-	-	-
-	- Interest and dividends from investments	-	-	-
578	Local authorities fuel tax, fines, infringement fees, and other receipts	550	443	453
<b>2,400</b>	<b>Total operating funding (A)</b>	<b>2,143</b>	<b>2,506</b>	<b>2,527</b>
	<b>Applications of operating funding</b>			
1,842	Payments to staff and suppliers	1,564	1,794	1,948
88	Finance costs	131	178	85
556	Internal charges and overheads applied	565	595	587
-	- Other operating funding applications	-	-	-
<b>2,486</b>	<b>Total applications of operating funding (B)</b>	<b>2,260</b>	<b>2,567</b>	<b>2,620</b>
	<b>(86) Surplus (deficit) of operating funding (A-B)</b>	<b>(117)</b>	<b>(61)</b>	<b>(92)</b>
	<b>Sources of Capital funding</b>			
277	Subsidies and grants for capital expenditure	-	2,000	-
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	(33)	1,367	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
<b>277</b>	<b>Total sources of capital funding (C)</b>	<b>(33)</b>	<b>3,367</b>	<b>-</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	47	-
-	- to improve the level of service	-	-	-
1,097	- to replace existing assets	474	508	1,345
(906)	Increase (decrease) in reserves	(625)	2,751	(1,437)
-	- Increase (decrease) of investments	-	-	-
<b>191</b>	<b>Total applications of capital funding (D)</b>	<b>(151)</b>	<b>3,306</b>	<b>(92)</b>
<b>85</b>	<b>Surplus (deficit) of capital</b>	<b>117</b>	<b>61</b>	<b>92</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# LAND TRANSPORT (ROADING AND FOOTPATHS)

## 1. DESCRIPTION

The Long Term Plan summarises the Council's strategic and management long-term approach for the provision and maintenance of roading throughout the district. This covers the provision of roading network services to the residents of South Wairarapa District. This includes roads, bridges and culverts, footpaths, street lighting, street cleaning, vegetation control, kerb and channel, and structures such as retaining walls, bus shelters and carparks including railway station carparks.

The provision and management of roads is a function of local authorities in terms of the Local Government Act 2002 including the relevant provisions of LGA 1974 and Land Transport Management Act 2003. These Acts stipulate that South Wairarapa District Council is the owner and road controlling authority of all roads other than state highways in the district.

The steps involved in the development of regional land transport programmes start with the identification of potential activities. Councils identify activities for local roads and for public transport services and the NZTA for state highways. Councils have to assess the priority of each activity, considering aspects such as value for money and the readiness to start, before scheduling the activities into a transport programme.

The section of State Highways 2 and 53 within the South Wairarapa district boundary are controlled and operated by NZTA. However footpaths within state highway corridors in urban areas are included in this plan as they are maintained by Council.

The operation and maintenance of the roading components of the network are eligible for financial assistance from NZTA at a subsidy rate of 52% for maintenance and construction such as minor safety works. For the Special Purpose Road (Cape Palliser Road) subsidy rates are 100% for the next 3 years transitioning to 52% by 2018.

This Report summarises progress toward achieving the Council's strategic and long term approach to Land Transport.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the roading activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE LAND TRANSPORT ACTIVITY CONTRIBUTES
Healthy and economically secure people	By advocating for better transport systems for the community with regard to health services, employment opportunities and social services
Vibrant and strong communities	By ensuring land transport, in all its forms, is safe for the community and that it encourages a sense of pride and belonging
A place that is accessible and easy to get around.	By demonstrating advocacy and commitment to achieving improved land transport options and services and telecommunications
Sustainable South Wairarapa.	By ensuring all transport options and telecommunications add to the sustainability of the South Wairarapa

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The land transport goal is:

- a) To improve transport options.
- b) To plan, provide and maintain a roading network for the safe, comfortable and convenient movement of people and goods.

The Council's principal objectives are:

- a) To achieve defined standards of customer service.
- b) To protect the health and safety of the community.
- c) To minimise adverse effects on the environment.
- d) To comply with legal requirements.
- e) To achieve defined technical standards including NZTA agreement.
- f) To implement policies of South Wairarapa District Council.
- g) To achieve defined standards of system management.

## 4. ASSETS WE LOOK AFTER

This activity maintains the following assets:

ASSET DESCRIPTION			
PAVEMENT LENGTH (KM)	RURAL	URBAN	TOTAL
Sealed	333.3	67.4	400.7
Unsealed	267.2	0.6	267.8
<b>TOTAL</b>	<b>600.50</b>	<b>68</b>	<b>668.5</b>
<i>Guard Rails (m)</i>	2319	38	2357
BRIDGES & MAJOR CULVERTS (No.)	RURAL	URBAN	TOTAL
Timber Bridges	9	-	9
Concrete Bridges	76	-	76
Armco/Twin pipes/concrete pipes	15	-	15
Box Culverts (span 2.5m)	37	-	37
<b>TOTAL</b>	<b>137</b>	<b>-</b>	<b>137</b>
STREET LIGHTS (No.)	RURAL	URBAN	TOTAL
Featherston	-	332	332
Greytown	-	282	282
Martinborough	-	283	283
Rural	34	-	34
<b>TOTAL</b>	<b>34</b>	<b>897</b>	<b>931</b>
KERB & CHANNEL (M)	RURAL	URBAN	TOTAL
Featherston	-	21,252	21,252
McMaster/East Street, Greytown	-	20,818	20,818
Martinborough	-	27,471	27,471
<b>TOTAL</b>	<b>-</b>	<b>69,541</b>	<b>69,541</b>
FOOTPATHS (M)	RURAL	URBAN	TOTAL
<i>Featherston</i>			
- Asphalt/seal	-	9184	20485
- Concrete	-	11195	
- Metal	-	106	
<i>Greytown</i>			
- Asphalt/seal	-	8737	17097
- Concrete	-	7962	
-metal	-	398	
<i>Martinborough</i>			
- Asphalt /seal	-	13758	21338
- Concrete	-	7412	
- Metal	-	168	
<b>TOTAL</b>	<b>-</b>	<b>58920</b>	<b>58920</b>
BUS PASSENGER SHELTER (No.)	RURAL	URBAN	TOTAL
Featherston	-	2	2
Greytown	-	2	2
Martinborough	-	1	1
<b>TOTAL</b>	<b>-</b>	<b>5</b>	<b>5</b>

### NOTE

Asset information as at 1 July 2016.

### Pavements (Roads)

Roadways smoothed to provide users with a safe and comfortable ride.

Road surfaces resealed to maintain pavement integrity.

### Drainage

Roads drained to protect the pavement structure and to control surface water.

### Berms and Embankments

Berms installed to provide space for utility services and for aesthetics and beautification.

### Vegetation

Vegetation controlled to provide a safe and tidy environment and to minimise maintenance. Weed spraying is done where appropriate and where adjoining neighbours do not want weed spraying, they are required to do vegetation control at their own cost.

### Footpaths

Footpaths separate pedestrians from other road users, providing foot access to properties and all major destinations e.g. schools, medical centres and retirement homes.

Central business district areas in the three towns have footpaths on both sides of the street.

Other urban streets generally have a footpath on one side.

Footpaths are kept in a safe and useable condition free of:

- Tripping hazards > 10mm
- Pot holes > 70mm
- Service works repairs
- Service covers 10mm above or 20mm below the footpath
- Obstructions
- Scabbing
- Failed path (vehicle weight)

Aesthetically foot paths are free from:

- Cracks 2m long or more than 2 within 2m
- Excessive patching

Footpath surveys and physical inspections are carried out to assess condition and prioritise work against budget.

### Kerb and Channel

Kerb and channel including sumps are cleaned regularly as part of street cleaning contract to prevent flooding.

### Structures

Bridges and cattle stops maintained to ensure continuity of roading network.

Retaining walls and seawalls provided to maintain roadway stability.



### **Street cleaning**

Street cleaning in urban areas is carried out on a programmed basis to minimise inconvenience to road users resulting from flooding and to maintain a clean and tidy environment.

