



South Wairarapa District Council
Annual Report
2017/2018



South Wairarapa District Council Annual Report

For the year ended 30 June 2018

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

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Wednesday 24 October 2018**

South Wairarapa District Council

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MARTINBOROUGH

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DIRECTORY

COUNCIL

HER WORSHIP THE MAYOR

Vivien Napier

COUNCILLORS

Cr Paora Ammunson

Cr Lee Carter

Cr Pam Colenso

Cr Margaret Craig

Cr Dayle Harwood (until April 2018)

Cr Brian Jephson (Deputy Mayor)

Cr Pip Maynard

Cr Colin Olds

Cr Colin Wright

COMMUNITY BOARDS

FEATHERSTON

Claire Bleakley

Robyn Ramsden (Chair from January 2018)

Mark Shepherd

Brenda West (Chair until January 2018)

Cr Dayle Harwood (until April 2018)

Cr Colin Olds

GREYTOWN

Mike Gray

Leigh Hay (Chair)

Ann Rainford

Christine Stevenson

Cr Paora Ammunson

Cr Margaret Craig

MARTINBOROUGH

Fiona Beattie

Lisa Cornelissen (Chair)

Victoria Read

Cr Pam Colenso

Cr Pip Maynard

OFFICE LOCATIONS

MARTINBOROUGH

19 Kitchener Street

P O Box 6

Martinborough

Phone 306 9611 Fax 306 9373

e-mail enquiries@swdc.govt.nz

FEATHERSTON SERVICE CENTRE

The Library

Fitzherbert Street

Featherston

Phone 308 9030

e-mail featherston@swdc.govt.nz

GREYTOWN SERVICE CENTRE

Greytown Town Centre

Main Street

Greytown

Phone 304 9061

e-mail 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 (until May 2018)

Russell O'Leary (from May 2018)

Group Manager Corporate Support

Jennie Mitchell

AUDITORS

Audit New Zealand

On behalf of the Auditor-General

John Whittal

BANKERS

Bank of New Zealand

Johan Otto

KEY LENDER

Local Government Funding Agency

INSURANCE BROKERS

Jardine Lloyd Thompson Ltd

Wellington

SOLICITORS

Gawith Burridge

Masterton

Debbie Van Zyl - Partner

MAYOR AND CHIEF EXECUTIVE'S REPORT

The 2017/18 financial year has been a busy one for South Wairarapa District Council (SWDC). Our staff, councillors, Community Board members and Maori Standing Committee members all contributed to the Long Term Plan (LTP) process. This involved many hours of discussion, planning, budgeting, as well as listening to and reading submissions from our residents, many of whom took the time to consider our consultation document and respond with their thoughts on the future direction of the district.

The theme of the LTP is: Kainga Ora – Making South Wairarapa a great place to live. The LTP was adopted by Council on 27 June 2018. The Plan was a culmination of hundreds of hours work that took a year to put together. This year Council chose to take a different approach to developing the plan; right from the initial discussions we involved not only councillors but members of the three community boards and the Māori Standing Committee in the LTP Working Party. We also had discussions with a wide range of focus groups who shared their vision for South Wairarapa, these ideas fed into the Plan. This gave us a broad range of ideas, which helped us develop our direction for the LTP. We'd like to thank everyone who contributed to the LTP process including those who made submissions. Having input from our communities was extremely important to this process.

We had received confirmation via a report from Wellington Water that the current level of expenditure on our water and wastewater infrastructure would be sufficient to cover future needs including the increased growth that is predicted for the region. This enabled us to choose to fund some new initiatives in the LTP including funding youth initiatives, spatial planning and some promotion of the district.

At the beginning of the LTP process, Council resolved to update the community outcomes and mission and vision for this LTP.

The new Vision, Mission and Values for SWDC are as follows:

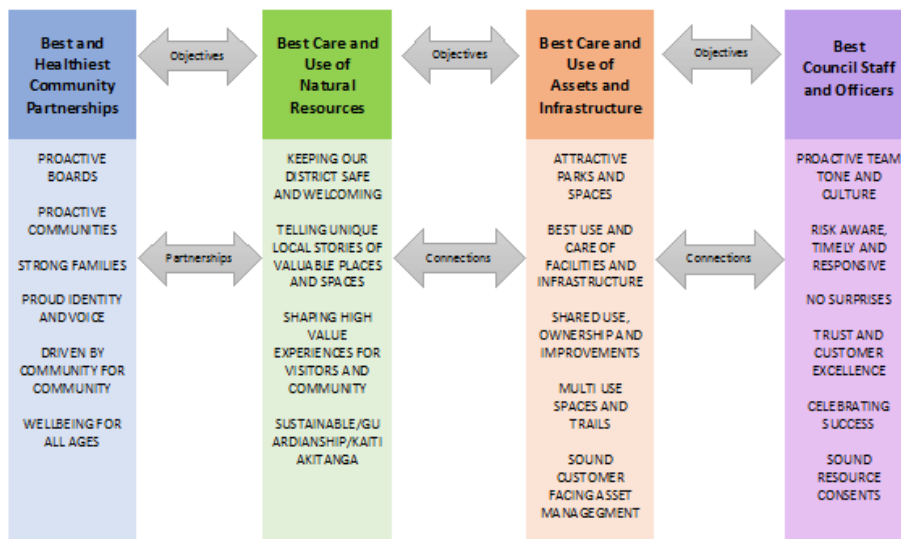
Our Vision is 'for the South Wairarapa to be an open energetic and unified community'

Our Mission is to be "future focused, growth oriented and exercise sound judgement"

Our Internal Values are:

Rigorous
Listening
Learning & Respecting Teamwork
Community Focussed
Valuing Mana
Uara of People and Land
Manaakitanga /Caring Society
Freedom and Liberty

Council developed the following outline of the strategic plan for the three years ahead. These four pillars have formed the basis for decisions on what to include and what to exclude from the LTP.



This strategic plan is supported by the five community outcomes identified in previous LTPs.

Together they will enable Council to achieve our vision. The community outcomes for the South Wairarapa are as follows:



OTHER SIGNIFICANT EVENTS

No to Amalgamation

In December 2017 the residents of Wairarapa voted to reject the proposal from the Local Government Commission to combine the three Wairarapa Councils. The result was binding and brings to an end the Local Government Commission's work in this area. Councillors took this as a mandate from the residents of the South Wairarapa to carry on the good work that has been done to date and take the region forward into the future.

Greytown Voted Most Beautiful Town

Greytown scooped the top award in 2017 for the Most Beautiful Small Town (population under 5000) and was picked ahead of Raglan and Whirinaki. The judges said "This small town is definitely a gem of the Wairarapa."

Commemorating the 75th Anniversary of the Featherston Incident

On 25 February 2018 the SWDC held an event in Featherston to mark the 75th anniversary of the WWII Featherston camp incident.

A service was held at the Memorial Gardens in Featherston. The service included speeches from representatives of the Japanese Embassy, the Australian High Commission and a representative from the town of Cowra in Australia – which experienced a similar incident during WWII.

Free Swimming in SWDC Pools

SWDC removed all charges for users of our three public swimming pools. We saw large increases in numbers at all swimming pools as a result. It was very pleasing to see Council assets being used by so many of our residents.

Wairarapa Rail Services

Council continued to lobby Central Government for improved rail services to and from Wellington for our many commuters and visitors. We were pleased to learn that government has responded to this lobbying and granted funding to Greater Wellington Regional Council to start significant capital works to improve the condition of the tracks on the Wairarapa line which will eventually result in a much improved service for users. This will be very beneficial to the Wairarapa region.

Election of New Featherston Councillor

We would like to acknowledge the contribution of Featherston ward Councillor Dayle Harwood prior to his resignation in April 2018. Dayle was a strong advocate for his community and we appreciated his contributions to discussions around the Council table. A bi-election was in the first quarter of the 2018/19 year and we welcome Councillor Ross Vickery who was sworn in at the August Council meeting.

Building Consent Activity

The trend of economic development seems likely to continue, and has resulted in continued high levels of building consents issued. In the 2017 financial year, SWDC issued 543 consents with a value of \$62 million, up from 356 consents with a value of \$28 million for the 2016 financial year. The building consents for the 2018 year were at a similar level to 2017 – 531 consents with a total value of \$55 million.

COUNCIL PROJECTS

Council carried out a number of projects during the year. Here are a few of the highlights.

Martinborough Town Hall and Waihinga Centre

During the year the bulk of the work was completed to earthquake strengthen the Martinborough Town Hall and build the attached Waihinga Centre. It has been exciting for councillors and locals alike to watch this project progress. The project will be completed in November 2018 and will be the culmination of many hours of planning and monitoring by the construction steering group and Council officers and a huge amount of fundraising work by the Waihinga Centre Charitable Trust. We are grateful to all members of this group for their work and to the community who have donated generously. We also appreciate the support of the Lotteries Commission that has enabled us to make this project a reality and look forward to seeing the Centre in use in the coming months.

Diversion of Wastewater from Water Ways

Work progressed on the projects in all three towns to divert wastewater from water ways to instead dispose treated wastewater to land. We commenced discharging treated wastewater to land in Martinborough in November 2017. During the summer low flow period from November 2017 to March 2018 we did not discharge to the Ruamahanga River for 128 days out of a possible 150 days. In Greytown, the design of the land discharge has been completed with construction due to commence in early 2019. We continue to work with Greater Wellington Regional Council (GWRC) to progress the Featherston resource consent application. A large number of submissions have been received from local residents and the hearings are currently planned for March 2019.

Cape Palliser Road Seal Extension

The seal extension and associated works of approximately 3.5km of Cape Palliser Road from Ngwai village to Mangatoetoe River Bridge were completed on time and within budget. This will be beneficial to locals and tourists who visit this popular area.

Urban Growth

The work on the Greytown structure plan is advancing, which is capable of releasing a further 400 to 500 sections. Council are also reviewing urban spread in Martinborough as feedback from our community indicates there is demand for additional residential land to be opened up for development. There are enough sections available in Featherston to support growth for the foreseeable future.

Other projects during 2017/18 included work on a Wairarapa Economic Development Strategy with Greater Wellington Regional Council, Masterton District Council, Carterton District Council and Wellington Regional Economic Development Agency, a governance review, and a Section 17a roading review. The roading review is investigating the benefits of working with our neighbouring councils to bring savings and more efficiency to our roading contracts.

FINANCIAL PERFORMANCE

The financial results for the year are covered on pages 12 to 42 of this Annual Report.

The statement of financial performance on page 10 shows a total surplus of \$7.43 million for the year ended 30 June 2018. Almost all of this surplus is required to fund capital expenditure e.g. grants and donations for Waihinga Centre construction \$1.35 million, Ministry of Health grant for water supply \$0.2 million, New Zealand Transport Agency subsidy for roading capital expenditure \$1.9 million, vested assets \$1.5 million and development contributions transferred to reserves \$1.5 million.

NON-FINANCIAL PERFORMANCE

We have a total of 105 non-financial measures that we report on through the Annual Report. We've achieved or substantially achieved a high proportion of these targets. Full details of all performance indicator targets and actual results can be found in the relevant section of the full Annual Report for the 2018 financial year. The results overall are very similar to the results from the previous year. The detail is included for each significant activity in the relevant section of the Annual Report from pages 43 to 91.

Councillors and staff are looking forward to delivering on the projects agreed in the 2018/28 Long Term Plan and look forward to working with our communities to continue to make South Wairarapa a great place to live.



Vivien Napier

Mayor



Paul Crimp

Chief Executive Officer



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 2018 fairly reflect the financial position, operations and service performance of the South Wairarapa District Council.

Vivien Napier

Mayor



Dated: 24 October 2018

Paul Crimp

Chief Executive Officer



Dated: 24 October 2018

INDEPENDENT AUDITOR'S REPORT

To the readers of South Wairarapa District Council's Annual Report for the year ended 30 June 2018

The Auditor-General is the auditor of South Wairarapa District Council (the District Council). The Auditor-General has appointed me, John Whittal, using the staff and resources of Audit New Zealand, to report on the information in the District Council's Annual Report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the Annual Report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 24 October 2018. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 12 to 39:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2018;
 - 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 in accordance with Public Benefit Entity Standards Reduced Disclosure Regime;
- the funding impact statement on page 18, 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 annual plan;
- the statements of service performance on pages 46 to 91:
 - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2018, 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
- o complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 46 to 91, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's annual plan; and
- the funding impact statement for each group of activities on pages 46 to 91, 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.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the Annual Report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 40 to 42, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information and, where applicable, the District Council's Long-Term Plan and annual plans.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the District Council for the audited information

The District Council is responsible for meeting all legal requirements that apply to its Annual Report.

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

The District Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the District Council is responsible for assessing its ability to continue as a going concern. The District Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the District Council.
- We determine the appropriateness of the reported intended levels of service in the statements of service performance, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the District Council and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast a significant doubt on the District Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the District Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the District Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Information

The District Council is responsible for the other information included in the Annual Report. The other information comprises the information included on pages 2 to 6, 43 to 45 and 92, but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the District Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit of the audited information and our report on the disclosure requirements, we have audited the District Council's 2018-28 Long-Term Plan, and performed a limited assurance engagement related to the District Council's Debenture Trust Deed which are compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in, the District Council.



John Whittal
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR YEAR ENDED 30 JUNE 2018

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 29.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2018				
ACTUAL 2016/2017 \$000		NOTE	ACTUAL 2017/2018 \$000	BUDGET 2017/2018 \$000
OPERATING REVENUE				
12,980	Rates	2	13,513	13,293
281	Finance revenue	3	484	285
1,758	Fees, licences, charges		1,803	1,743
2,136	New Zealand Transport Agency subsidy		3,861	3,302
851	Grants, subsidies and donations	4	1,589	435
506	Rentals		560	525
-	Assets vesting in council	4	1,490	-
1,083	Development and financial contributions		1,532	453
274	Miscellaneous revenue	5	520	486
19,868	Total operating revenue		25,351	20,522
OPERATING COSTS				
1,637	Public protection & health		1,543	1,430
355	Economic, cultural & community development		367	364
525	Resource management		617	567
2,927	Amenities		3,039	3,045
5,485	Land transport		5,693	5,578
2,487	Water supply		2,663	2,502
1,544	Solid waste management		1,640	1,548
1,780	Wastewater		1,793	1,884
206	Stormwater drainage		233	233
930	Governance, leadership & advocacy		947	947
19	Rate debtors written off		18	40
49	Bad debts		45	-
-	Loss on Share revaluation		1	-
83	Loss on sale of assets		14	-
18,027	Total operating costs		18,613	18,139
873	Operating surplus/(deficit) before tax		6,738	2,382
(24)	Other gains & losses	6	690	35
1,817	Total surplus/(deficit) before tax		7,428	2,418
-	Tax expense		-	-
1,817	Total Surplus/(Deficit) after tax		7,428	2,418
325	Increase/(decrease) in revaluation reserves		50,983	1
325	Total other comprehensive revenue and expense		50,983	1
2,142	Total comprehensive revenue and expense		58,411	2,419
Note: Operating costs include the following expenses:				
4,322	Depreciation	8	4,500	4,424
51	Amortisation	8	49	12
736	Finance costs	3	579	626

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

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR YEAR ENDED 30 JUNE 2018

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 29.

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2018				
ACTUAL 2016/2017 \$000		NOTE	ACTUAL 2017/2018 \$000	BUDGET 2017/2018 \$000
383,709	Equity at start of year		385,851	384,826
2,142	Total comprehensive revenue and expense		58,411	2,419
385,851	Equity at end of year		444,262	387,245

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 29.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018				
ACTUAL 2016/2017 \$000		NOTE	ACTUAL 2017/2018 \$000	BUDGET 2017/2018 \$000
ASSETS				
Current assets				
6,524	Cash and cash equivalents	9	4,212	3,711
6,510	Investments	11	9,066	3,905
1,552	Debtors and other receivables	10	2,757	2,478
17	Inventories		24	21
1,779	Non-current assets held for sale	12	1,500	-
16,383	Total current assets		17,558	10,115
Non-current assets				
221	Investments	11	2,051	5
Other Financial assets:				
83	-Investment in CCOs and other similar entities	11	81	80
9	-Investment in other entities	11	8	9
91	Total other financial assets		90	89
7,741	Investment properties	13	8,435	7,068
163	Intangible assets	14	125	193
382,777	Property, plant and equipment	15	438,693	390,564
390,994	Total non-current assets		449,393	397,920
407,377	Total assets		466,951	408,035
LIABILITIES				
Current liabilities				
3,207	Creditors and other payables	16	4,374	2,187
338	Employee entitlements	17	348	349
34	Provisions - current portion	18	34	-
4,000	Public debt - current portion	19	4,000	899
7,579	Total current liabilities		8,756	3,434
Non-current liabilities				
447	Provisions - non-current portion	18	434	439
13,500	Public debt - non-current portion	19	13,500	16,917
13,947	Total non-current liabilities		13,934	17,356
Equity				
143,009	Public equity	20	151,083	149,129
23,371	Restricted reserves and trust funds	20	22,725	18,843
219,468	Asset revaluation reserve	20	270,451	219,269
3	Other reserves	20	2	4
385,851	Total equity		444,261	387,245
407,377	Total liabilities and equity		466,951	408,035

STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2018

The accompanying notes and accounting policies form part of these financial statements. Explanations of major variances against budget are provided in note 29.

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2018				
ACTUAL 2016/2017 \$000		NOTE	ACTUAL 2017/2018 \$000	BUDGET 2017/2018 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was received from:				
13,059	Receipts from rates revenue		13,320	13,293
2,825	Government grants & subsidies		4,515	3,737
89	Petrol tax		96	83
3,950	Other revenue		4,294	1,961
3,396	Regional council rates		3,708	2,757
235	Interest on investments		414	214
23,553			26,347	22,045
Cash was applied to:				
13,148	Payments to suppliers & employees		12,302	13,260
3,396	Regional council rates		3,708	2,757
666	Interest paid		570	568
17,209			16,581	16,585
6,344	Net cash flow from operating activities		9,766	5,460
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was received from:				
776	Sale of property, plant & equipment		277	-
226	Loan redemption Investments		-	-
1,152	Term investments, deposits, shares & advances		6,510	2,360
2,154			6,787	2,360
Cash was applied to:				
5,351	Purchase of property, plant & equipment		7,970	9,524
6,374	Term investments, deposits, shares & advances		10,895	6,416
11,726			18,866	15,940
(9,572)	Net cash flow from investing activities		(12,079)	(13,580)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was received from:				
10,000	Drawdown of Public debt		4,000	1,214
10,000			4,000	1,214
Cash was applied to:				
5,902	Repayment of public debt		4,000	899
5,902			4,000	899
4,098	Net cash flow from financing activities		-	316
871	Net increase/(decrease) in cash held		(2,313)	(7,805)
5,653	Add cash at start of year (1 July)		6,524	11,365
6,524	Balance at end of year (30 June)		4,212	3,560
REPRESENTED BY:				
574	Cash and cash equivalents	9	162	444
5,950	Short Term Investments	9	4,050	3,116
6,524			4,212	3,560

STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR YEAR ENDED 30 JUNE 2018

STATEMENT OF SPECIAL AND SEPARATE FUNDS	2018				
	RESERVE	ACTIVITIES TO WHICH THE RESERVE RELATES	OPENING BALANCE \$000	TRANSFERS IN \$000	TRANSFERS OUT \$000
District Property To be used for Town Centre Development	All activities	(283)	285	(394)	(392)
Asset Realisation Capital gains from the sale of Council Assets that have been realised over time.	All activities	128	-	-	128
Plantation Reserve For road protection schemes and seal extensions in the future.	All activities	30	64	(34)	60
Community Board Reserves <i>Community Board funds Carried over:</i>					
Featherston	Governance	8	68	(68)	8
Greytown	Governance	12	69	(65)	16
Martinborough	Governance	8	73	(73)	8
Featherston Beautification	Governance		11	-	11
Greytown Beautification	Governance		11	(6)	4
Martinborough Beautification	Governance		11	(7)	4
Restricted Reserves 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	279	424	(33)	670
Water Race Reserves					
Featherston/Longwood Water race	Water	(25)	64	(78)	(39)
Moroa	Water	219	77	(70)	226
Trusts					
Campground Memorial:	Amenities	7	-	-	7
Pain Farm	Amenities	95	88	(37)	146
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.					
Infrastructure Contributions 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.		1,881	1,108	(132)	2,857
Combined District Plan Reserve To Spread the costs of the District plan over the life of the plan	Resource Mngm	(71)	33		(38)
Loan Redemption Reserve	All activities	185	23		208
Depreciation Reserves To fund new capital projects	All activities	19,205	6,334	(7,907)	17,632
Martinborough Town Hall Reserve Waihinga Centre Project	Amenities	1,336	268	(1,227)	376
Rural Roding Reserve Rural Roding	Roding	400	200		600
Housing Reserve Housing	Amenities	(42)	120	(177)	(98)
Maintenance Reserve To cover maintenance to buildings	Amenities	-	30	(19)	11
Wastewater Reserve To Spread the initial costs of the Wastewater project - Land	Wastewater	-	321		321
		23,370	9,681	(10,326)	22,725

STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR YEAR ENDED 30 JUNE 2017

STATEMENT OF SPECIAL AND SEPARATE FUNDS	2017				
	ACTIVITIES TO WHICH THE RESERVE RELATES	OPENING BALANCE \$000	TRANSFERS IN \$000	TRANSFERS OUT \$000	CLOSING BALANCE \$000
District Property		32	766	(1,081)	(283)
To be used for Town Centre Development	All activities				
Asset Realisation		163	-	(36)	128
Capital gains from the sale of Council Assets that have been realised over time.	All activities				
Plantation Reserve		65	-	(35)	30
For road protection schemes and seal extensions	All activities				
Community Board Reserves					
<i>Community Board funds Carried over:</i>					
Featherston	Governance	(2)	68	(58)	8
Greytown	Governance	5	69	(62)	12
Martinborough	Governance	6	68	(66)	8
Restricted Reserves					
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	366	358	(446)	279
Water Race Reserves					
Featherston/Longwood Water race	Water	(18)	74	(81)	(25)
Moroa	Water	210	78	(70)	219
Trusts					
Campground Memorial:	Amenities	7	-	-	7
Pain Farm	Amenities	343	52	(300)	95
Pain Farm: maintaining and improving the					
Infrastructure Contributions		1,358	725	(202)	1,881
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				
Combined District Plan Reserve		(104)	33		(71)
To Spread the costs of the District plan over the	Resource Mngmt				
Loan Redemption Reserve	All activities	412	24	(250)	185
Depreciation Reserves		15,072	9,480	(5,348)	19,204
To fund new capital projects	All activities				
Kotui Library Software		-	-		-
To Spread the costs of the software	Libraries				
Martinborough Town Hall Reserve		(445)	2,266	(486)	1,336
Waihinga Centre Project	Amenities				
Rural Roding Reserve		200	200	-	400
Rural Roding	Roding				
Housing Reserve		(19)	121	(144)	(42)
Housing	Amenities				
		17,652	14,381	(8,663)	23,370

FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018				
2017 ANNUAL REPORT \$000		2017 ANNUAL PLAN \$000	2018 ANNUAL PLAN \$000	2018 ACTUAL \$000
Sources of operating funding				
7,986	General rates, uniform annual general charges, rates penalties	8,462	9,041	8,568
4,994	Targeted rates	4,195	4,112	4,944
1,337	Subsidies and grants for operating purposes	2,126	3,302	1,992
1,249	Fees and charges	1,291	1,512	1,583
281	Interest and dividends from investments	269	287	484
1,259	Local authorities fuel tax, fines, infringement fees, and other receipts	1,246	1,290	1,220
17,106	Total operating funding (A)	17,589	19,544	18,791
Applications of operating funding				
12,182	Payments to staff and suppliers	11,823	12,351	12,683
1,038	Finance costs	1,242	1,025	1,003
283	Other operating funding applications	304	288	293
13,503	Total applications of operating funding (B)	13,369	13,664	13,979
3,603	Surplus (deficit) of operating funding (A-B)	4,220	5,881	4,812
Sources of Capital funding				
1,651	Subsidies and grants for capital expenditure	420	420	3,459
753	Development and financial contributions	209	283	1,104
4,098	Increase (decrease) in debt	310	365	
	Gross proceeds from sale of assets			
330	Lump sum contributions	123	170	428
	Other dedicated capital funding			
6,832	Total sources of capital funding (C)	1,062	1,238	4,992
Applications of capital funding				
Capital Expenditure				
	- to meet additional demand		1,192	2,561
744	- to improve the level of service	1,916	1,983	1,383
4,604	- to replace existing assets	7,684	4,150	3,963
5,087	Increase (decrease) in reserves	(4,318)	(207)	1,896
	Increase (decrease) of investments			
10,436	Total applications of capital funding (D)	5,282	7,119	9,803
(3,603)	Surplus (deficit) of capital	(4,220)	(5,881)	(4,812)
0	Funding Balance	0	0	0

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2018

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 2018. The financial statements were authorised for issue by Council on 24 October 2018.

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, playground assets, library books 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.

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

The following policies for rates have been applied:

General rates, targeted rates (excluding water-by-meter), and uniform annual general charges 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. General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised when invoices are created.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Revenue from water-by-meter rates is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end is accrued on an average usage basis.

Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

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

Other Revenue

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.

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.

FINANCIAL ASSETS

SWDC classifies its financial assets into the following categories: 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.

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) 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 terms deposits.

b) 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.

c) 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 Comprehensive revenue and expense.

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 Comprehensive revenue and expense.

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	Percentage
Buildings and Improvements	20 to 100 years	1% to 5%
Heritage assets	70 to 120 years	.80% to 1.4%
Furniture and equipment	5 to 22 years	4.5% to 20%
Motor vehicles	5 years	20%
Library collections	7 years	14.3%
Roading*	1 to 100 years	1% to 100%
Bridges*	30 to 100 years	1% to 3.3%
Water infrastructure*	15 to 103 years	.97% to 6.7%
Sewer infrastructure*	14 to 123 years	.81 to 7.1%
Stormwater infrastructure*	60 to 100 years	1% to 1.7%
Parks and reserves	25 to 32 years	3.1% to 4%
Playground equipment*	5 to 20 Years	5% 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 Comprehensive revenue and expense. 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, wastewater (sewerage) systems, 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 2018. Additions are recorded at cost.

Playground equipment

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 playground equipment 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 2018. 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 Ian Martin (BE, MIPENZ) of AECOM New Zealand Limited, and the valuation is effective as at 30 June 2017.

Assets Held for Sale

Assets held for sale are valued annually at the lower of carrying value and fair value less costs to sell and the valuation is effective as at 30 June 2018. Assets held for sale are valued at the agreed sale price.

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.

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 Comprehensive revenue and expense.

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 Jamie Benoit BAppl Sci (VFM and Ag) of QV Asset & Advisory, and the valuation is effective as at 30 June 2018.

Gains and losses arising from a change in the fair value of investment property are recognised in the statement of Comprehensive revenue and expense.

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 assets 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 Comprehensive revenue and expense.

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of Comprehensive revenue and expense.

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 Comprehensive revenue and expense.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the statement of Comprehensive revenue and expense.

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 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.

The District Property Reserve currently has a negative balance of \$392,056. The reason for the negative reserve balance is that Council are awaiting settlement of the sale of a property. Once settlement is made the reserve will return to a positive balance

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 2017/2018 Annual 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 29 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 18 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 Comprehensive revenue and expense.
- 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 2018.