### **Vehicle access**

Vehicle access provided to properties (conforming to District Plan provisions) to ensure traffic safety and adequate drainage.

### **Car Parking**

On and off street car parking areas are provided in business and shopping areas to meet commuter and residential parking needs, and District Plan and Building Act requirements.

### **Bus passenger shelters**

Bus passenger shelters in urban areas are provided and maintained at the more heavily patronised stops for the convenience of public transport by Greater Wellington Regional Council in consultation with South Wairarapa District Council.

### **Street lighting**

Street lighting is maintained to provide road user and pedestrian safety and security. (Powerco is responsible for maintaining the current lines). Residential streets in urban areas lit to the National Standard (NZS 6701) which provides sufficient light to show the way and illuminate any hazards for both vehicle users and pedestrians.

## **5. PROJECTS FOR 2015/16**

Complete an annual reseals programme and re-metalting programme.

*Completed*

Complete the bridge inspection programme and develop works program for 2016/17 from the results.

*Inspection completed works program development commenced*

Renew and extend footpaths as per community Board programme.

*All suggestions have been considered. It was agreed by Councillors that no new footpaths were to be constructed and only maintenance was to be undertaken.*

*A rural lime path was constructed in Oxford St, Martinborough to join to the existing concrete footpath into the town centre.*

Construct a cycle trail from Cross Creek to Featherston.

*Complete*

Complete 1km seal extensions.

*Seal extensions were completed on Tora Road and George's Road.*

Develop a cycle strategy.

*Completed awaiting sign off*

Investigate options for rural residential footpaths.

*Investigations are continuing. Lime cycle path option completed in Oxford St, results to be monitored.*

## **6. SIGNIFICANT NEGATIVE EFFECTS**

An unsafe roading network could endanger users. In order to ensure the safety of road users, the roading network needs to be maintained to a standard that allows safe passage. The roading network is maintained using contemporary techniques and the roading program is audited by NZTA.

## 7. STATEMENT OF SERVICE PERFORMANCE

LAND TRANSPORT: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15 ACTUAL	2015/16 TARGET	2015/16 ACTUAL	COMMENT
The roads are maintained to ensure that they are safe and comfortable to travel on	Using the RAMM measurement system, average smooth travel exposure on urban roads to be 85% and rural roads 95% with maximum variation of 5%	Urban 97% Rural 99%	95%	Urban 96% Rural 99%	While there has been a slight variation in results, they are still within target and there are a number of variables that can influence a single year's result. The land transport programme is designed to ensure no deterioration in the roading network over the long term.  Roughness survey completed every 2 years.
	Ratepayers and residents fairly/very satisfied with the roads	75%	78	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	5% of sealed roads are resealed each year subject to availability of NZTA subsidy	New	100%	100%	Achieved. The total length of road resealed was 21 (23.163 2014/15) km, which represents 5.27% of the sealed road network.
	The pavement condition index as measured by the NZTA pavement integrity index	98%	95%	93%	Roading network is maintained on a consistent basis from year to year. Depending on the roads measured the index can change a few percent either way year by year.
	The number of crashes causing injuries is reduced	43	Group and control average	27	There were 25 (2014/15; 43) crashes including fatal, serious injury, and minor injury during the year. Group and control average are no longer recorded by NZTA.
	The number of fatalities and serious injury crashes on the local road network	New	<7	3	There were 3 (2014/15;9) fatal and serious injury crashes during the year.
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	60%	68%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	Availability of footpaths on at least one side of the road down the whole street (Urban)	86%	87%	86%	Council resolved to repair and refurbish existing footpath stock, rather than construct new footpaths.
	Footpath Condition rating 95% compliant with SWDC AMP Standard	New	95%	-	No survey 2015/16 Footpath surveys carried out with the Roads condition audits every 3-5 years. A survey will be completed in 2016/17 to inform new LTP in 2 years.
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	New	95%	86%	295 requests were received, most requests have been around adding new footpaths.
	Meet annual plan footpath targets	New	Yes	Yes	The Annual plan footpath work agreed with the Community Boards was completed. This included 2450.5metres squared of asphalt overlay.

### NOTE:

1. Baseline length of footpaths is worked out on the basis that 49,740m length is completed out of total length of 58,015m.
2. Smooth travel exposure (STE) is percentage of travel undertaken on roads with a roughness less than 150 NAASRA (National Association of Stats Roading Authorities) counts. NAASRA counts are a measure of road roughness (reflecting smoothness of road) i.e. the higher the count the rougher the road. Compared to other Councils' roads in New Zealand, South Wairarapa District Council's roads smoothness standard is very high. It is difficult to improve smooth travel exposure further but roads will be maintained to current level with  $\pm$  5% variation.
3.  $\pm$  10% variation for reseals is to take into consideration location and site conditions of work.
4. The comparative data source for number of crashes causing injury is no longer available and we therefore cannot directly report against this Level of Service indicator.

## 8. LAND TRANSPORT (ROADING AND FOOTPATHS) OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

LAND TRANSPORT OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016			
ACTUAL 2014/2015 \$ 000		ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
	<b>INCOME</b>		
2,573	NZTA subsidy	2,826	2,600
82	Petrol tax	83	80
12	Interest	-	-
413	Miscellaneous income	438	382
<b>3,079</b>	<b>Total income</b>	<b>3,346</b>	<b>3,061</b>
	<b>OPERATING COSTS</b>		
	Local roads:-		
1,650	Routine maintenance	1,447	1,456
212	Safety maintenance	136	118
100	Flood protection	-	-
<b>1,962</b>		<b>1,583</b>	<b>1,575</b>
	Special purpose roads:-		
318	Cape palliser maintenance	926	264
56	Cape palliser safety work	19	21
<b>375</b>		<b>945</b>	<b>285</b>
320	Unsubsidised roads maintenance	279	208
	Other operating costs:-		
93	Interest	61	64
684	In-house professional services	669	696
2,474	Depreciation	2,334	2,400
11	Occupancy costs	10	12
<b>3,262</b>		<b>3,074</b>	<b>3,171</b>
<b>5,918</b>	<b>Total operating costs</b>	<b>5,881</b>	<b>5,239</b>
<b>(2,839)</b>	<b>Net cost of service</b>	<b>(2,535)</b>	<b>(2,178)</b>
	<b>CAPITAL</b>		
370	Seal extensions (other roads)	105	120
458	Reseals (other roads)	404	423
127	Reseals (SPR)	68	94
184	Footpath renewals	151	44
145	New footpaths	57	146
64	Drainage	85	76
1	Drainage (SPR)	3	11
24	Signs & guardrails (other roads)	-	42
-	Traffic services (renewals) (SPR)	-	6
-	New street lighting (other roads)	20	-
-	New street lighting (SPR)	8	-
147	Area wide rehabilitation (SPR)	39	77
297	Area wide rehabilitation (other roads)	272	254
30	Associated Improvements (other roads)	-	-
102	Minor safety works (other roads)	114	140
30	Minor safety works (SPR)	50	17
19	Structures (renewal)	10	25
209	Road metalling (renewal)	329	237
-	Road metalling (renewal) (SPR)	1	21
-	Land	-	-
266	Erosion Control (SPR)	25	-
3	Signs & guardrails (SPR)	-	-
24	Preventative Maintenance (SPR)	-	-
-	Emergency Work (SPR)	107	-
-	Resilience Improvements	-	564
-	Improve - Expand - Replace	-	-
60	Preventative Maintenance - Tora Te Awaite	-	-
6	Preventative Maintenance - Tuturumuri	-	-
<b>2,566</b>	<b>Total</b>	<b>1,849</b>	<b>2,298</b>

## 9. LAND TRANSPORT (ROADING AND FOOTPATHS) FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR LAND TRANSPORT				
30 JUNE 2015 ACTUAL \$000		2015 LONG-TERM PLAN \$000	2016 LONG-TERM PLAN \$000	30 JUNE 2016 ACTUAL \$000
	<b>Sources of operating funding</b>			
2,600	General rates, uniform annual general charges, rates penalties	2,550	2,752	2,754
-	- Targeted rates	-	-	-
1,406	Subsidies and grants for operating purposes	2,585	2,600	1,896
-	- Fees and charges	-	-	-
-	- Interest and dividends from investments	-	-	-
367	Local authorities fuel tax, fines, infringement fees, and other receipts	576	413	436
<b>4,373</b>	<b>Total operating funding (A)</b>	<b>5,710</b>	<b>5,765</b>	<b>5,086</b>
	<b>Applications of operating funding</b>			
2,698	Payments to staff and suppliers	2,362	2,266	3,010
93	Finance costs	210	65	61
481	Internal charges and overheads applied	513	508	476
-	- Other operating funding applications	-	-	-
<b>3,272</b>	<b>Total applications of operating funding (B)</b>	<b>3,086</b>	<b>2,839</b>	<b>3,547</b>
<b>1,102</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,624</b>	<b>2,925</b>	<b>1,538</b>
	<b>Sources of Capital funding</b>			
1,249	Subsidies and grants for capital expenditure	-	-	930
-	- Development and financial contributions	-	-	-
(382)	Increase (decrease) in debt	(54)	(89)	(26)
-	- Gross proceeds from sale of assets	-	-	-
166	Lump sum contributions	120	123	197
-	- Other dedicated capital funding	-	-	-
<b>1,023</b>	<b>Total sources of capital funding (C)</b>	<b>65</b>	<b>35</b>	<b>1,101</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
543	- to improve the level of service	447	120	295
2,023	- to replace existing assets	1,944	2,178	1,554
(441)	Increase (decrease) in reserves	299	662	791
-	- Increase (decrease) of investments	-	-	-
<b>2,125</b>	<b>Total applications of capital funding (D)</b>	<b>2,690</b>	<b>2,960</b>	<b>2,640</b>
<b>(1,102)</b>	<b>Surplus (deficit) of capital funding</b>	<b>(2,624)</b>	<b>(2,925)</b>	<b>(1,538)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# WATER SUPPLY

## 1. DESCRIPTION

The LTP summarises the Council's strategic and management long-term approach for the provision and maintenance of potable water supplies to properties throughout the District (excluding those that service single premises that have their own rainwater tanks or bores) – whether they be provided by public or private means.

Territorial authorities have numerous responsibilities relating to the supply of water. One such responsibility is a duty under the Health Act 1956 to improve, promote, and protect public health within their districts. This implies that in the case of the provision of potable water, councils have an obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In the South Wairarapa district, there are presently two public water supply systems – Greytown (for Greytown and Featherston) and Martinborough, with 3863 connections to the system, with another 239 properties that can be connected.

Five sources supply water to the urban populations of Featherston, Greytown and Martinborough. The sources of water are:

### **Featherston – Boar Bush Gully Catchment**

A catchment area of approximately 3km<sup>2</sup> supplies runoff to an earth dam. The reservoir behind the earth dam contains approximately 40 days storage and includes a settling pond immediately upstream.

Water flows by gravity from the reservoir to the Boar Bush holding tanks which have a capacity of 450,000 litres. This source is currently operated as an emergency supply only.

### **Featherston – Tait's Creek Intake Weir**

A concrete intake weir is located across Tait's Creek to the north of Featherston. The weir is designed to divert water from the creek into a 300mm gravity trunk main which supplies water to the holding tanks. The catchment area upstream of the weir is about 16km<sup>2</sup> with the 9km length of trunk main having a capacity of 6.3 million litres per day. This source is currently operated as an emergency supply only.

### **Greytown & Featherston – Waiohine River**

Water is abstracted from the Waiohine River into a diversion channel on the river berm from which it is pumped to storage ponds each having a capacity of 18,250,000 litres.

Water then passes through an ultra-filtration plant and supplies both Greytown and Featherston. A 3.9km 300mm PVC pipe supplies water from the UF plant to the existing pipeline crossing the Tauherenikau River.

There is a current upgrade of this plant and source from bores rather than the river gallery. The bore water will be a secure water source with greater reliability and consistent quality. This will reduce costs in filters and reduce the incidence of turbid water from storms.

### **Greytown Well**

This is an alternative source of water for Greytown. It is required when the principal source of water from the Waiohine River has elevated turbidity conditions limiting the operation of the ultra-filtration plant at Woodside.

The groundwater is abstracted from a single bore along Kuratawhiti Street outside the Memorial Baths. Water is pumped directly into the existing mains via a 300mm main over 450m meters.

The resource consent allows a total abstraction of 60 litres per second. This supply has been utilised more than anticipated recently and options are being reviewed to reduce usage. The changes to the Featherston supply will to a certain extent reduce usage of this bore.

### **Martinborough – Herricks Wells**

This is the preferred source of water for Martinborough being the groundwater aquifer in the vicinity of the Ruamahanga River.

The groundwater is abstracted from four bores approximately 2.5km south east of Martinborough and approximately 650m from the older terraces upon which Martinborough township is located. Water is pumped directly to three town reservoirs each having a capacity of 850,000 to 920,000 litres. These supply water by gravity flow via a 1.8km length of main. Resource consent conditions allow total abstraction at 90l/sec (combined abstraction from three bores). As part of the agreement with the land owner, Council provides him water at 20 l/sec.

## Martinborough – Huangarua

A channel intake is located adjacent to the Huangarua River approximately 200m north of Hinakura Road. The diverted water then flows approximately 50m into a well and then pumped 1km to the twin reservoirs. This is not a preferred source of water for Martinborough and is used for emergency water supply only.

## Pirinoa

Pirinoa is a small community scheme serving equivalent of 10 properties, about 25 people including the School, Store and Community Hall.

The pipe network is owned by the community and the treatment plant was installed and is operated by council. The water is from a shallow bore with filtration and ozone disinfection and pumped about 900m to network. The network is made from low density alkythene.

Two sources supply water to the rural areas of Featherston and Greytown. The sources of water are:

### Featherston – Tauherenikau River (Longwood Water Race)

A concrete pipe intake structure situated in the Tauherenikau River supplying water via a 600mm culvert to the Longwood water race system. This supplies primarily stock water to rural properties via a system of approximately 40km of open channel within the defined water district.

### Greytown – Waiohine River (Moroa Water Race)

A diversion channel located adjacent to the Waiohine River diverts water from the Waiohine River. The Greytown town water supply is extracted from the channel and the remainder of the flow is conveyed into the Moroa water race for stock watering purposes. Within the defined water district that is approximately 225km of open race delivering water.

## General

It is the Council's responsibility to store adequate quantities of water in appropriate positions and to provide an adequate reticulation system for distribution.

The Council owns a number of structures and components supplying water as shown in the following table.

WATER SUPPLY	
URBAN	NETWORK
Featherston	36km of underground pipes
Greytown	30km of underground pipes
Martinborough	38km of underground pipes
RURAL	NETWORK
Featherston	40km of open race
Greytown	225km of open race

A summary of data is held on the geographical information system (GIS) and other asset systems. The data is regularly updated, extended and improved to incorporate additions, deletions and accuracy of detail.

The Featherston system is a mix of asbestos-cement, concrete-lined steel, fibrolite and reinforced concrete. A significant amount of alkathene exists in smaller sizes and minor amounts of galvanised steel, copper, uPVC and steel exist.

Greytown is predominately asbestos-cement with increasing amounts of uPVC being laid in recent times. A quantity of fibrolite, alkathene and steel pipe is also laid.

Martinborough has primarily asbestos-cement and uPVC piping with only minor quantities of alkathene, copper, galvanised and steel.

Water supplies in all the three towns are monitored and controlled through Council's telemetry system.

The Council provides town water supply to the needs of urban residents and industrial, commercial and horticultural users plus some rural users in accordance with Council's Town Water Supply Policy.

Most rural residents obtain their water by other means – mostly from their own rainwater tanks, but some have private bores. There is a small reticulated supply that serves residences at Pirinoa. This is under the overview and maintenance of the community itself.