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.

NOTE 2: RATES REVENUE

	30 JUNE 2018 \$ 000	30 JUNE 2017 \$ 000
General Rates	6,754	6,716
Targeted Rates Attributable to Activities		
Water races	133	132
Wastewater	2,005	1,855
Water	1,988	2,195
Refuse	685	637
Amenities	1,634	1,134
	6,445	5,953
Total Rates, Excluding Targeted Rates for Water by Meter	13,199	12,668
Targeted Rates for Water By Meter	166	176
Rates penalties	148	135
Total Revenue from Rates and Penalties	13,513	12,980

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 \$18,131 (2017: \$18,515) for the purposes listed below

	30 JUNE 2018 \$ 000	30 JUNE 2017 \$ 000
Rates Revenue Before Remissions	13,531	12,998
Council policy remissions:		
Rural halls	2	3
Sports bodies	6	6
Community organisations	6	6
Conservation	4	4
Total Remissions	18	19
Rates Revenue after Remissions	13,513	12,980

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 wastewater, water, refuse and sanitation. Non-rateable land does not constitute a remission under SWDC's rates remission policy.

	30 JUNE 2018	30 JUNE 2017
Rating Base Information		
Number of rating units	6,971	6,945
	\$ 000	\$ 000
Capital Value of rating units	4,653	3,759
Land value of rating units	2,786	2,243

NOTE 3: FINANCE REVENUE AND COSTS

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
FINANCE REVENUE		
Interest revenue:		
- term deposits	484	281
Total finance revenue	484	281
FINANCE COSTS		
Interest expense:		
- interest on borrowings	579	736
Total finance costs	579	736

NOTE 4: GRANTS, SUBSIDIES AND DONATIONS

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Grants and Subsidies		
Libraries	6	8
Community buildings	-	50
Lotteries grant for Waihinga centre	450	-
Eastern and Central grant for Waihinga centre	-	200
Trust House grant for Waihinga centre	-	150
Water supply	229	439
Miscellaneous	4	4
Donations		
Waihinga Centre Charitable Trust	900	
Total grants, subsidies and donations	1,589	851

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised \$Nil (2017: \$Nil).

Assets vesting in council

Vested Infrastructure from property development
\$1,489,817 (2017: \$Nil).

NOTE 5: MISCELLANEOUS REVENUE

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Commissions	73	71
Other recoveries	300	106
Petrol tax	96	90
Profit on sale of assets	51	3
Gain on share revaluation		4
Total miscellaneous revenue	520	274

NOTE 6: OTHER GAINS AND LOSSES

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Gain/(loss) in fair value of investment property	694	737
Gain/(loss) in fair value of properties intended for sale	(4)	(761)
Total gains/(losses)	690	(24)

NOTE 7: PERSONNEL COSTS

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Salaries and wages	3,099	2,913
Defined contribution plan employer	77	69
Increase/(decrease) in employee entitlements/liabilities	10	21
Total personnel costs	3,186	3,003

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

NOTE 8: OTHER EXPENSES		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
EXPENDITURE		
Depreciation:		
Roads	1,991	2,050
Bridges	444	443
Water systems	1,040	836
Wastewater systems	409	394
Stormwater systems	106	105
Buildings	128	117
Furniture & equipment	97	104
Library collections	138	147
Motor vehicles	47	43
Parks & reserves	47	40
Heritage assets	55	44
	4,500	4,322
Amortisation	49	51
Councillors' remuneration	237	237
Interest expense	579	736
Provision: discount unwinding	(13)	41
Rates debtors written off	18	19
Additional provision for doubtful debts	45	49
Superannuation contributions	77	69

NOTE 9: CASH AND CASH EQUIVALENTS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Cash at bank and in hand	863	574
Funds Held in Trust	49	
Term deposits with maturities of less than 3 months at acquisition	3,300	5,950
Total cash and cash equivalents	4,212	6,524

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 \$207,926 (2017: \$185,227).

MATURITY ANALYSIS AND EFFECTIVE INTEREST RATES

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

2017	\$000
Short term deposits	5,950
Weighted average effective interest rate	3.17%

2018	\$000
Short term deposits	3,300
Weighted average effective interest rate	3.17%

NOTE 10: DEBTORS & OTHER RECEIVABLES		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Rates receivables	401	437
Other receivables	1,986	919
Goods and services tax	364	198
Prepayments	58	56
	2,809	1,611
Less provision for impairment of receivables	(52)	(58)
Total debtors & other receivables	2,757	1,552

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 2018 \$000	30 JUNE 2017 \$000
Collective impairment	52	58
Total provision for impairment	52	58

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

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
At 1 July	58	147
Additional provisions made during the year	45	49
Provisions reversed during the year	-	-
Receivables written off during the year	(51)	(138)
At 30 June	52	58

NOTE 11: INVESTMENTS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
CURRENT PORTION		
Term deposits	9,066	6,510
Total current portion	9,066	6,510
NON-CURRENT Held to maturity		
Term deposits	1,765	-
LGFA borrower notes	280	216
Other investments	5	5
Total non-current portion	2,051	221

There were no impairment provisions for other financial assets.

The weighted average interest rate of the investments is 3.17% (2017: 3.17%).

The total value of Term Deposits that can only be used for a specific purpose is \$1,593,390 (2017: \$646,997).

OTHER FINANCIAL ASSETS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Investment in CCOs and other similar entities		
Civic Financial Services Limited (53,930 shares)	81	83
Total	81	83
Intestment in other entities		
Airtel Ltd (4,900 shares)	7	8
Farmlands Trading Society Ltd (699 shares)	1	1
Total	8	9
Total other Financial assets	90	91

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 Civic Financial Services Limited (formerly 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 2018.

NOTE 12: NON-CURRENT ASSETS HELD FOR SALE		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Assets held for sale		
Buildings	7	12
Land	1,493	1,767
Total assets held for sale	1,500	1,779

At 30 June 2018 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 December 2018.

IMPAIRMENT

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

NOTE 13: INVESTMENT PROPERTIES		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Balance 1 July	7,741	6,998
Transfers	-	6
Fair value gains/(losses) on valuation	694	737
Balance 30 June	8,435	7,741

SWDC's investment properties are valued annually at fair value with the latest valuation effective 30 June 2018. All investment properties were based on open market evidence. The valuation was performed by Jamie Benoit BAppl Sci (VFM and Ag) 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 2018 (2017: Nil).

NOTE 14: INTANGIBLE ASSETS	
	\$000
Cost	
Balance at 1 July 2016	305
Additions	39
Disposals	-
Balance at 30 June 2017	344
Balance at 1 July 2017	344
Additions	10
Disposals	-
Balance at 30 June 2018	355
Accumulated amortisation and impairment	
Balance at 1 July 2016	130
Amortisation charge	51
Disposals	-
Balance at 30 June 2017	181
Balance at 1 July 2017	181
Amortisation charge	49
Disposals	-
Balance at 30 June 2018	230
Carrying amount	
Balance at 30 June 2016	175
Balance at 30 June 2017	163
Balance at 30 June 2018	125

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

NOTE 15: PROPERTY, PLANT AND EQUIPMENT

30 JUNE 2018	COST/ REVALUATIO N 30 JUNE 2017 \$000	ACCUMULATE D DEPRECIATIO N 30 JUNE 2017 \$000	CARRYING AMOUNT 30 JUNE 2017 \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CURRENT YEAR GAIN (LOSS) ON SALE \$000	CURRENT YEAR DEPRECIATIO N \$000	REVALUATION, IMPARMENTS & DEPRECIATION RECOVERED ON REVALUE \$000	COST/ REVALUATIO N 30 JUNE 2018 \$000	ACCUMULATE D DEPRECIATIO N 30 JUNE 2018 \$000	CARRYING AMOUNT 30 JUNE 2018 \$000
INFRASTRUCTURAL ASSETS											
Roads	291,968	3,941	288,027	3,957	-	-	1,991	33,759	323,751	-	323,751
Bridges	15,598	886	14,713	34	-	-	444	8,598	22,901	-	22,901
Water systems	23,240	1,618	21,622	815	-	-	1,040	4,593	25,991	-	25,991
Wastewater systems	15,081	750	14,332	1,091	-	-	409	2,356	17,370	-	17,370
Stormwater systems	3,032	210	2,822	281	-	-	106	1,501	4,498	-	4,498
	348,919	7,404	341,515	6,177	-	-	3,989	50,808	394,511	-	394,511
OPERATIONAL ASSETS											
Land	26,122	-	26,122	66	-	-	-	-	26,188	-	26,188
Buildings	6,812	117	6,695	142	-	-	128	-	6,955	245	6,710
Furniture & equipment	1,793	1,415	379	85	(60)	(14)	97	-	1,818	1,466	353
Library collections	852	-	852	97	-	-	138	-	949	138	811
Motor vehicles	284	205	79	88	(50)	(4)	47	-	322	202	120
Parks & reserves	422	238	184	-	-	-	8	-	422	246	176
Playgrounds	404	75	329	-	-	-	39	175	465	-	465
	36,690	2,050	34,640	478	(110)	(18)	457	175	37,118	2,296	34,822
OTHER ASSETS											
Heritage assets	4,422	44	4,378	25	-	-	55	-	4,447	98	4,348
Work in progress	2,244	-	2,244	2,767	-	-	-	-	5,011	-	5,011
Total assets	392,275	9,497	382,777	9,448	(110)	(18)	4,500	50,983	441,088	2,395	438,693

NOTE 15: PROPERTY, PLANT AND EQUIPMENT											
30 JUNE 2017	COST/ REVALUATION 30 JUNE 2016 \$000	ACCUMULATED DEPRECIATION 30 JUNE 2016 \$000	CARRYING AMOUNT 30 JUNE 2016 \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CURRENT YEAR GAIN (LOSS) ON SALE \$000	CURRENT YEAR DEPRECIATION \$000	REVALUATION, IMPAIRMENTS & DEPRECIATION RECOVERED ON REVALUE \$000	COST/ REVALUATION 30 JUNE 2017 \$000	ACCUMULATED DEPRECIATION 30 JUNE 2017 \$000	CARRYING AMOUNT 30 JUNE 2017 \$000
INFRASTRUCTURAL ASSETS											
Roads	290,496	1,891	288,605	1,472	-	-	2,050	-	291,968	3,941	288,027
Bridges	15,598	443	15,156	-	-	-	443	-	15,598	886	14,713
Water systems	20,830	783	20,047	2,410	-	-	836	-	23,240	1,618	21,622
Wastewater systems	13,658	356	13,302	1,423	-	-	394	-	15,081	750	14,332
Stormwater systems	3,032	105	2,927	-	-	-	105	-	3,032	210	2,822
	343,614	3,577	340,037	5,305	-	-	3,827	-	348,919	7,404	341,515
OPERATIONAL ASSETS											
Land	26,628	-	26,628	-	(506)	-	-	-	26,122	-	26,122
Buildings	5,847	-	5,847	974	(8)	-	117	-	6,812	117	6,695
Furniture & equipment	1,763	1,319	444	38	(8)	-	104	-	1,793	1,415	379
Library collections	705	129	576	98	-	-	147	325	852	852	852
Motor vehicles	289	184	105	25	(30)	-	43	(22)	284	205	79
Parks & reserves	257	237	20	165	-	-	1	-	422	238	184
Playgrounds	392	37	355	12	-	-	38	-	404	75	329
	35,881	1,905	33,976	1,313	(553)	-	451	302	36,690	2,050	34,640
OTHER ASSETS											
Heritage assets	4,361	-	4,361	61	-	-	44	-	4,422	44	4,378
Work in progress	3,620	-	3,620	1,798	(3,174)	-	-	-	2,244	-	2,244
Total assets	387,476	5,482	381,993	8,477	(3,727)	-	4,322	302	392,275	9,497	382,777

DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY		
	30 JUNE 2018 \$ 000	30 JUNE 2017 \$ 000
Public protection & health	45	36
Resource management	4	3
Amenities	374	345
Land transport	2,436	2,493
Water supply	1,041	836
Solid waste management	11	21
Wastewater	421	424
Stormwater drainage	106	105
Governance, leadership & advocacy	6	7
Total directly attributable depreciation and amortisation by group of activity	4,444	4,270
Depreciation and amortisation not directly related to group of activities	106	102
Total depreciation and amortisation expense	4,549	4,373

NETWORK ASSETS				
	ACQUISITIONS/ CONSTRUCTED BY SWDC \$ 000	TRANSFERRED TO SWDC \$ 000	CLOSING BOOK VALUE \$ 000	REPLACEMENT COST \$ 000
Water Supply				
Treatment plants and facilities	182	-	6,554	6,554
Land	-	-	880	880
Other Assets	508	126	19,437	19,437
Wastewater				
Treatment plants and facilities	773	-	6,662	6,662
Land	-	-	1,840	1,840
Other Assets	81	237	10,708	10,708
Stormwater Drainage	-	281	4,498	4,498
Roads and Footpaths	3,144	846	346,653	346,653

NOTE 16: CREDITORS & OTHER PAYABLES		
	30 JUNE 2018 \$ 000	30 JUNE 2017 \$ 000
Trade payables	3,681	2,583
Accrued expenses	203	213
Revenue in advance	213	161
Rates in advance	277	250
Total creditors and other payables	4,374	3,207

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

NOTE 17: EMPLOYEE ENTITLEMENTS		
	30 JUNE 2018 \$ 000	30 JUNE 2017 \$ 000
Accrued pay	127	119
Annual leave	220	219
Total employee entitlements	348	338
Comprising:		
Current	348	338
Total employee entitlements	348	338

NOTE 18: PROVISIONS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Landfill aftercare		
Opening balance	481	440
Provision expensed for the year	(35)	(35)
Adjustment to NPV	22	76
Total provisions	468	481
Comprising:		
Current portion	34	34
Non-current portion	434	447
Total provisions	468	481

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 not 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 2.81% (2017: 3.02%).