This Report summarises progress toward achieving the Council's strategic and long term approach to Potable Water.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the water supply activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE WATER SUPPLY ACTIVITY CONTRIBUTES
Healthy & economically secure people	By ensuring that adequate public supplies are provided, at an affordable cost, and that private supplies are properly monitored
Vibrant & strong communities	By ensuring that adequately located and pressured connections for fire fighting are provided in reticulated communities
Sustainable South Wairarapa	By ensuring that all of the reticulated systems operate as efficiently as possible, that the conditions of the water permits are complied with and that average consumption per annum is maintained or reduced

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The water supply activity goal is:

- a) To provide reliable (as possible) and sustainable reticulated water supplies to the townships of Greytown, Featherston and Martinborough.
- b) To provide stock water race supply networks from the Tauherenikau and Waiohine Rivers.
- c) To encourage conservation of water and the wise use of this valuable resource.

The Council's principal objectives are:

- a) To achieve defined standards of customer service.
- b) To protect the health and safety of the community.
- c) To minimise adverse effects on the environment.
- d) To comply with legal requirements.
- e) To achieve defined technical standards.
- f) To implement policies of South Wairarapa District Council.
- g) To promote development throughout the district.
- h) To achieve defined standards of system management.
- i) To provide a water supply with a minimum grading of Bb in Featherston and Greytown. In Martinborough, Council will endeavour to

improve the quality of ground water which has a high percentage of manganese and other minerals.

## 4. ASSETS WE LOOK AFTER

This activity maintains the following assets:

### Water Sources Urban

Six sources supply water to the urban populations of Featherston, Greytown and Martinborough. The sources of water are:

Featherston - Boar Bush Gully Catchment. This source is currently operated as an emergency supply only.

Featherston - Taits Creek Intake Weir  
This source is currently operated as an emergency supply only.

Greytown & Featherston - Waiohine River.

Greytown – Supplementary Bore.

Martinborough - Herricks Wells. This is the preferred source of water for Martinborough.

Martinborough – Huangarua (used for emergency water supply only).

Pirinoa – This is the only supply for this small settlement.

### Water Sources Rural (Stock Water Races)

Two sources supply water to the rural areas of Featherston and Greytown. The sources of water are:

Featherston - Tauherenikau River (Longwood Water Race)

Greytown - Waiohine River (Moroa Water Race)

## 5. PROJECTS FOR 2015/16

- Renewal of ultra-filtration units at Greytown/Featherston water treatment plant at the rate of approximately 5 per year (average duration of renewals cycle is 20 years).

*We replace 2 of the 100 filters, which is a change from the previous 20 renewal with the change of water source and new UV disinfection plant. With the upgrade of the water plant away from ultra-filtration to UV disinfection the filter train will be used less frequently and operated mainly for maintenance as a back-up. As confidence in the bore supply improves, one of the filter trains will be mothballed.*

- Renewal of valves, pumps and fittings including telemetry equipment as required.

*On-going on an as needed basis, 2 valves were replaced due to failure and two turbidity monitors at different plants due to asset age.*

- Continue the alternative Featherston supply project.  
*Stage 1 is complete and three new bore pumps are now feeding the water to the UF plant. Stage 2 is in tender phase for completion in 2016, which will see the installation of the UV disinfection installed in an extended building adjacent to the UF plant. A new control system will be installed as well to replace the 20 year old computer at the UF plant.*
- Implement outstanding water rates penalty  
*This project was not implemented and is anticipated to be completed during the next financial year.*

## 6. SIGNIFICANT NEGATIVE EFFECTS

A water supply that does not meet minimum health standards could cause health problems for users. Council uses contemporary techniques to ensure the water supply is fit for use.

In addition, a reliable supply is needed for fire fighting purposes. Council ensures reliability by regularly maintaining the system.

## 7. STATEMENT OF SERVICE PERFORMANCE

WATER SUPPLY: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15 ACTUAL	2015/16 TARGET	2015/16 ACTUAL	COMMENT
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority.	New	<400 Lt	728	This result reflects the treated water per resident for the census population of 5,922 not accounting for any losses. The water usage per resident drops to 331 if the water losses are recorded against water metre usage
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to "mainly complying" or better	Achieved	95%	98%	Council provides annual reports to Greater Wellington for water supply consents. The compliance reports are available to Council Sept/Oct yearly. The reports for the following water supplies are still outstanding; Our reports showed Pirinoa (Full Compliance), Waiohine River Take (Full Compliance), Martinborough Water Supply (Technical non-Compliance). All public water supplies including emergency takes were rated as fully compliant.
The water provided is safe to drink	Water supply systems comply with Ministry of Health Bacteriological Drinking Water Standards guidelines 2008*	95%	Martinborough Yes Greytown Yes Featherston Yes 95%	Martinborough Yes Greytown No Featherston No	Compliance with the Drinking Water Standards 2008 bacteriological requirements was not achieved. Featherston and Greytown do not comply with NZWDS 2008 bacteriological due to the type of treatment. The current upgrade will bring the supply up to this standard.  Sampling is undertaken on a weekly basis by Councils Environmental Health Officers in accordance with the Drinking Water Standards.487 routine bacteriological samples were taken from the three public supplies.126 follow up samples were taken.



	Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards guidelines 2008	New	Martinborough Yes Greytown Yes Featherston Yes	Martinborough No Greytown No Featherston No	Featherston and Greytown do not comply with NZWDS 2008 protozoa due to the type of treatment. The current upgrade will bring the supply up to this standard.  Council test turbidity and cryptosporidium fortnightly.
Customer satisfaction	The total number of complaints received by the local authority about drinking water taste per 1000 connections	New	< 15	1.73 (6)	These are the number of complaints officially logged to the customer service desk. There were a number of comments in Feb/May about the taste of the Featherston water on facebook, which the exact cause was not identified in the investigations. There numbered about 32 comments on facebook
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	New	<15	2.01	7 complaints received
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	New	<15	4.03	14 complaints received.
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	New	<15	5.75	20 complaints received.
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	New	<15	3.16	11 complaints received.
	The local authority's response to any of these issues (expressed per 1000 connections to the local authority's network).	New	No target set	16.68	This measure is the accumulated complaints for the above measures, which are recorded in NCS or on the contractors system. For 2015-2016 period was 58, which is 16.68 per 1000 connections. If the complaint is recorded there was a response, this also corresponds to the direction for the National Performance Review sent to Water NZ. A target was not set due to the omission of this measure. The incoming Council will set a target as part of the Annual Plan.
	Ratepayers and residents satisfied with level of service for water	73%	75%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	New	< 1 Hr	66%	37 of 56 complaints The majority of the variances were the result of the lag from the time a call was received in NCS and the job loaded to contractor's system. For example the KPI success on contractors system records it as 97%
	Resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	New	< 8 Hrs	82%	46 of 56 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time.
	Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	New	< 2 working days	76%	254 of 333 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time.
Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm	New	< 5 working days	88%	292 of 333 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time.	
Fault response times where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured					
	There is adequate water for urban fire	Fire hydrants tested annually that meet NZ Fire Service Code of	0%	20%	40%

fighting	Practice					Practice that fire hydrants are flow tested individually every five years. A total of 306 fire hydrants out of 579 have been flow tested within the three towns. 231 were tested in this reporting year.
Maintenance of the reticulation network	The % of real water loss from the local authority's networked reticulation system identified by establishing and measuring night flow.	New	<20%	45.5%		<p>DIA method uses the minimum night-time flows (flow rate during night) over the year with assumptions for usage by other connections, fire brigade, council etc.</p> <p>SWDC have a more accurate method due to the fact that 97% of properties are metered. The unaccounted water usage from the meter readings is approximately 47%.</p> <p>Council does not meter amenities or fire hydrants. It is reported that a number of people use the hydrants, including the fire brigade all of which is unmetered.</p>

**NOTE:**

\* Flooding rivers, droughts and other unavoidable factors do not enable 100% compliance during the year.