NOTE 19: BORROWINGS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
CURRENT		
Secured loans	4,000	4,000
Total current borrowings	4,000	4,000
NON-CURRENT		
	13,500	13,500
Total non-current borrowings	13,500	13,500

FIXED-RATE DEBT

SWDC's secured debt of \$17,500,000 (2017: \$17,500,000) 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.

NOTE 20: EQUITY		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
PUBLIC EQUITY		
As at 1 July	143,009	146,737
Net transfer (to)/from reserves	646	(5,718)
Transfers from Revaluation reserve on disposals	-	173
Total surplus / (deficit) after tax for the year	7,428	1,817
As at 30 June	151,084	143,009
Restricted reserves & trust funds		
As at 1 July	23,371	17,652
Transfers to fund	9,681	14,382
Transfers from fund	(10,326)	(8,663)
As at 30 June	22,725	23,371
<i>Restricted reserves and trust funds consist of :</i>		
Discretionary	(205)	(126)
Community board	50	27
Restricted reserves	670	279
Water race reserves	188	194
Council loan redemption reserves	208	185
Other reserves	21,661	22,709
Trusts	153	102
Total restricted reserves and trust funds	22,725	23,371
Asset revaluation reserve		
As at 1 July	219,468	219,317
Revaluation	50,983	324
Other adjustments	-	(173)
As at 30 June	270,451	219,468
<i>Asset revaluation reserves consist of:</i>		
Land	15,071	15,071
Buildings	3,143	3,143
Heritage assets	977	977
Library collections	1,259	1,259
Bridges	17,179	8,581
Roading	196,424	162,666
Water	22,475	17,881
Wastewater	8,991	6,634
Stormwater	4,597	3,096
Playground equipment	328	153
Other equipment	8	8
Total	270,451	219,468
Fair value through other comprehensive income reserve		
As at 1 July	2	3
As at 30 June	2	3

NOTE 21: STATEMENT OF CAPITAL COMMITMENTS AND OPERATING LEASES

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Water system	165	-
Roading	-	46
Wastewater system	3,695	466
Community Buildings	1,476	3,896
Total capital commitments	5,336	4,408

Refer to note 13 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 312 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Not later than one year	148	138
Later than one year and not later than five years	156	28
Later than five years	5	11
Total non-cancellable	310	176

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 11 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Not later than one year	50	20
Later than one year and not later than five years	-	15
Total non-cancellable	50	35

NOTE 22: CONTINGENCIES

	30 JUNE 2018 \$000	30 JUNE 2017 \$000
CONTINGENT LIABILITIES		
Contractual dispute	-	-
Weather tightness	-	-
Total contingent liabilities	-	-

In April 2013, the Ministry of Education (MOE) initiated High Court proceedings against Carter Holt Harvey (CHH) and others alleging inherent defects in the cladding sheets and cladding systems manufactured and prepared by CHH. Subsequently, in December 2016, CHH commenced third party proceedings against 48 Councils, including South Wairarapa District Council alleging a breach of duty in the processing of building consents, undertaking building inspections and issuing Code Compliance Certificates. The Councils have applied for orders setting aside and striking out CHH's claims against them. The MOE's claim against CHH is for 833 school buildings, 4 of which are located within South Wairarapa. At present there is insufficient information to conclude on potential liability and claim quantum, if any.

Contingent liability for 2018 is \$Nil (2017: \$Nil).

There are no contingent assets for 2018 (2017: \$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 23: 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.).

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 2018.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2017: \$Nil).

NOTE 24: REMUNERATION

	30 JUNE 2018 \$	30 JUNE 2017 \$
Councillors		
Remuneration	236,943	236,655
Full-time equivalent members	10	10
Senior Management Team, including Chief Executive		
Remuneration	640,588	546,087
Full-time equivalent	4	3
Total key management personnel compensation	877,531	782,742

Due to the difficulty in determining the full-time equivalent for councillors, the full-time equivalent figure is taken as the number of councillors.

Key management personnel include the Mayor, councillors and Chief Executive and senior management team.

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 2018 he received a salary of \$224,782. (2017: \$220,721).

ELECTED REPRESENTATIVES

	30 JUNE 2018 \$	30 JUNE 2017 \$
A Staples**		20,251
V Napier	72,278	58,920
M Craig	17,074	16,789
D Davies**		4,784
B Jephson	28,911	24,956
D Montgomerie**		4,784
C Olds*	20,125	19,789
J Riddell**		4,784
S Robertson**		4,784
M Stevens**		4,784
P Colenso***	17,074	12,005
L Carter***	17,074	12,005
P Ammunson***	17,074	12,005
C Wright***	17,074	12,005
P Maynard***	17,074	12,005
D Harwood****	13,185	12,005
Total elected representatives remuneration	236,943	236,655

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

** Mayor and councillors until October 2016 due to elections.

*** New councillors from October 2016 due to elections.

**** New councillor from October 2016. Resigned effective April 2018.

COUNCIL EMPLOYEES	30 JUNE 2018	30 JUNE 2017
<\$60,000	46	45
\$60,000 -79,999	10	10
\$80,000 - \$99,999	6	7
\$100,000 - 259,999	4	1
Total employees	66	63

Total remuneration includes non-financial benefits provided to employees. At balance date, the council employed 35 (2017: 34) full-time employees, with the balance of staff representing 10 (2017: 12) full-time equivalent employees. A full-time employee is determined on the basis of a 40 hour working week.

SEVERANCE PAYMENTS

No severance payments made in 2018 (2017: Nil).

NOTE 25: EVENTS AFTER BALANCE DATE

At the Council meeting on 19 September 2018, councillors voted to tender to purchase the Featherston Golf Club land. The tender was successful and SWDC will take ownership of the golf course on 30 November 2018. This purchase price is \$1,073,100 and the purchase will be loan funded.

There are no other significant events after balance date.

NOTE 26: FINANCIAL INSTRUMENT CATEGORIES

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

FINANCIAL ASSETS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Fair value through profit and loss – held for trading		
Derivative financial instrument assets	-	-
Loans and receivables		
Cash and cash equivalents	4,212	6,524
Debtors and other	2,812	1,552
Other financial assets:		
- Investments	10,831	6,510
Total loans and receivables	17,854	14,587
Held to maturity		
Other financial assets:		
- Investments	285	221
Total held to maturity	285	221
Fair value through other		
Other financial assets:		
- unlisted shares	90	91
Total fair value through equity	90	91

FINANCIAL LIABILITIES		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Fair value through profit and loss – held		
Derivative financial instrument liabilities	-	-
Financial liabilities at amortised cost		
Creditors and other	4,374	3,207
Borrowings:		
- secured loans	17,500	17,500
Total financial liabilities at amortised cost	21,874	20,707

NOTE 27: INTERNAL BORROWING					
	30 JUNE 2018				
	OPENING BALANCE \$000	AMOUNT BORROWED \$000	AMOUNT REPAID \$000	INTEREST PAID \$000	CLOSING BALANCE \$000
Roading	110			8	110
Wastewater	180			13	180
	30 JUNE 2017				
	OPENING BALANCE \$000	AMOUNT BORROWED \$000	AMOUNT REPAID \$000	INTEREST PAID \$000	CLOSING BALANCE \$000
Amenities	250		250		
Roading	110			8	110
Wastewater	180			13	180

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 roading network. The wastewater 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 and has now been repaid in full.

NOTE 28: INSURANCE OF ASSETS		
	30 JUNE 2018 \$000	30 JUNE 2017 \$000
Total value of property, plant and equipment	448,752	392,546
Value of assets covered by risk share arrangements	43,890	37,178
Value of assets covered by insurance contracts	19,220	16,199

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 Roding assets.

REPORTING FORMAT

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

NOTE 29: EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variations from South Wairarapa District Council's estimated figures in the 2017/18 Annual Plan are as follows.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Fees and licence revenue ahead of budget as building consent, LIMs, landfill revenue well ahead of forecast.

- Grants and subsidy revenue ahead of budget as pledges and grants were called in for the Waihinga centre project that were budgeted in the 2015/16 year.

- Development activity in the district is ahead of forecast, resulting in development and financial contributions revenue being ahead of budget.
- Land transport output was higher than forecast due to emergency works following storm events on the Palliser special purpose road.
- There was no budget for vested assets, however a number of assets vested in Council as a result of subdivisions during the period covered by these financial statements.
- A significant portion of the funds received over budget are to cover capital expenditure or for reserves for future use e.g. capital contributions based on subdivision activity.

STATEMENT OF MOVEMENTS IN EQUITY

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

STATEMENT OF FINANCIAL POSITION

- Cash & cash equivalents higher than budget following revenue being higher than forecast plus loans drawn down slightly ahead of expenditure.

- Property, plant and equipment and Asset revaluation reserve higher than forecast due to revaluation in infrastructure assets amounts being higher than expected.
- Restricted reserves higher than forecast due to increased development activity in the district, resulting in financial contributions revenue being ahead of budget.

STATEMENT OF CASHFLOWS

- Government grants & subsidies are higher than budget as donations and grants for Waihinga Centre project received this year but budgeted in 2015/16.
- Other revenue ahead of budget due to building consent, LIMs, user levies, fees revenue being ahead of forecast. In addition, capital contributions based on subdivision activity was ahead of budget.
- Repayment of public debt lower than forecast due to all loans now being interest only rather than interest and principal as budgeted. Funds are being set aside for repayment of these loans in the future.

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.

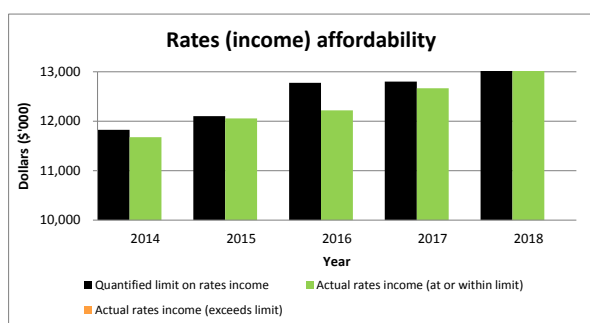
Rates affordability benchmark

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.

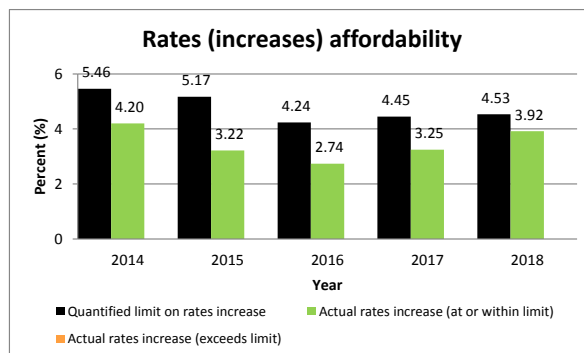
Rates (income) affordability

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.

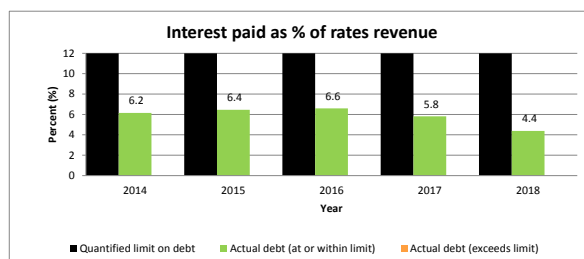


Quantified limits on rates increases were first set for the year ended 30 June 2013.

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.

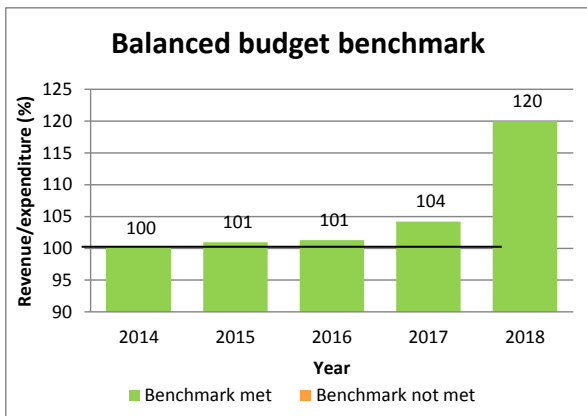


Balanced budget benchmark

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.

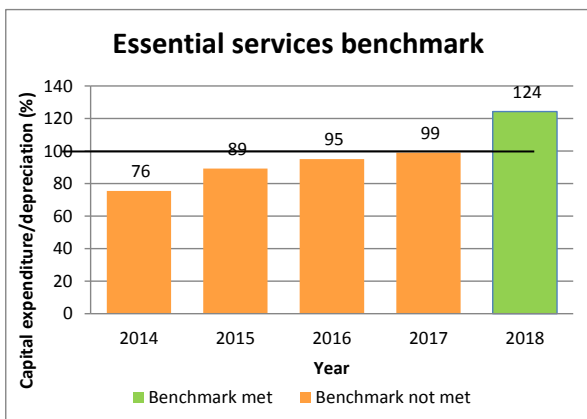


Essential services benchmark

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.

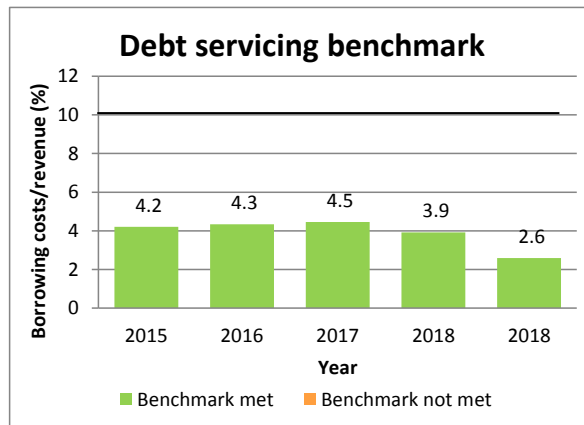


Debt servicing benchmark

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 it's borrowing costs equal or are less than 10% of its revenue.