## 8. WATER SUPPLY OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

WATER SUPPLY OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016			
ACTUAL 2014/2015 \$ 000		ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
	<b>INCOME</b>		
-	Ministry of health subsidy	-	-
164	Water meter charges	223	152
35	Interest	-	-
88	Water connection fees	123	59
<b>287</b>	<b>Total income</b>	<b>346</b>	<b>211</b>
	<b>OPERATING COSTS</b>		
144	Water races	174	135
896	Depreciation	783	747
789	Works costs	830	836
704	Treatment & reticulation	65	631
<b>2,534</b>	<b>Total operating costs</b>	<b>2,402</b>	<b>2,348</b>
<b>(2,247)</b>	<b>Net cost of service</b>	<b>(2,056)</b>	<b>(2,137)</b>
	<b>CAPITAL</b>		
-	Universal metering	-	-
10	Cyclical renewals	101	551
-	Featherston bore investigation	-	-
13	Featherston supplementary water supply	734	-
<b>223</b>	<b>Total</b>	<b>835</b>	<b>551</b>

## 9. WATER SUPPLY FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR WATER SUPPLY				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
	<b>Sources of operating funding</b>			
-	General rates, uniform annual general charges, rates penalties	-	-	-
2,372	Targeted rates	2,305	2,203	2,382
-	Subsidies and grants for operating purposes	-	-	-
	Fees and charges	250	150	11
-	Interest and dividends from investments	-	-	-
113	Local authorities fuel tax, fines, infringement fees, and other receipts	141	75	113
<b>2,485</b>	<b>Total operating funding (A)</b>	<b>2,696</b>	<b>2,428</b>	<b>2,505</b>
	<b>Applications of operating funding</b>			
1,187	Payments to staff and suppliers	1,217	1,197	1,238
185	Finance costs	154	103	91
265	Internal charges and overheads applied	373	302	290
-	Other operating funding applications	-	-	-
<b>1,638</b>	<b>Total applications of operating funding (B)</b>	<b>1,744</b>	<b>1,601</b>	<b>1,619</b>
<b>847</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>952</b>	<b>827</b>	<b>887</b>
	<b>Sources of Capital funding</b>			
-	Subsidies and grants for capital expenditure	-	-	-
88	Development and financial contributions	61	59	123
(1,292)	Increase (decrease) in debt	(54)	331	(29)
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
<b>(1,203)</b>	<b>Total sources of capital funding (C)</b>	<b>164</b>	<b>390</b>	<b>93</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
113	- to improve the level of service	-	-	734
110	- to replace existing assets	513	551	101
(579)	Increase (decrease) in reserves	603	666	145
-	Increase (decrease) of investments	-	-	-
<b>(356)</b>	<b>Total applications of capital funding (D)</b>	<b>1,117</b>	<b>1,217</b>	<b>980</b>
<b>(847)</b>	<b>Surplus (deficit) of capital funding</b>	<b>(952)</b>	<b>(827)</b>	<b>(887)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# SOLID WASTE MANAGEMENT DESCRIPTION

## 1. DESCRIPTION

The LTP summarises the Council’s strategic and management long-term approach for the provision and maintenance of solid waste management services throughout the district (excluding private collection services).

Territorial authorities have responsibilities relating to the collection and disposal of solid waste management and associated recycling.

In the South Wairarapa district there is presently one transfer and recycling station at Martinborough and recycling stations at Featherston, Greytown, Martinborough and Pirinoa. All these sites have recycling facilities and are managed by Council. There is an unmanned recycling depot at Tuturumuri and Ngawi. Private collection services are also available in the district including coastal areas, and disposal of this material is allowed at Council’s transfer station. Coastal areas are also serviced particularly during tourist visitor times.

The Council is also working with other councils in the region to look at Wairarapa wide solutions to solid waste management.

3,916 properties are charged for refuse collection services. Urban properties are compulsory and rural properties by choice provided they are on the collection service routes.

Waste minimisation levy funds are applied to analysis of solid waste, recycling, education, advertising and other projects.

This Report summarises progress toward achieving the Council’s strategic and long term approach to Solid Waste.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the solid waste activity primarily contributes are shown in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE SOLID WASTE MANAGEMENT ACTIVITY CONTRIBUTES
Healthy & economically secure people	By providing services which help to protect the health of the community
Vibrant and strong Communities	By providing services which help to protect the safety of the community
Sustainable South Wairarapa	By providing services in a sustainably managed way

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The solid waste management goal is:

- a) To provide a reliable and safe solid waste management regime within the district and the Wairarapa region.

And the Council’s principal objectives are:

- a) To protect the health of the community.
- b) To protect the environment.
- c) To minimise waste volumes that require disposal by addressing recycling use and reduction for waste material.
- d) To work with other councils toward Wairarapa regional solutions.

## 4. ASSETS WE LOOK AFTER

This activity owns and maintains the Martinborough, transfer station, and the Featherston, Greytown and Lake Ferry recycling centres.

## 5. PROJECTS FOR 2015/16

- Continue to work with Carterton and Masterton District Councils on solid waste management issues and solutions.

*On-going with section 17a review done in draft*

- Work at a regional and sub-regional level towards the outcome of the waste management and minimisation plan as required under the Waste Minimisation Act 2008.

*On-going work with Wairarapa Councils with the Environment and Sustainability Advisor and Regional waste planning.*

- Provide at least 2 hard waste (inorganic non-recyclable items weighing less than 15kg and able to be lifted by one person) collections per year.

*Completed, hard waste collections carried out during*

*2-6 May 2016*

*1-5 August 2016*

- Trial Wheelie bins for Featherston recycling.

*To be considered as part of new Solid waste contract for implementation in 2017.*

- Carry out all actions listed for SWDC under the Regional Waste Management Plan.

*The Wairarapa councils have continued to work together, including collaboration through a shared Environment and Sustainability Advisor. The kerb side collection has continued and is incorporated in the review of the single current contract to assess the benefits of this combined approach.*

## 6. SIGNIFICANT NEGATIVE EFFECTS

Council recognises there are health risks if solid waste is not disposed of in an orderly manner.

## 7. STATEMENT OF SERVICE PERFORMANCE

SOLID WASTE: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15 ACTUAL	2015/16 TARGET	2015/16 ACTUAL	VARIANCE COMMENT( IF REQUIRED)
Recycling stations are accessible and maintained	Number of communities with recycling centres	6	6	6	Recycling centres at Greytown, Featherston, Martinborough, Pirinoa, Ngawi and Hinakura.
Refuse and recycling collection services are provided and waste minimisation actively promoted	Volume of waste disposed out of district	Increased 11.4%	Decreasing by 2.5%	Increased 4.9%	Not achieved. Refuse measured by weight for the 2015/16 reporting period was 1,835 tonnes. This has resulted in an increase of 188 tonnes in comparison from last year's totals. The increases mainly occurred over the months of January and February. Recycling tonnages were slightly more at 912 tonnes compared with 888 tonnes the previous year. Additional holiday load has contributed to the tonnage excess. The use of urban incinerators is being more closely monitored, investigation of the increase was inconclusive. This trend is similar to that experienced throughout the region.
	% of ratepayers and residents satisfied with the level of service	75% (Recycling 77% Refuse 73%)	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.

## 8. SOLID WASTE MANAGEMENT OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

<b>SOLID WASTE MANAGEMENT OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016</b>			
<b>ACTUAL 2014/2015 \$ 000</b>		<b>ACTUAL 2015/2016 \$ 000</b>	<b>BUDGET 2015/2016 \$ 000</b>
	<b>INCOME</b>		
188	User levies	186	124
129	Other charges	95	90
	Other income	39	25
<b>318</b>	<b>Total income</b>	<b>320</b>	<b>239</b>
	<b>OPERATING COSTS</b>		
384	Collections	563	533
1,093	Transfer stations	895	813
<b>1,477</b>	<b>Total operating costs</b>	<b>1,458</b>	<b>1,346</b>
<b>(1,159)</b>	<b>Net cost of service</b>	<b>(1,139)</b>	<b>(1,107)</b>
	<b>CAPITAL</b>		
-	Development work	-	25
-	Resource consents	-	-
-	Transfer station upgrade (general)	-	2
<b>-</b>	<b>Total</b>	<b>-</b>	<b>27</b>