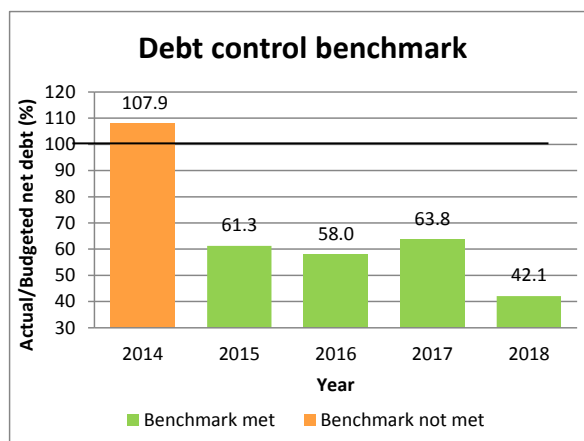


Debt control benchmark

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 Council's Wastewater Strategy.

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

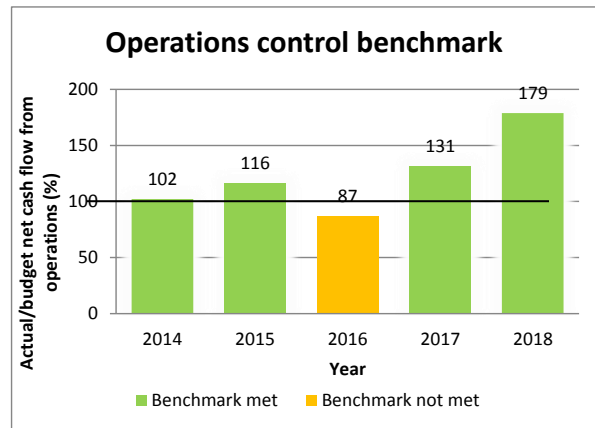


Operations control benchmark

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 cash flow from operations as planned. Expenditure against this revenue was not incurred.



COUNCIL'S SIGNIFICANT ACTIVITIES

OVERVIEW

1. COMMUNITY OUTCOMES

The 2017/18 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 2017/18 is the third 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 2017/18 year can be found in the Activity section of this Annual Report. 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. Work has commenced on the new wastewater treatment plants for Greytown and Martinborough and we continue to work with Wellington Regional Council with regard to the Featherston wastewater resource consent. 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.

6. SUSTAINABLE SOUTH WAIRARAPA

Sustainability is managed by the "district plan" process. A significant body of work went 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 ANNUAL PLAN

The following comments report back on progress during the past year with the key issues that were identified in the Council's Annual Plan (AP) which was adopted in June 2017.

UPDATE ON KEY ISSUES FROM THE ANNUAL PLAN	
KEY ISSUES	PROGRESS
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.	The roading programme was completed as planned. This programme 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.
In December 2017, residents of the Wairarapa voted against the proposed amalgamation of the three Wairarapa Councils. Council will continue to work with other Councils in developing shared services in a number of areas to achieve synergies and savings where possible.	South Wairarapa has worked with the other Wairarapa councils on a number of initiatives, including electricity pricing, insurance cover, roading contracts, and solid waste where a combined contract was signed resulting in significant savings.
Council continues to work towards alternative effluent disposal systems such as discharge to land for the wastewater systems in the three towns. Discharges need to meet GWRC's discharge standards.	The 2017/18 year has seen excellent progress with developing the new wastewater systems for Greytown and Martinborough after 35-year wastewater consents were obtained for both towns in the 2015/16 year. We are working with Wellington Regional Council responding to queries raised with regard to the resource consent application for Featherston wastewater. A 35-year consent has been requested.
Waihinga Centre	The Martinborough Town Hall strengthening and Waihinga Centre upgrade was approved in February 2016. The building consent was issued in April 2017 and building commenced in May 2017. Construction is expected to be completed in late 2018.

SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS

The following comments cover significant acquisitions or replacements of assets.

SIGNIFICANT ACQUISITIONS OR REPLACEMENT OF ASSETS				
PROJECT	COMMENT	2017/18 BUDGET \$'000	2017/18 ACTUAL \$'000	2016/17 ACTUAL \$'000
Amenities				
WaiHINGA Centre Development	Work continued during the year on the earthquake strengthening of the Martinborough Town Hall and the construction of the WaiHINGA Centre which will incorporate the old town hall. Construction is expected to be completed in late 2018.	\$3,600	\$2,526	\$835
Wastewater				
Alternative disposal to land	Local Authorities are required to manage the treatment and disposal of wastewater to ensure the conditions of the resource consents are met. Wastewater disposal options preferred by the regulatory authorities have resulted in the need for a full and comprehensive investigation of the options available. Through a series of consultative working groups in each town, we identified that discharge to land should be investigated. We were delighted to obtain 35 year consents for Martinborough and Greytown. The Featherston consent application was lodged during the 2017 financial year. We continued to work with GWRC to obtain a consent for Featherston. This work will continue into the 2019 financial year.	\$1,000	\$1,021	\$1,172
Water				
Cyclical renewals of water infrastructure.		\$678	\$690	\$700

OPPORTUNITIES FOR MĀORI TO CONTRIBUTE

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

- Advise on tangata whenua and Māori interests in the Council's major areas of activity.
- 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.
- Advise on consultation processes with Māori in the district and assist in the development of consultation networks throughout the district.

- 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.

Māori input was sought on the current wastewater projects, particularly on the impact of discharges to the Papawai stream.

Public participation at Council and community board meetings is another forum whereby Māori 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 three 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 are 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 two publicly notified committees as follows:

- The Māori Standing Committee (6 weekly).
- The 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 (LTP) 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 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 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

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

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 2017/18

- Completion of the Annual Report for 2016/17.
This was achieved with Council adopting the Annual Report on 25 October 2017 and the Audit Opinion issued on that date.
- Continuation of the regional governance review.
Work continued by the Local Government Commission on the options for Wairarapa. We continued to be involved providing input where requested. This process was led by the Commission. In May 2017 the Commission recommended the three current Wairarapa district councils be amalgamated into one entity. A poll of ratepayers was held in late 2017 and the outcome was that ratepayers did not favour amalgamation. The poll was binding, so there will continue to be three councils to cover the Wairarapa region.
- Reviewing policies as they are due.
Policies are presented to the Audit and Risk Working Party before being presented to Council. Where relevant, policies are also presented to the community boards for their input.

- Advocate for Public Transport to meet community's needs.
SWDC continued to work closely with GWRC to ensure our public's needs were given due consideration and contributed to the Public Transport Working Group consisting of the three Wairarapa councils and GWRC. Council also lobbied central government to support funding requests from GWRC to improve the rail service between the Wairarapa and Wellington.
- Review the Wairarapa Combined District Plan.
Discussions continue in regard to the required data collection that is needed to assess plan effectiveness.
- Oversee redevelopment of the Martinborough Town Hall/Waihinga Centre.
- Work continued on this project which is due for completion in late 2018.

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	2016/17	2017/18	2017/18	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	79% (13/14: 73%)	75%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 79% (2014: 73%) positive response, 13% (2014: 16%) felt they were unable to comment.
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	63% (13/14: 62%)	75%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 63% (2014: 62%) positive response, 23% (2014: 21%) felt they were unable to comment.
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	70% (14/15: 59%)	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 70% (2014: 59%) positive response, 14% (2014: 11%) felt they were unable to comment. The 2014/15 result of 59% was a separate survey with a sample size of 117, and was used to provide an interim indication. The NRB survey size of 300, which is our main survey and has a significantly lower margin of error. The previous NRB survey was in 2013/14. The result for that survey was 76% satisfied with a further 8% unable to comment.
	Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	65% (13/14: 64%)	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 65% (2014: 64%) positive response, 14% (2014: 14%) felt they were unable to comment.
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	GTN 96% FTN 95% MBA 92%	90%	GTN 90% FTN 94% MBA 93%	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	69% (13/14: 65%)	71%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 69% (2014: 65%) positive response, 0% (2014: 14%) felt they were unable to comment.
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 decisions it makes	47% (13/14: 49%)	72%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2015/16 year, in addition to the 47% (2014: 49%) positive response, 31% (2014: 26%) felt they were neither satisfied nor dissatisfied, and 5% (2014: 5%) felt they were unable to comment.
Opportunities are available to raise issues relating to Māori through the Māori Standing Committee	The Māori Standing Committee makes recommendations to Council in relation to policy and plan development and resource management applications	100%	100%	100%	Māori Standing Committee met on 7 occasions. In total 24 resource consent applications were considered. (2017: 7 meetings and 21 resource consent applications).

8. GOVERNANCE, LEADERSHIP AND ADVOCACY FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR GOVERNANCE, LEADERSHIP & ADVOCACY				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
846	General rates, Uniform Annual General charges, Rates penalties Target rates Subsidies and grants for operating purposes Fees and charges	729	764	937
26	Local authorities fuel tax, fines, infringement fees, and other receipts	18	17	49
872	Total operating funding (A)	746	781	986
	Applications of operating funding			
504	Payments to staff and suppliers	393	402	485
1	Finance costs	2	3	1
417	Internal charges and overheads applied Other operating funding applications	362	370	455
923	Total applications of operating funding (B)	758	775	941
	(51) Surplus (deficit) of operating funding (A-B)	(12)	6	44
	Sources of Capital funding			
	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			
-	Total sources of capital funding (C)	-	-	-
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand - to improve the level of service			
25	- to replace existing assets	40		
(76)	Increase (decrease) in reserves Increase (decrease) of investments	(52)	6	44
(51)	Total applications of capital funding (D)	(12)	6	44
51	Surplus (deficit) of capital funding	12	(6)	(44)
0	Funding Balance	0	0	0

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
- 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.
- Earthquake Prone Buildings are identified and upgraded.

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:

- The Dog Control Act 1996

- Impounding Act 1955
- Dog Control Bylaw 2013
- Control of Dogs Policy 2013

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 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 was incorporated into regulations. During this time food premises operating under the former Food Hygiene Regulations 1974 were 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 has required additional resources 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.

The Wairarapa represents the largest area in land (78%) of the Wellington Region, but is home to only 8% of the region's population. Nevertheless, the Wairarapa is very important to the regional economy. The Wairarapa Plains are bisected by several major river systems and fault lines, while Lake Wairarapa stores large volumes of water. The risk of flooding across the Wairarapa Plains is an important

consideration because of the threat to life in major settlements and because of the consequences for the rural economy. The Wairarapa is vulnerable to flooding which is a threat to the rural economy and to the Region's economy as a whole. Civil defence and emergency (CDEM) planning should ensure that the risk of flooding is at an acceptable level and that flood events can be managed to reduce as much damage as possible.

Wellington Regional Council (GWRC) has joined with the city and district councils in the region to form a semi-autonomous civil defence and emergency management group. Wellington Region Emergency Management Office (WREMO) was formed in 2012 by GWRC which means 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 Civil Defence and Emergency Management (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 GWRC to be the administering authority for the Wellington region CDEM Group. While all staff of the team are GWRC 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 GWRC) and the Co-ordinating Executive Group¹.

The Group Plan sets the context, analyses the region's risks, and current and future reduction practices. The residual risks are then used to inform the Group's readiness, response and recovery actions for the next five years. This is to ensure the Group is addressing the actual risks to the region and planning accordingly.

Wairarapa has 1.9 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 no longer 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 2017 responsibility and funding for rural fire transferred to Fire and Emergency New Zealand (FENZ).

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 database 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.

¹ The Coordinating Executive Group is a requirement of the Civil Defence and Emergency Management Act 2002 and is made up of the Chief Executives of GWRC, the district and city councils and district health

boards in the region, along with senior representatives from NZ Policy, Fire and Emergency NZ, Wellington Lifelines Group and the Regional Commissioner for the Ministry of Social Development.

The Council's principal objectives are:

- a) To ensure that services are provided to meet legislative requirements and reasonable community expectations.
- b) To ensure that the required services are provided in a cost effective manner to the community.
- 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 two motor vehicles, a personal safety locator device and a noise measurement device.

5. PROJECTS FOR 2017/18

- Monitor the performance of and commence review of the Council's bylaws with Masterton and Carterton District Councils.

A review of the joint Consolidated Bylaws for Council and Masterton District Council was been agreed and commenced in October 2017. Carterton District Council also decided to join this process. Review work is underway with relevant matters being assessed.

- Accelerate project to scan existing building consent files along with all new building consents.

A fulltime person continues to complete the scanning project and input new building consents at lodgement into the electronic database. The scanning of back files has progressed in accord with the timetable for this works (3 years). New applications that come into Council along with associated files are also being scanned in.

- Continue development and establishment of electronic building consent processing through the Goshift programme where appropriate.

Council has progressed electronic consent processing with all consents now being managed and processed electronically. Applicants are also able to lodge building consents electronically.

- Implement the Local Alcohol Policy (LAP). Monitor the performance of the DLC and Council processes under the Act and LAP.

The Local Alcohol Policy was approved by ARLA on 1 August 2018 and will come into effect on 1 November 2018. Council will implement alongside the other two Wairarapa Councils.

- Review regulatory policy documents by due dates.

All policies due for review have been considered and re-adopted by Council.

- Consider and implement new regime for earthquake prone buildings in accord with legislative requirements.

Work commenced to manage properties under the new legislation, and the majority of EPB buildings have been identified within the district.

- Implement health and safety requirements in line with the Health and Safety Act.

Work continues to implement health and safety act requirements lead by the health and safety working group and senior leadership team.