## 9. SOLID WASTE MANAGEMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR SOLID WASTE MANAGEMENT				
30 JUNE 2015 ACTUAL \$ 000		2015 LONG-TERM PLAN \$ 000	2016 LONG-TERM PLAN \$ 000	30 JUNE 2016 ACTUAL \$ 000
<b>Sources of operating funding</b>				
718	General rates, uniform annual general charges, rates penalties	1,173	1,071	580
432	Targeted rates	-	-	488
-	Subsidies and grants for operating purposes	-	-	-
-	Fees and charges	-	124	-
-	Interest and dividends from investments	-	-	-
374	Local authorities fuel tax, fines, infringement fees, and other receipts	311	152	375
<b>1,525</b>	<b>Total operating funding (A)</b>	<b>1,484</b>	<b>1,346</b>	<b>1,443</b>
<b>Applications of operating funding</b>				
1,304	Payments to staff and suppliers	1,232	1,189	1,310
	Finance costs	-	-	-
149	Internal charges and overheads applied	224	133	127
-	Other operating funding applications	-	-	-
<b>1,452</b>	<b>Total applications of operating funding (B)</b>	<b>1,456</b>	<b>1,323</b>	<b>1,437</b>
<b>73</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>28</b>	<b>24</b>	<b>6</b>
<b>Sources of Capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-
-	Development and financial contributions	-	-	-
-	Increase (decrease) in debt	-	-	-
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
-	<b>Total sources of capital funding (C)</b>	-	-	-
<b>Applications of capital funding</b>				
<b>Capital Expenditure</b>				
-	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	-
-	- to replace existing assets	78	27	-
73	Increase (decrease) in reserves	(50)	(3)	6
-	Increase (decrease) of investments	-	-	-
<b>73</b>	<b>Total applications of capital funding (D)</b>	<b>28</b>	<b>24</b>	<b>6</b>
<b>(73)</b>	<b>Surplus (deficit) of capital funding</b>	<b>(28)</b>	<b>(24)</b>	<b>(6)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



## WASTE WATER (SEWERAGE)

### 1. DESCRIPTION

The LTP summarises the Council's strategic and management long term approach for the provision and maintenance of sewerage to properties in the district (excluding those that service single premises that have their own septic tanks).

This plan covers the disposal of:

- Waste water from the urban centres of Featherston, Greytown and Martinborough.
- The scheme for Lake Ferry settlement.

Territorial authorities have numerous responsibilities relating to waste water systems. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within their districts. This implies that, in the case of the provision of waste water systems, councils have an obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In the South Wairarapa district, there are presently four waste water systems, to which 3,863 pans are connected to the system with a further 239 properties that can be connected.

The sewerage schemes are:

- Featherston – Urban.
- Greytown – Urban.
- Martinborough – Urban.
- Lake Ferry – Rural.

#### Featherston - Urban

A gravity system (95%) with minor pumping (5%).

Sewage flows by gravity from individual connections through the mains to a primary and secondary oxidation pond configuration.

Featherston oxidation ponds are located off Longwood Road some 1.3 km from the edge of the urban development. The ponds have a total surface area of 38,000 m<sup>2</sup> and incorporate a clay sealing layer, polyethylene sealed sides and wavebands.

Treated effluent is discharged via a trough into an open channel which flows into Donald's Creek below Longwood Road.

Land has now been purchased as we move to irrigating to land.

#### Greytown - Urban

A gravity system (95%) with minor pumping (5%). At present 90% of the Greytown urban area is connected to the waste water system. Some properties are still on septic tanks.

Sewage flows by gravity from individual connections through mains to primary and secondary ponds.

The Greytown sewage ponds are located at the end of Pah Road, some 3km from Greytown. Pond No 1 has an area of 18,500m<sup>2</sup> and Pond No 2 has an area of 15,000m<sup>2</sup>. Both ponds are clay lined and have concrete wavebands.

An internal boulder wall filter was constructed in 2000 for pond No 2. This was a requirement of the resource consent process and is aimed at improving effluent quality.

The effluent discharges into the Papawai Stream. The Papawai Stream flows into the Ruamahanga River some 1,500 metres downstream of the effluent discharge point.

Land has now been purchased as we move to irrigating to land.

#### Martinborough - Urban

Martinborough operates entirely as a gravity system.

Sewage flows by gravity from individual connections through the mains to a single anaerobic pond.

The pond has an area of 16,300m<sup>2</sup> and incorporates a clay sealing layer and waveband. Mechanical aerators were installed in 1998 and four maturation ponds were constructed in 2006 to improve the quality of effluent. It is sited at the end of Weld Street, some 1.3km from the Square.

Treated effluent is discharged via an outlet structure into the Ruamahanga River.

A few households in Martinborough are still operating off septic tanks and not connected to the system.

## Summary of Council Infrastructure

The Council owns a number of structures and components for the disposal of waste water including the following:

SYSTEM	
URBAN	NETWORK
Featherston	25km of underground pipes
Greytown	20km of underground pipes
Martinborough	20km of underground pipes
RURAL	NETWORK
Lake Ferry Settlement	3km underground pipes (nearly 50% rising mains)

The Featherston system is a mix of earthenware, asbestos-cement, fibrolite, reinforced concrete and uPVC. Approximately 90% of the total reticulation is 150mm pipe. There has been the greatest use of earthenware and asbestos-cement pipe with decreasing amounts of reinforced concrete, uPVC and fibrolite.

Greytown is predominantly concrete and fibrolite. The use of uPVC is increasing (currently 12%) with smaller amounts of asbestos-cement and earthenware pipe.

Most of Martinborough (approximately 99.5%) is asbestos-cement pipe. The remainder is uPVC pipe.

Sewer pumps and aerators are controlled and monitored through Council's telemetry system.

A summary of data is held in Council's geographical information system (GIS) and other asset systems. The information held is regularly updated to incorporate additions and deletions and to improve detail accuracy.

The Council provides for the disposal of waste water to meet the needs of urban residents and industrial, commercial, institutional, recreational, horticultural and rural users (near the urban areas) in accordance with the Waste Water Disposal – Sewerage Connection Policy.

The Council operates and maintains the system for disposal of sewage in accordance with standards established by the Ministry of Health and the Greater Wellington Regional Council.

This Report summarises progress toward achieving the Council's strategic and long term approach to Waste Water.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which sewerage activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE SEWERAGE ACTIVITY CONTRIBUTES
Healthy and economically secure people	By ensuring that adequate public systems are provided, at an affordable cost
Sustainable South Wairarapa	By ensuring that all of the reticulated systems operate as efficiently as possible; that the conditions are complied with

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The waste water activity goal is:

- To collect, treat and dispose of waste water from the urban areas of Featherston, Greytown, Martinborough and Lake Ferry so as to provide public health protection with minimal effects on the environment.

The Council's principal objectives are:

- To achieve defined standards of customer service.
- To protect the health and safety of the community.
- To minimise adverse effects on the environment.
- To comply with legal requirements.
- To achieve defined technical standards.
- To implement policies of South Wairarapa District Council.
- To promote development throughout the district.
- To achieve defined standards of system management.

## 4. ASSETS WE LOOK AFTER

In the South Wairarapa district, there are four waste water community systems. There are 3,428 properties connected to the four systems.

The sewerage schemes are:

Featherston – Urban.

Greytown – Urban.

Martinborough – Urban.

Lake Ferry – Rural.

These systems include pipes, pumps, ponds and plant facilities to collect treat and discharge the waste water.

## **5. PROJECTS FOR 2015/16**

Continued programme of sewerage reticulation repairs and renewals.

*Completed Hardie Grove, Featherston. Other work deferred to allow the implementation of the accelerated discharge to land programme.*

Consent applications

*Martinborough and Greytown have received 35 year consents. Featherston consent lodgement will be 4<sup>th</sup> quarter 2016 to allow sufficient analysis of options.*

Divert flow from Papawai Stream (Greytown).

*Consent commenced, design of land discharge started.*

Install ultra-violet disinfection for the Greytown effluent discharge and apply for land irrigation consents.

*Design of land discharge started and planned to be installed for January 2017 at Martinborough, with the UV installation and discharge to land planned to Greytown in April 2017*

## **6. SIGNIFICANT NEGATIVE EFFECTS**

Council recognises there are health and environmental risks if waste water is not disposed of in an orderly manner. Council has implemented a waste water system to mitigate the risks associated with waste water. The resource consent process ensures health, environmental, and cultural considerations are taken into account.