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 (CONTINUED)					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2016/17 ACTUAL	2017/18 TARGET	2017/18 ACTUAL	COMMENT
Food services used by the public are safe	Premises have appropriate FCP in place and meet the risk based standards set out in the Plan.	100%	100%	100%	73 businesses currently operating a Food Control Plan. 14 premises operating under the Food Hygiene Regulations yet to register. Numbers as at 31 July 2018 as follows - 7 Deemed FCP to transition to Food Act on 30 November 2018 66 FCP (Food Act 2014) 21 Food Hygiene Regulations premises to transition to Food Act on 30 November 2018 2 National Programme 1 (Food Act 2014) 2 National Programme 2 (Food Act 2014) 13 National Programme 3 (Food Act 2014) 101 registered businesses in total compared with 122 businesses last year. It is likely that difference in number of registered businesses is due to a drop in a compliance rather than a drop in business number. It is anticipated that the Food Act 2014 will increase the number of registered businesses as it requires the registration of more food businesses than previous legislation.
	Premises are inspected in accord with regulatory requirements.	100%	100%	100%	There were 71 premises inspected at new or renewal application stage to date. 31 Food Control Plan Verifications 40 Food Hygiene Regulations inspections Council is not currently able to confirm if NP businesses have had a verification as this service is done by third-party providers.
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 44 applications for licences. 21 on licence inspections 18 off licence inspections 5 club licences
	Premises that are high or medium risk are inspected annually, while low risk premises are audited no less than once every three years.	46.2%	100%	88.46%	There are 26 premises and 30 licences that are high or medium risk. Of these, 23 premises and 27 licences have been inspected.
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement.(CLEG)	100%	100%	100%	The CLEG has met and multiple compliance inspections were undertaken in June 2018 in conjunction with NZ Police and Public Health. Six premises were targeted for controlled purchase operations (CPOs), where minors are directed by Police to attempt to purchase alcohol. There were no sales to minors during the CPOs.
The Council will respond when I need some help with noise control	% of calls received by Council that have been responded to within 1.5 hours.	96%	100%	96%	92 noise issues were reported to Council, all of which were followed up on either by our after-hours contractor, or by Council Officers. Four complaints were not responded to in the required timeframes. Two of these occurred on the evening of Boxing Day, when workloads were high. The remaining two both related to the same issue and these occurred in the morning hours (6:00 am – 8:00 am) when staffing changeovers are likely to occur.

PUBLIC PROTECTION: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2016/17	2017/18	2017/18	COMMENT
		ACTUAL	TARGET	ACTUAL	
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 visits	3 visits	3 visits	South Featherston, Kahutara and Featherston Schools were all visited and a dog education programme was presented to all children.
	Complaints about roaming and nuisance dogs are responded to within 4 hours.	93.1%	100%	99.2%	There were 242 complaints received during the year. Of these 240 were responded to within the 4-hour target response time.
	Complaints about dog attacks on persons or stock are responded to within 1 hour.	77.3%	100%	87.5%	There were 24 dog attacks, with 21 responded to in 1 hour. . Of the 3 incidents not responded to in time, 1) Unable to contact dog owner at the time. 2) Offending dog was from another area and took a while to track down contact details. 3) Incident occurred the day prior to notification and we were unable to attend within the hr
Stock don't wander on roads, farmers are aware of their responsibilities	Stock causing a traffic hazard is responded to within 1 hour.	96.4%	100%	100%	There were 16 incidents of wandering stock. All responded to within timeframe.
	In cases where multiple stock escapes (more than 1 occasion) have occurred from a property, taking enforcement action against the property owner.	100%	100%	N/A	There were no instances of multiple stock escapes.
	Council responds to complaints regarding animals within 48 hours.	91.7%	100%	100%	27 complaints and notifications regarding animals were responded to within timeframe.
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	81%	80%	-	The National Research Bureau (NRB) Customer survey was not carried out this year. For the 2016/17 year, in addition to the 81% (2014: 74%) positive response, 1% (2014: 8%) didn't know. We believe the increased publicity regarding emergency preparedness and greater awareness due to the major earthquakes have increased public preparedness in this area.
	Regional Civil Defence Emergency Annual Plan achieved.	Yes	Yes	Yes	Worked with other regional Councils and WREMO as part of Chief Executives Group (CEG) Subcommittee.
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.	99.48%	100%	98.9%	356 out of 360 CCC's were within 20 working days. 4 CCCs exceeded the 20 working day target due to errors in data control. This compares to 382 out of 384 in 2016/17.
	Building consent applications are processed within 20 working days.	98.53%	100%	100%	531 consents with a value of \$54,878,496 were processed this year, all within 20 working days. This compares to 543 consents in 2016/17 with a total value of \$62,079,601. In the 2016/17 year, 7 out of 543 BCs processed exceeded the 20 working day target, due to an unusually high number of BC applications lodged over a period of three months and the temporary unavailability of contractors to assist with processing at the time.
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 January 2018 confirmed Council accreditation until 2020. The next review is scheduled for late January 2020.
	Council inspects new building works to ensure compliance with the BC issued for the work, BWOF's and Swimming Pools	New	Yes	Yes	346 BC inspections, 169 BWOF's and 279 Swimming pool inspections were inspected during the year.
	Earthquake prone buildings (EPB) reports received and actioned.	63.44%	90%	87%	Under the new legislation, 248 buildings were identified as EPB. Of these, 81.05% have been resolved as follows: 201 buildings are no longer classed as EPB due to modelling and engineering reviews. 15 buildings identified as EPB have been sent notices to be affixed to the building. Unresolved: 12 buildings are still being assessed by Council's engineers and Council has requested detailed evidence of the performance of the building from another 20 building owners.

8. PUBLIC PROTECTION FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR PUBLIC PROTECTION				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
780	General rates, Uniform Annual General charges, Rates penalties Target rates Subsidies and grants for operating purposes	778	807	488
1,028	Fees and charges	749	768	1,080
23	Local authorities fuel tax, fines, infringement fees, and other receipts	57	58	36
1,831	Total operating funding (A)	1,584	1,633	1,604
	Applications of operating funding			
1,343	Payments to staff and suppliers	1,295	1,328	1,264
6	Finance costs	9	9	6
252	Internal charges and overheads applied Other operating funding applications	236	243	228
1,601	Total applications of operating funding (B)	1,540	1,580	1,498
230	Surplus (deficit) of operating funding (A-B)	44	53	106
	Sources of Capital funding			
	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			
-	Total sources of capital funding (C)	-	-	-
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand			29
	- to improve the level of service			
3	- to replace existing assets	1	26	38
227	Increase (decrease) in reserves Increase (decrease) of investments	43	27	39
230	Total applications of capital funding (D)	44	53	106
(230)	Surplus (deficit) of capital funding	(44)	(53)	(106)
0	Funding Balance	0	0	0

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:

- To assist in the stimulation of appropriate and sustainable economic, tourism and cultural growth and the development of employment opportunities throughout the district.
- To actively develop a safe, inclusive and cohesive community.

The Council's principal objectives are:

- 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.
- To encourage interest in the social development of the district with the aim of assisting individuals and community groups to help themselves.
- To encourage cultural development for the benefit of the district and Wairarapa as a whole.
- To actively develop a safe, inclusive and cohesive community by:
 - Making South Wairarapa a safe place for its residents.
 - Promoting South Wairarapa as a good place in which to live.
 - Fostering a sense of community pride.
 - Consulting widely to ensure representative and inclusive policies.
 - Respecting obligations under the Treaty of Waitangi.
- To provide community leadership, facilitation, advocacy and contribute to funding where it can by way of grants.

4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

5. PROJECTS FOR 2017/18

- Continued involvement with economic development both regionally and locally through the Wellington Regional Strategy, Wellington Regional Economic Development Agency, 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 working party and Wellington Regional Investment Plan Steering Group.
- Continued support for South Wairarapa Safer Community Trust.
This was achieved through an annual grant to SWSCT.
- Supported cultural organisations.
This was achieved through annual grants in line with the SWDC Grants Policy.
- Continue to administer the Creative Communities Scheme under contract with Creative NZ.

Creative Communities Scheme administered, 23 applications were processed, with 17 of those granted full or partial funding.

- Continued support for the Wairarapa Water Use Project.

Council continued to keep a watching brief on this project and had a number of presentations from the Wairarapa Water group during the year, Council continues to provide "in principle" support. Funds have been allocated in the 2018/19 financial year to continue to support this project.

- Continue support for expansion of Greytown Sport and Leisure.

Some discussions took place with a view to replicating the Greytown Sport and Leisure model in Featherston and Martinborough. However there seemed to be little appetite from the community to replicate the concept or model in the other two towns.

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	2016/17	2017/18	2017/18	COMMENT
		ACTUAL	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	12 grants made	Yes	11 grants made	16 grant applications received during the year, with 11 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 12 grants 2016/17.
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	10 grants made	Yes	11 grants made	12 grant applications received during the year, with 11 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 10 grants in 2016/17.

8. ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
386	General rates, Uniform Annual General charges, Rates penalties	314	321	374
	Target rates			
1	Subsidies and grants for operating purposes			1
	Fees and charges			
11	Local authorities fuel tax, fines, infringement fees, and other receipts			17
398	Total operating funding (A)	314	321	392
	Applications of operating funding			
13	Payments to staff and suppliers	8	9	3
5	Finance costs	1	1	5
54	Internal charges and overheads applied	47	48	66
283	Other operating funding applications	258	264	293
355	Total applications of operating funding (B)	314	321	367
42	Surplus (deficit) of operating funding (A-B)	-	-	24
	Sources of Capital funding			
	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			
-	Total sources of capital funding (C)	-	-	-
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand			
	- to improve the level of service			
	- to replace existing assets			
42	Increase (decrease) in reserves			24
	Increase (decrease) of investments			
42	Total applications of capital funding (D)	-	-	24
(42)	Surplus (deficit) of capital funding	-	-	(24)
0	Funding Balance	0	0	0

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 2017/18

- Establish a monitoring and reporting/plan effectiveness strategy for the WCDP and then commence implementation with MDC and CDC. *Plan effectiveness, monitoring and evaluation has commenced as part of the plan review process for refinement of the WCDP.*
- Continue to improve the functionality of the District Plan and undertake Council initiated Plan changes where necessary, in response to the findings in SoE Reports and plan effectiveness reviews. *Work was completed during the year for a plan change add a structure plan to the Greytown Development Area. This was adopted by Council and the decision publicly notified in August 2018.*
- Respond to changes to the Resource Management Act 1991 by government to ensure compliance with statutory requirements. *Changes that came into effect from RMA amendments have been reflected in our resource consent processes and application forms.*
- Review those parts of the WCDP to ensure compliance with the National Policy Statement for urban capacity, and undertake necessary updates already identified, including earthquake hazard controls, flood hazard controls, notable tree schedules and signage.

Investigation and updating of the notable trees schedule for South Wairarapa was progressed during the year. The other matters will form part of the review of the WCDP to be undertaken in 2020/21.

- Complete urban development review for Martinborough including a structure plan and plan change.

The Martinborough South Growth Area has been identified for future urban growth and landowner consultation and feedback has commenced. An options report will be presented to Council in December 2018.

- Continue to provide an approach that meets the Council's legislative requirements while facilitating investment in buildings and businesses the district.

We continue to take a helpful and outcome based approach to users of Council's services. Our approach responds to our current legislative and district plan requirements, whilst being facilitative for new development proposals for the district, plus being responsive to potential adverse impacts to the adjoining environment.

- Review residential water race maintenance. Council engaged Eastern Consulting to undertake a water race review. This work is in progress and will be completed in the 2018/19 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	2016/17	2017/18	2017/18	COMMENT
		ACTUAL	TARGET	ACTUAL	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	96.1%	100%	97%	152 resource consent applications were processed this year. Of these 148 were completed within statutory timeframes (2016/17 – 126/131; 2015/16 – 127/130; 2014/15 – 127/130; 2013/14- 97/100).
	s.223* certificates issued within 10 working days	94.8%	100%	96%	50 Section 223 applications were received. All but 2 were processed within statutory timeframes (2016/17 – 55/58; 2015/16 – 33/33; 2014/15 – 36/37; 2013/14- 22/22).
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	97.6%	95%	100%	50 Section 224 applications were received. All were processed within statutory timeframes (2016/17 – 41/42; 2015/16 – 33/33; 2014/15 – 35/36; 2013/14- 18/18).
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"	87% (13/14: 70%)	77%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. We believe Council and Community Board projects have gone some way towards this improvement. There has also been considerable private investment in the three town centres.
	The District Plan has a monitoring programme that provides information on the achievement of its outcomes (Anticipated Environmental Results) (AER's)	Yes	Yes	No	Consultants have been working with the 3 Councils to establish which data is recorded and how it is stored so as to enable effective reporting against AER's in WCDP. A draft monitoring strategy has been completed and comments passed back to the consultants undertaking the work. The strategy has not yet been implemented.
Council has a reserve management programme	Council maintains and updates Reserve Management Plans as required	Yes	Yes	Yes	RMP's are generally current and appropriate. It is therefore not anticipated that any updates will be undertaken this year.
Land Information Memoranda It is easy to purchase information on any property in the district	LIMs contained all relevant/ accurate information	99.7%	100%	100%	298 LIM applications were received compared to 310 in 2016/17. These were all processed within statutory timelines.
	Non-urgent LIMs processed within 10 days	100%	100%	99.6%	One LIM application received via email was missed and issued late.

NOTES:

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

8. RESOURCE MANAGEMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR RESOURCE MANAGEMENT				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
360	General rates, Uniform Annual General charges, Rates penalties Target rates Subsidies and grants for operating purposes	333	340	401
207	Fees and charges	152	156	216
6	Local authorities fuel tax, fines, infringement fees, and other receipts	6	6	9
574	Total operating funding (A)	491	502	627
	Applications of operating funding			
451	Payments to staff and suppliers Finance costs	370	378	536
70	Internal charges and overheads applied Other operating funding applications	90	93	77
522	Total applications of operating funding (B)	460	471	613
52	Surplus (deficit) of operating funding (A-B)	30	31	14
	Sources of Capital funding			
358	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	121	124	424
358	Total sources of capital funding (C)	121	124	424
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand			
	- to improve the level of service			
1	- to replace existing assets			1
409	Increase (decrease) in reserves Increase (decrease) of investments	151	155	437
410	Total applications of capital funding (D)	151	155	438
(52)	Surplus (deficit) of capital funding	(30)	(31)	(14)
0	Funding Balance	0	0	0

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 historic 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 the Department of Conservation.

The Council is also responsible for the provision and maintenance of Council’s cemeteries, public swimming pools, 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, Barr-Brown bush reserve, 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), windgrass sculpture, Featherston town square, children’s playground, dog park and skateboard park.

Greytown

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

- Greytown Cemetery, 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, Considine 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, playground 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 or 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, old council chambers in Cork Street, and Pain Farm.
- *Greytown:* Historic railway goods shed, Greytown cycle trail, and the walkway between Udy and Kuratawhiti Streets.

5. PROJECTS FOR 2017/18

- Continued the new cemetery development at Featherston.
On-going – initial shelter belt trees planted on western boundary; location of future driveway established and arcade trees planted.
- Carry out Waihinga Centre Project.

Work has continued on the strengthening of the Martinborough Town Hall and construction of the Waihinga Centre. This project was approved by Council in January 2017, with construction expected to be completed in late 2018 .

- Programme works from the coastal reserves development plans.
New toilets and a camper dump station were installed at Ngawi and a new toilet at North Tora.
- Establish Soldiers Memorial Park development plan.
This project is user driven. No Council action in 2017/18.
- Development plan for youth focused facility in Greytown.
A final location has been selected (Pierce St), amenities for park scoped and indicative pricing sought.
- Development plan for Card Reserve.
A user group has been established.
- Connect libraries to Ultra-Fast Broadband (UFB).
MBIE announced additional rollouts of UFB to rural areas during the year. All three South Wairarapa towns are to have fibre installed for UFB with the Greytown installation scheduled for completion in the second half of 2020, Featherston in the second half of 2021, and Martinborough in the second half of 2022.
- Cemetery database on-going development.
Progress has been made with this project. Data needs further checking and updating before being made available online.
- Greytown Cemetery driveway.
Stage 1 completed.
- Complete Boer War Memorial – plinth, steps and lighting by ANZAC day.
Plinth and steps completed and lighting in process of being completed.
- External access to Card Reserve stadium toilet.
Completed during 2017/18.
- Refurbish Featherston train mosaic.
This work is in progress.
- Carpark at Whatarangi.
Completed during 2017/18.
- Review use of glyphosphate.
Completed. Monitoring of alternatives and the status of glyphosate continues.

- Investigate new tourism infrastructure fund and apply if appropriate.

Application completed by deadline early in 2017/18 financial year.

- Remove trees from Card Reserve, Featherston.
Boundary trees beside artificial surface have been removed. Remainder of trees to be removed during summer months of 2018/19.

- Implement free swimming at all three pools.
Implemented for 2017/18 swimming season.

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	2016/17 ACTUAL	2017/18 TARGET	2017/18 ACTUAL	COMMENT
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	94% (13/14: 88%)	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 94% (2014: 88%) positive response, 2% (2014: 4%) felt they were unable to comment.
Our playgrounds in parks and reserves are safe and enjoyed by the community	Ratepayers and residents are satisfied with Council playgrounds	82% (13/14: 80%)	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 82% (2014: 80%) positive response, 12% (2014: 15%) felt they were unable to comment.
	Council playground equipment that meets national standards	95%	100%	100%	Some pieces of equipment do not comply with NZS 5828:2015 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	92%	100%	90%	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 5677 tests conducted, 5099 (90%) met the required standard. (2017: 95%) The failed tests were for microbiological tests in the toddler pools, and this is explained by the very low volume of water in each pool, along with the high risk of contamination by bathers.
	Ratepayers and residents satisfaction with Council swimming pools	61% (13/14: 62%)	70%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 61% (2014: 62%) positive response, 22% (2014: 21%) felt they were unable to comment.
Provision of some low cost housing for the elderly (or in line with Council policy) in each town	Occupancy of pensioner housing	98%	94%	94%	Council provides 14 bedsits and 21 one bedroom units. From the total of 11,680 accommodation available days, 10,961 were used. The vacant days were used for an upgrade of units that had become vacant.
Well maintained hall facilities that are available for the public to book	Ratepayers and residents satisfied with town halls use	74% (13/14: 72%)	78%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 74% (2014: 72%) positive response, 10% (2014: 13%) felt they were unable to comment.
Cycling embraced in the district	Cycle strategy	Draft in place work plan being developed	Tested	Wellington regional trails framework being developed	A draft plan was developed and consulted on during 2015/16. Council is part of a Wellington region wide group working on a regional trails framework. This work is being led by WREDA (Wellington Regional Economic Development Agency).
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	85% (13/14: 88%)	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 85% (2014: 88%) positive response, 7% (2014: 8%) felt they were unable to comment.
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	25	>3 per library	27	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 – 13 programmes – including school holiday crafts, Booktown events, and Maths is Fun Greytown – 6 programmes –including Christmas card making, Martinborough – 8 programmes – preschool reading, school holiday crafts
	% of ratepayers and residents satisfied with libraries	91%	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2016/17 year, in addition to the 91% (2014: 87%) positive response, 7% (2014: 9%) felt they were unable to comment.

8. AMENITIES FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR AMENITIES				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
Sources of operating funding				
1,972	General rates, Uniform Annual General charges, Rates penalties Target rates	1,904	1,943	2,537
12	Subsidies and grants for operating purposes Fees and charges			10
472	Local authorities fuel tax, fines, infringement fees, and other receipts	499	509	534
2,456	Total operating funding (A)	2,403	2,452	3,081
Applications of operating funding				
1,943	Payments to staff and suppliers	1,801	1,843	1,939
74	Finance costs	145	145	149
565	Internal charges and overheads applied	596	611	576
-	Other operating funding applications			
2,583	Total applications of operating funding (B)	2,543	2,599	2,664
(126)	Surplus (deficit) of operating funding (A-B)	(140)	(147)	417
Sources of Capital funding				
400	Subsidies and grants for capital expenditure Development and financial contributions			1,350
1,801	Increase (decrease) in debt Gross proceeds from sale of assets Lump sum contributions Other dedicated capital funding	158	(61)	
2,201	Total sources of capital funding (C)	158	(61)	1,350
Applications of capital funding				
Capital Expenditure				
	- to meet additional demand			2,526
	- to improve the level of service			
1,467	- to replace existing assets	4,267	387	243
607	Increase (decrease) in reserves Increase (decrease) of investments	(4,249)	(595)	(1,002)
2,075	Total applications of capital funding (D)	18	(208)	1,767
126	Surplus (deficit) of capital	140	147	(417)
0	Funding Balance	0	0	0

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% transitioning to 52% by 2023/24.

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	339.4	68.0	407.4
Unsealed	260.3	0.8	261.1
TOTAL	599.7	68.8	668.5
Guard Rails (m)	3,112	0	3,112
BRIDGES & MAJOR CULVERTS (No.)	RURAL	URBAN	TOTAL
Timber Bridges	9	-	9
Concrete Bridges	70	-	70
Armco/Twin pipes/concrete pipes	13	-	13
Box Culverts (span 2.5m)	46	-	46
TOTAL	138	-	138
STREET LIGHTS (No.)	RURAL	URBAN	TOTAL
Featherston	-	398	398
Greytown	-	317	317
Martinborough	-	318	318
Rural	54	-	54
TOTAL	54	1,033	1,087
KERB & CHANNEL (M)	RURAL	URBAN	TOTAL
Featherston	-	28,985	28,985
McMaster/East Street, Greytown	-	23,211	23,211
Martinborough	-	29,099	29,099
TOTAL	-	81,295	81,295
FOOTPATHS (M)	RURAL	URBAN	TOTAL
<i>Featherston</i>			
- Asphalt/seal	-	8,184	20,101
- Concrete	-	11,811	
- Metal	-	106	
<i>Greytown</i>			
- Asphalt/seal	-	8,737	17,720
- Concrete	-	8,585	
-metal	-	398	
<i>Martinborough</i>			
- Asphalt /seal	-	13,126	20,649
- Concrete	-	6,776	
- Metal	-	747	
TOTAL	-	58,470	58,470
BUS PASSENGER SHELTER (No.)	RURAL	URBAN	TOTAL
Featherston	-	2	2
Greytown	-	2	2
Martinborough	-	1	1
TOTAL	-	5	5

NOTE

Asset information as at 1 July 2018.

Kerb and channel and street lights includes SH2 through Featherston and Greytown, and SH53 through Featherston and Martinborough

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.

Forestry

Management of Council's forestry plantations (done in conjunction with MDC and Woodnet, largely for road stability).

5. PROJECTS FOR 2017/18

- Implement Cycle Strategy and develop work plan.
Cycle strategy is being implemented in conjunction with NZTA and neighbouring Councils.
- Complete an annual reseals programme and re-metaling programme.
Reseals completed under contract C1218 Reseal and Roadmarking. Remetalling completed under the Road maintenance contract.
- Complete the bridge inspection programme and develop works programme for 2018/19 from the results.
Calibre Consultants completed Engineers Bridge inspection, routine inspections completed under the Road maintenance contract.

- Renew footpaths as per community board programme.
Year 3 of a 3-year programme completed under joint SWDC CDC footpath contract.
- Complete 1km seal extensions.
Shooting Butts Road completed 0.8km in line with budget.
- Investigate options for rural residential footpaths.
Continued to focus on higher use urban footpaths.
- Stabilise Ushers Hill, White Rock Road.
Memorandum of Understanding has been drawn up by GWRC legal team and signed by all affected parties, to keep stock off the land for 7 years to allow stabilisation works and planting to commence.
- Lime path on North Road, Greytown.
Land acquisition has delayed this project. Plan to complete during 2018/19 year.
- Review parking.
Commenced discussions with the other Wairarapa district councils regarding review of district bylaws incorporating parking.
- Complete speed limit review submission to NZTA.
Review submitted, but NZTA deferred acceptance due to Government mandate on speed limits. Working with NZTA and neighbouring councils to have a joint cohesive rollout.
- Review speed bumps.
There has been consultation with Cotter Street Residents and Greytown Community Board re speed safety issues.
- Review provision on bike racks.
Bike racks installed in Martinborough.
- Review footpath, seal extension and resealing strategy for consideration in the LTP.
Updated in Asset Management Plan (AMP) which was tabled as part of the LTP 2018-28 preparation.
- Replace all street lighting with LED bulbs in conjunction with NZTA.
LED upgrade was substantially completed to take advantage of NZTA enhanced subsidy of 85%.
- Agreed after public consultation to redirect some funding for roading rehabilitation work to improve footpaths and road crossings.
Funding was redirected to emergency works due to storm event of 13 July 2017.

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 programme is audited by NZTA.

7. STATEMENT OF SERVICE PERFORMANCE

LAND TRANSPORT: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2016/17 ACTUAL	2017/18 TARGET	2017/18 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 96% Rural 99%	95%	97%	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. The last survey was completed in October 2017. The next survey will be completed in the 2019/20 financial year.
	Ratepayers and residents fairly/very satisfied with the roads	73% (13/14: 75%)	82%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2017 year, in addition to the 73% (2014: 75%) positive response, 1% (2014: 0%) felt they were unable to comment.
	5% of sealed roads are resealed each year subject to availability of NZTA subsidy	100%	100%	100%	The total length of road resealed was 21.314 km (2016/17: 20.313 km), which represents 5.23% of the sealed road network.
	The pavement condition index as measured by the NZTA pavement integrity index	93%	95%	97.5%	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	19	Group and control average	Reduced by 12	There were 7 (2016/17: 19) crashes including fatal, serious injury, and minor injury during the year. Group and control average are no longer recorded by NZTA.
	The change in the number of fatalities and serious injury crashes on the local road network	9	<7	Reduced by 7	There were 2 fatal or serious injury crashes during the year. (2016/17: 12).
	Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	63% (13/14: 66%)	70%	-
Availability of footpaths on at least one side of the road down the whole street (Urban)		86%	89%	72%	Council resolved to repair and refurbish existing footpath stock, rather than construct new footpaths.
Footpath Condition rating 95% compliant with SWDC AMP Standard		-	95%	87%	Footpath surveys carried out with the road condition audits every 4 years. A survey was completed in July 2018.
The % of customer service requests relating to roads and footpaths responded to within 48 hours		79%	95%	67%	417 requests were received, (2017: 437) most requests have been around adding new footpaths. The drop in the percentage of service requests meeting the 48 hour deadline was due to delays in recording actions in the database. This has been rectified so that actions will be recorded more promptly going forward.
Meet annual plan footpath targets		Yes	Yes	Yes	The Annual plan footpath work agreed with the Community Boards was completed. This included 2739 m ² of asphalt overlay and 845 m ² of concrete replacement.