## 7. STATEMENT OF SERVICE PERFORMANCE

WASTE WATER: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2014/15 ACTUAL	2015/16 TARGET	2015/16 ACTUAL	COMMENT
Council provides waste water services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	4.97	<10	10.45	Total of 42 blockages compared to 20 in 2014/15 were attended to, total for wastewater connections numbering 4,021 equates to 10.45 per 1,000 connections.
	Ratepayers and residents satisfaction with waste water services	78*	70%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	Number of dry weather sewerage overflows per 1000 connections	New	<10	1.73	There were 6 recorded blockages that resulted in manholes overtopping during dry weather. These were cleared and the immediate areas cleaned up and disinfected.
	Attendance time: from notification to arrival on site	New	< 1 Hr	54%	33 of 61 were achieved. The majority of these variances are the result of the lag from time of received call in NCS and the job loaded to contractors system. For example the KPI success on contractors system records it as 96%
	Resolution time: from notification to resolution of fault	New	< 4 Hrs	72%	44 of 61 were achieved. The size of some of the blockages require specialist larger equipment, and there was a delay to get it from Masterton or another job.
Waste water disposal does not create any smells, spill or health issues and causes minimal impact on the natural environment	% of resource consent conditions complied with to mainly complying or better*	Not able to be measured as a percentage	90%	96%	Annual reports have been produced for the 2015-2016 reporting period and submitted to GWRC Compliance reports for the Greytown, Martinborough and Featherston wastewater treatment facilities have been compiled SWDC and are yet to be received from Greater Wellington. Lake Ferry- Fully compliant on 62 conditions, technically, non-compliant on 1 condition Featherston -Fully compliant on 32 conditions, technically, non-compliant on 4 conditions Greytown --- Fully compliant on 35 conditions, non-compliant on 2 conditions Martinborough --- Fully compliant on 35 conditions, non-compliant on 0 conditions.
	No. of abatement notices	New	<2	0	This is the first year of reporting. The council meets with the Greater Wellington Regional Council to regularly to monitor and improve compliance. Two abatement notices were re received for water race consents.
	No. of infringement notices	New	0	0	No infringement notices received.
	No. of enforcement notices	New	0	0	No enforcement notices received.
	No. of convictions	New	0	0	No convictions.
	No. of complaints per 1000 connections received about sewage odour	New	< 15	1 (4)	4 complaints received.
	No. of complaints per 1000 connections received about sewage system faults	New	< 15	2.24 (9)	9 complaints received.
	No. of complaints per 1000 connections received about sewage system blockages	New	< 15	10.45 (42)	42 complaints received.
	No. of complaints per 1000 connections received about the response to issues with sewage	New	< 15	0.2 (1)	1 complaint received.
	Proportion of urgent waste water service requests responded to within 6 hours of notification	100%	95%	87% (53/61)	53 of 61 calls were responded to within the timeframe. All calls related to wastewater are now defined as an urgent wastewater call which is a change. In the previous year only 16 of the 20 callouts were considered urgent, compared to 61 for this year. The size of some blockages require larger equipment. The contractor can be a delay to get this equipment from Masterton or another job.

**NOTE:**

\* This allows for a small number of "technical" breaches associated with the myriad of resource consent conditions which may be due to short-term, unplanned impacts on operating conditions, equipment failure etc. The indicator should not be read as an intention to plan for non-compliance.

## 8. SEWERAGE OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

SEWERAGE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016			
ACTUAL 2014/2015 \$ 000		ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
	<b>INCOME</b>		
90	User levies	199	229
23	Interest	-	-
-	Other income	-	-
45	Contributions	63	23
<b>157</b>	<b>Total income</b>	<b>262</b>	<b>252</b>
	<b>OPERATING COSTS</b>		
1,297	Reticulation	1,368	1,413
317	Treatment & disposal	319	437
<b>1,614</b>	<b>Total operating costs</b>	<b>1,687</b>	<b>1,851</b>
<b>(1,457)</b>	<b>Net cost of service</b>	<b>(1,425)</b>	<b>(1,599)</b>
	<b>CAPITAL</b>		
-	Reticulation renewals	7	355
2	Lake Ferry sewerage system	2	-
597	Alternative disposal systems	637	489
-	Oxidation ponds	-	-
4,491	Land & Buildings	-	-
2	Sewer miscellaneous	82	-
<b>5,092</b>	<b>Total</b>	<b>728</b>	<b>844</b>

## 9. SEWERAGE FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR SEWERAGE				
30 JUNE 2015 ACTUAL \$000		2015 LONG-TERM PLAN \$000	2016 LONG-TERM PLAN \$000	30 JUNE 2016 ACTUAL \$000
	<b>Sources of operating funding</b>			
-	General rates, uniform annual general charges, rates penalties	-	-	-
1,446	Targeted rates	1,572	1,663	1,659
-	Subsidies and grants for operating purposes	-	-	-
-	Fees and charges	-	-	-
-	Interest and dividends from investments	-	-	-
190	Local authorities fuel tax, fines, infringement fees, and other receipts	120	302	294
<b>1,636</b>	<b>Total operating funding (A)</b>	<b>1,691</b>	<b>1,965</b>	<b>1,953</b>
	<b>Applications of operating funding</b>			
513	Payments to staff and suppliers	634	556	435
489	Finance costs	272	705	656
217	Internal charges and overheads applied	241	237	230
-	Other operating funding applications	-	-	-
<b>1,219</b>	<b>Total applications of operating funding (B)</b>	<b>1,148</b>	<b>1,498</b>	<b>1,321</b>
<b>418</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>544</b>	<b>467</b>	<b>632</b>
	<b>Sources of Capital funding</b>			
-	Subsidies and grants for capital expenditure	-	-	-
45	Development and financial contributions	24	23	63
4,164	Increase (decrease) in debt	591	185	(14)
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
<b>4,209</b>	<b>Total sources of capital funding (C)</b>	<b>614</b>	<b>208</b>	<b>50</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
4,491	- to improve the level of service	781	489	-
601	- to replace existing assets	184	355	728
(464)	Increase (decrease) in reserves	193	(189)	(45)
-	Increase (decrease) of investments	-	-	-
<b>4,628</b>	<b>Total applications of capital funding (D)</b>	<b>1,158</b>	<b>674</b>	<b>682</b>
<b>(418)</b>	<b>Surplus (deficit) of capital funding</b>	<b>(544)</b>	<b>(467)</b>	<b>(633)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# STORMWATER DRAINAGE

## 1. DESCRIPTION

The LTP summarises the Council's strategic and long-term approach for stormwater where this is provided and maintained by Council, and also the requirements where it is provided by others.

Territorial authorities have numerous responsibilities for stormwater management. In the case of stormwater Council has an obligation to identify where such a service is required and to either provide it directly or to maintain an overview where it is provided by others.

Design and operational considerations for the stormwater system are fundamentally different from other piped services such as water supply and waste water. For those services, the peak loading on the system can be estimated and designed for. The stormwater system cannot provide protection against all foreseeable storm events and aims only to provide a level of protection accepted by the community as being reasonable.

An overall level of stormwater protection is provided by a combination of:

- A primary stormwater system.
- A secondary stormwater system.

The primary stormwater system is the system of reticulation pipes, culverts, open drains and access chambers. It is designed to collect stormwater resulting from moderate rainfall and discharge it into watercourses. The primary stormwater system is intended to minimise what is often termed as nuisance flooding.

The secondary stormwater system generally comprises overland flow-paths designed to convey excess floodwater with a minimum of damage when the primary stormwater system is unable to cope. Roads are often used as secondary flow-paths.

Many of the urban areas are not provided with secondary stormwater flow-paths. The provision of secondary stormwater flow-paths is a relatively recent practice in New Zealand. Secondary flow-paths are generally provided at the time of subdivision as the subsequent provision of secondary stormwater flow-paths is usually technically difficult and expensive.

Details of stormwater assets are available in Stormwater Management Plans for the three towns.

Council aims over the long-term to provide protection of properties in all urban areas and to ensure stormwater is contained in channels, pipes and structures to direct the flow in a controlled

manner across Council owned/vested land to a waterway or other suitable discharge points. Council's policy is that unused stormwater from the roof is disposed of onsite through appropriate means.

This Report summarises progress toward achieving the Council's strategic and long term approach to Storm Water.

## 2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which stormwater activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE STORMWATER ACTIVITY CONTRIBUTES
Vibrant and strong communities	By ensuring that people feel safe and are proud to live in.
Sustainable South Wairarapa	By ensuring that the stormwater systems, whether Council's or private, operate as efficiently as possible.

## 3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The stormwater activity goal is:

- a) To provide and maintain waterways to collect and dispose of excess surface water to protect amenities, reduce flooding, avoid erosion and establish a safe environment.

The Council's principal objectives are to:

- a) Achieve defined standards of customer service.
- b) Protect the health and safety of the community.
- c) Minimise adverse effects on the environment.
- d) Comply with legal requirements.
- e) Achieve defined technical standards.
- f) Implement policies of the Council.
- g) Promote development throughout the district.
- h) Achieve defined standards of system management.

## 4. ASSETS WE LOOK AFTER

This activity owns and maintains all pipes and pits that collect and discharge storm water in the district.



The Moroa water race system also forms part of the Greytown stormwater drainage system.

## 5. PROJECTS FOR 2015/16

Continued renewal and upgrading of stormwater drains

*No progress achieved this year.*

## 6. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this output will have on social, economic, environmental, or cultural well-being of the local community.

## 7. STATEMENT OF SERVICE PERFORMANCE

STORMWATER: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVELS	KEY PERFORMANCE INDICATORS	2014/15 ACTUAL	2015/16 TARGET	2015/16 ACTUAL	COMMENT
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	54%	54%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year the next survey is scheduled for 2016/17.
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	NA No blockages	95%	100%	There were 31 blockages for 2015/16, all responded to within 5 hours. 14 blockages were reported in 2014/15. 7 of the callouts were to one address which has been investigated and a collapsed pipe identified. All were attended to within 5 hours.
	No. of flooding events	New	0	0	There were no events.
	No. of habitable floors affected per flooding event per 1000 properties connected	New	0	0	There were no events.
Consent Compliance	No. of abatement notices	New	0	0	No abatement notices were issued.
	No. of infringement notices	New	0	0	No infringement notices were issued.
	No. of enforcement notices	New	0	0	No enforcement notices were issued.
	No. of convictions	New	0	0	There were no convictions.
	Median Response time to flooding events(Notification to personnel reaching site in hrs)	New	3	0	There were no events.
	No. of complaints about stormwater per 1000 properties connected	New	0	0	There were no complaints.

## 8. STORMWATER DRAINAGE OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2016

STORMWATER DRAINAGE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2016			
ACTUAL 2014/2015 \$ 000		ACTUAL 2015/2016 \$ 000	BUDGET 2015/2016 \$ 000
	<b>INCOME</b>		
-	Interest	-	-
-	<b>Total income</b>	-	-
	<b>OPERATING COSTS</b>		
205	Channel & other maintenance	222	218
<b>205</b>	<b>Total operating costs</b>	<b>222</b>	<b>218</b>
<b>(205)</b>	<b>Net cost of service</b>	<b>(222)</b>	<b>(218)</b>
	<b>CAPITAL</b>		
1	Reticulation upgrade	-	51
<b>1</b>	<b>Total</b>	<b>-</b>	<b>51</b>

## 9. STORMWATER DRAINAGE FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2016

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2016 FOR STORMWATER DRAINAGE				
30 JUNE 2015 ACTUAL \$000		2015 LONG-TERM PLAN \$000	2016 LONG-TERM PLAN \$000	30 JUNE 2015 ACTUAL \$000
	<b>Sources of operating funding</b>			
210	General rates, uniform annual general charges, rates penalties	231	211	209
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
-	- Fees and charges	-	-	-
-	- Interest and dividends from investments	-	-	-
10	Local authorities fuel tax, fines, infringement fees, and other receipts	10	7	11
<b>220</b>	<b>Total operating funding (A)</b>	<b>241</b>	<b>218</b>	<b>220</b>
	<b>Applications of operating funding</b>			
31	Payments to staff and suppliers	36	48	38
7	Finance costs	13	7	6
58	Internal charges and overheads applied	80	74	73
-	- Other operating funding applications	-	-	-
<b>96</b>	<b>Total applications of operating funding (B)</b>	<b>129</b>	<b>129</b>	<b>117</b>
<b>124</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>112</b>	<b>89</b>	<b>103</b>
	<b>Sources of Capital funding</b>			
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	(4)	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
-	<b>Total sources of capital funding (C)</b>	<b>(4)</b>	<b>-</b>	<b>-</b>
	<b>Applications of capital funding</b>			
	<b>Capital Expenditure</b>			
-	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	-
1	- to replace existing assets	-	51	-
123	Increase (decrease) in reserves	108	38	103
-	- Increase (decrease) of investments	-	-	-
<b>124</b>	<b>Total applications of capital funding (D)</b>	<b>108</b>	<b>89</b>	<b>103</b>
<b>(124)</b>	<b>Surplus (deficit) of capital funding</b>	<b>(112)</b>	<b>(89)</b>	<b>(103)</b>
<b>0</b>	<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Glossary

GLOSSARY		
<b>AEE</b>	-	Assessment of Environmental Effects
<b>AMP</b>	-	Asset Management Plan
<b>BERL</b>	-	Business and Economic Research Limited
<b>BCA</b>	-	Building Consent Authority
<b>CDEMG</b>	-	Civil Defence Emergency Management Group
<b>CB</b>	-	Colmar Brunton
<b>DOC</b>	-	Department of Conservation
<b>DV</b>	-	Depreciated Value
<b>EEO</b>	-	Equal Employment Opportunities
<b>FRS</b>	-	Financial Reporting Standard
<b>GST</b>	-	Goods and Services Tax
<b>IFRS</b>	-	International Financial Reporting Standards
<b>LAPP</b>	-	Local Authorities Protection Programme
<b>LGA</b>	-	Local Government Act
<b>LGFA</b>		Local Government Funding Authority
<b>LTP</b>	-	Long-Term Plan (replaced Long Term Community Plan (LTCCP) from 2012/2013)
<b>NAASRA</b>	-	National Association of Australia State Roading Authorities
<b>NRB</b>	-	National Research Bureau
<b>NZTA</b>	-	New Zealand Transport Agency (formerly Transfund, Land Transport Safety Authority and Transit NZ)
<b>NEW CAPITAL</b>	-	Capital Expenditure on New Infrastructure Assets
<b>NMuA</b>	-	National Multi-use Approval. Applies to building structures that are constructed to a standard and repetitive design
<b>NRB</b>	-	National Research Bureau
<b>RAMM</b>	-	Road Asset Maintenance Management
<b>RENEWAL CAPITAL</b>	-	Capital Expenditure on Renewal of Infrastructure Assets e.g. Sewer or Water Pipes
<b>RLTC</b>	-	Regional Land Transport Committee
<b>RLTS</b>	-	Regional Land Transport Strategy
<b>RMA</b>	-	Resource Management Act
<b>SL</b>	-	Straight Line
<b>SPR</b>	-	Special Purpose Road
<b>SUIP</b>	-	Separately Used or Inhabited Part. Applies to the levying of targeted rates and includes any portion of any separate rating unit used or inhabited by any person, other than the ratepayer (as defined by Clause 11 of the Local Government (Rating) Act 2002) having the right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement.
<b>UAC</b>	-	Uniform Annual Charge – a charge made on each property, but to which a differential can be applied, e.g. 70% urban 30% rural.
<b>UAGC</b>	-	Uniform Annual General Charge – a charge made equally to each property.
<b>VESTED CAPITAL</b>	-	Capital Expenditure on Assets by Others with Ownership Vested in Council.
<b>WLS</b>	-	Wairarapa Library Service