NOTE:

- Baseline length of footpaths is worked out on the basis that 49,740m length is completed out of total length of 68,800m.
- 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.
- \pm 10% variation for reseals is to take into consideration location and site conditions of work.
- 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) FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR LAND TRANSPORT				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
2,835	General rates, Uniform Annual General charges, Rates penalties Target rates	2,772	2,818	3,120
1,324	Subsidies and grants for operating purposes Fees and charges	2,128	2,363	1,981
191	Local authorities fuel tax, fines, infringement fees, and other receipts	408	409	444
4,350	Total operating funding (A)	5,307	5,590	5,545
	Applications of operating funding			
2,447	Payments to staff and suppliers	2,243	2,295	2,651
46	Finance costs	60	56	46
500	Internal charges and overheads applied Other operating funding applications	496	511	560
2,992	Total applications of operating funding (B)	2,799	2,862	3,256
1,357	Surplus (deficit) of operating funding (A-B)	2,508	2,728	2,288
	Sources of Capital funding			
812	Subsidies and grants for capital expenditure Development and financial contributions			1,880
	Increase (decrease) in debt	(93)	(98)	
330	Gross proceeds from sale of assets Lump sum contributions Other dedicated capital funding	125	128	428
1,141	Total sources of capital funding (C)	32	30	2,308
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand		-	
150	- to improve the level of service	123	126	363
1,318	- to replace existing assets	1,596	1,874	2,782
1,030	Increase (decrease) in reserves Increase (decrease) of investments	821	758	1,452
2,499	Total applications of capital funding (D)	2,540	2,758	4,596
(1,357)	Surplus (deficit) of capital funding	(2,508)	(2,728)	(2,288)
0	Funding Balance	0	0	0

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 4011 connections to the system, with another 249 properties that can be connected.

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

Greytown & Featherston – Waiohine River

Water can be abstracted from three bores sited next to the Waiohine River. The bore water is pumped up to the Featherston/Greytown water treatment plant (WTP) for treatment.

Water then passes through the upgraded ultra-violet plant and supplies both Greytown and Featherston. A 3.9km 300mm PVC pipe supplies water from the ultra-filtration (UF) plant to the existing pipeline crossing the Tauherenikau River. The pipe joins the 300mm gravity trunk main from Tait's Creek which supplies water to the Boar Bush holding tanks which have a capacity of 450,000 litres.

Water from the WTP also feeds the Greytown reservoir which holds 450,000 litres before it flows via the 7km gravity trunk main to Greytown. The majority of this trunk main has been replaced with PVC with the last section replaced during the 2017/18 financial year.

Featherston – Boar Bush Gully Catchment

A catchment area of approximately 3km² 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. 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 300 mm gravity trunk main which supplies water to the holding tanks. The catchment area upstream of the weir is about 16 km² with the 9 km 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 Well

This is an alternative source of water for Greytown. It is required when the principal source of water from the Waiohine River has operational difficulties at 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 metres.

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 – Ruamahanga 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 1.8 km length of main. Resource consent conditions allow total abstraction at 90 litres per second (combined abstraction from three bores). As part of the agreement with the land owner, Council provides him water at up to 20 litres per second.

Martinborough – Huangarua

A channel intake is located adjacent to the Huangarua River approximately 200 m north of Hinakura Road. The diverted water then flows approximately 50 m into a well and then is pumped 1 km 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 alkathene, which was replaced in 2017 to reduce water losses.

Rural water supply

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 40 km 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 there is approximately 225 km 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.

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 firefighting 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:

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

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.
- 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 - Tait's Creek Intake Weir. This source is currently operated as an emergency supply only.
- Greytown and Featherston - Waiohine River.
- Greytown - Supplementary Bore.
- Martinborough - Ruamahanga Wells. This is the preferred source of water for Martinborough.
- Martinborough - Huangarua. This source is currently used for emergency water supply only.
- Pirinoa - This is a small community scheme.

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 2017/18

- Complete the Featherston supply project.
Stage 1 is complete and three new bore pumps are now feeding the water to the UV disinfection plant installed in an extended building adjacent to the UF plant. This plant has been operating since May 2017.
- Implement outstanding water rates penalty.
The rates resolution was amended to allow for penalties to be added to overdue water rates and this was implemented this financial year.
- Carry out asset condition review.
The condition review of existing assets is progressing with the operations team using existing contractor observations and new connections to guide renewals.
- Implement cryptosporidium testing.
This testing was completed during the 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 firefighting 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	2016/17 ACTUAL	2017/18 TARGET	2017/18 ACTUAL	COMMENT
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority.	605Lt	<400Lt	440Lt	This result reflects the treated water per resident for the census population of 5,922 not accounting for any losses.
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to "mainly complying" or better	100%	95%	100%	Council provides annual reports to Greater Wellington for water supply consents. The compliance reports are available to Council Sept/Oct yearly. Our reports showed Pirinoa (Full Compliance), Waiohine River Take (Full Compliance), Martinborough Water Supply (Full 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 2008*	MBA: No GTN: No FTN: No	Yes	MBA: No GTN: No FTN: No	Water sampling is undertaken on a weekly basis by Council's Contractor in accordance with the Drinking Water Standards. 499 routine bacteriological samples were taken from the three public supplies with no evidence of E.coli for the year. All three water supplies comply with NZWDS 2008 bacteriological standards and in spite of there being no evidence of bacteria in the water sampled, compliance with the Drinking Water Standards 2008 bacteriological requirements was not achieved. This was due to missed samples rather than any positive results. Continuous monitoring is key to maintaining water quality standards. Staff and contractors are working to improve the sampling system and record keeping procedures to enable us to reach full compliance in the future.
	Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards 2008	MBA: No GTN: No FTN: No	Yes	MBA: No GTN: No FTN: No	An upgrade brought the Featherston and Greytown water supply up to standard from May 2017. The Martinborough supply was also upgraded in the 2018 year to meet the standard. All the plants are continuously monitored which showed compliance, however the record keeping for the instrument calibrations was not acceptable for compliance demonstration. The drinking water assessor felt insufficient detail was recorded to sign-off the calibration records for both water supplies. Officers were not made aware of this by the drinking water assessor until March 2018. Improved procedures have now been put in place and full compliance is expected next year.
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	21%	20%	29%	There is a requirement under the NZ Fire Service Code of Practice that fire hydrants are flow tested individually every five years. A total of 518 fire hydrants out of 579 have been flow tested within the three towns. 167 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.	MBA: 31% GTN: 37% FTN: 48%	<20%	MBA: 30% GTN: 42% FTN: 54%	Real losses were calculated from the Water NZ benchmarking over the year using meter readings with assumptions for usage by other connections, fire brigade, council etc. 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. Planned maintenance on Featherston network should see reduced water loss for 2018/19 year.

NOTE:

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

WATER SUPPLY: MEASURING SERVICE DELIVERY PERFORMANCE (CONTINUED)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2016/17 ACTUAL	2017/18 TARGET	2017/18 ACTUAL	COMMENT
Customer satisfaction	The total number of complaints received by the local authority about drinking water taste per 1000 connections	0	<15	0	These are the number of complaints officially logged to the customer service desk. (2016/17: 0)
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	0.29	<15	0	0 complaints received (2016/17: 1)
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	2.87	<15	2.49	10 complaints received (2016/17: 10)
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	12.1	<15	4.49	18 complaints received (2016/17: 41)
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	2.01	<15	1.99	8 complaints received (2016/17: 7)
	The local authority's response to any of these issues (expressed per 1000 connections to the local authority's network).	0	No target set	0	
	Total of all water complaints per 1,000 connections	17.27	No target set	8.97	This measure is the accumulated complaints for the above measures, which are recorded in NCS or on the contractor's system. For 2017/18 period was 36, which is 8.97 per 1000 connections. (2016/17: 59 and 17.27) 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
	Ratepayers and residents satisfied with level of service for water	59% (13/14: 73%)	80%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2017 year, in addition to the 59% (2014 73%) positive response, 33% (2014: 22%) felt they were unable to comment
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	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	72% Median time 0.50 hrs	<1 Hr	69% Median time 0.85 hrs	24 of 35 complaints were responded to in less than one hour. 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 98%. (2016/17: 46/64)
	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.	89% Median time 4.28 hrs	< 8 Hrs	71% Median time 3.52 hrs	25 of 35 complaints were achieved. In 2016/17, the majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time. (2016/17: 57/64)
	Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	73% Median time 1.02 days	< 2 working days	77% Median time 0.77 days	281 of 367 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time. (2016/17: 248/338)
	Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm	84% Median time 1.46 days	< 5 working days	81% Median time 1.08 days	298 of 367 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time. (2016/17: 283/338)

8. WATER SUPPLY FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR WATER SUPPLY				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
	General rates, Uniform Annual General charges, Rates penalties			
2,502	Target rates	2,318	2,381	2,255
	Subsidies and grants for operating purposes		-	
14	Fees and charges	156	161	14
59	Local authorities fuel tax, fines, infringement fees, and other receipts	56	55	92
2,575	Total operating funding (A)	2,530	2,597	2,361
	Applications of operating funding			
1,254	Payments to staff and suppliers	1,243	1,286	1,183
81	Finance costs	102	100	104
316	Internal charges and overheads applied	299	307	336
	Other operating funding applications			
1,651	Total applications of operating funding (B)	1,643	1,693	1,622
	924 Surplus (deficit) of operating funding (A-B)	887	905	739
	Sources of Capital funding			
439	Subsidies and grants for capital expenditure			229
224	Development and financial contributions	61	63	247
415	Increase (decrease) in debt	(84)	(88)	
	Gross proceeds from sale of assets			
	Lump sum contributions			
	Other dedicated capital funding			
1,078	Total sources of capital funding (C)	(23)	(25)	476
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand			
593	- to improve the level of service			
831	- to replace existing assets	565	371	690
578	Increase (decrease) in reserves	299	509	524
	Increase (decrease) of investments			
2,002	Total applications of capital funding (D)	864	880	1,214
	(924) Surplus (deficit) of capital funding	(887)	(905)	(739)
	0 Funding Balance	0	0	0

SOLID WASTE MANAGEMENT

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.

4,302 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 2017/18

- Continue to work with Carterton and Masterton District Councils on solid waste management issues and solutions.
New joint contract started in July 2017 with incumbent contractor covering all three councils.
- 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 two 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:
 - 7-11 August 2017
 - 7-11 May 2018
- Implement new solid waste contract.
New joint contract started in July 2017 with incumbent contractor covering all three Councils.
- 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. Changes in the service for waste minimisation will be e-waste collection at the transfer station in October 2018 and wheelie bin recycling in June 2019.

- Improve/Renew Martinborough Transfer Station fencing.

The transfer station netting was replaced during 2017/18.

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	2016/17 ACTUAL	2017/18 TARGET	2017/18 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 15.1%	Decreasing by 2.5%	Increased 0.5%	Refuse measured by weight for the 2017/18 reporting period was 2225 tonnes (2016/17: 2215 tonnes). This has resulted in an increase of 10 tonnes in comparison to last year's totals. Increased building development in the region is contributing to the higher solid waste volumes. Recycling tonnages increased by 8.6% at 1180 tonnes compared with 1087 tonnes the previous year. Additional holiday load has contributed to the tonnage excess. This trend is similar to that experienced throughout the region.
	% of ratepayers and residents satisfied with the level of service	66.5% (2013/14: 75%) Recycling 66% Refuse 67%	90%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2017 year, in relation to the recycling collection, in addition to the 66% (2014: 77%) positive response, 25% (2014: 14%) felt they were unable to comment. In relation to refuse collection, in addition to the 67% (2014: 73%) positive response, 28% (2014: 23%) felt they were unable to comment.

8. SOLID WASTE MANAGEMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR SOLID WASTE MANAGEMENT				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
427	General rates, Uniform Annual General charges, Rates penalties	1,208	1,247	479
637	Target rates			685
	Subsidies and grants for operating purposes			
	Fees and charges	128	132	273
453	Local authorities fuel tax, fines, infringement fees, and other receipts	148	151	185
1,516	Total operating funding (A)	1,484	1,531	1,622
	Applications of operating funding			
1,394	Payments to staff and suppliers	1,325	1,367	1,493
	Finance costs			
129	Internal charges and overheads applied	131	135	136
	Other operating funding applications			
1,523	Total applications of operating funding (B)	1,456	1,502	1,630
	(6) Surplus (deficit) of operating funding (A-B)	28	29	(7)
	Sources of Capital funding			
	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			
-	Total sources of capital funding (C)	-	-	
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand			
1	- to improve the level of service			
	- to replace existing assets	2	28	11
(7)	Increase (decrease) in reserves	26		(19)
	Increase (decrease) of investments			
	(6) Total applications of capital funding (D)	28	29	(7)
6	Surplus (deficit) of capital funding	(28)	(29)	7
0	Funding Balance	0	0	0

WASTEWATER (SEWERAGE)

1. DESCRIPTION

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

This plan covers the disposal of:

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

Territorial authorities have numerous responsibilities relating to wastewater 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 wastewater 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 wastewater systems, to which 4,084 pans are connected to the system with a further 287 properties that can be connected.

The wastewater 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 m² and incorporate a clay sealing layer, polyethylene sealed sides and wavebands.

Treated effluent is discharged via UV disinfection 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, with the consenting process underway.

Greytown - Urban

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

At present 90% of the Greytown urban area is connected to the wastewater 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 18,500m² and Pond No 2 has an area of 15,000m². 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. Council's contractor is currently constructing new pumps for the UV disinfection plant and irrigation to a new irrigation system to 35 hectares of land next year.

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 16,300m² 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 pumped through UV disinfection before the discharge via an outlet structure into the Ruamahanga River. Discharge of disinfected wastewater to land commenced in November 2017 in line with the resource consent.

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 wastewater including the following:

WASTEWATER SYSTEM	
URBAN	NETWORK
Featherston	25km of underground pipes
Greytown	20km of underground pipes
Martinborough	20km of underground pipes
RURAL	NETWORK
Lake Ferry Settlement	3km of 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 wastewater to meet the needs of urban residents and industrial, commercial, institutional, recreational, horticultural and rural users (near the urban areas) in accordance with the Wastewater Disposal – Wastewater Connection Policy.

The Council operates and maintains the system for disposal of wastewater 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 wastewater.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

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

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE WASTEWATER 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 wastewater activity goal is:

- To collect, treat and dispose of wastewater 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 wastewater community systems. There are 3,428 properties connected to the four systems.

The wastewater 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 wastewater.

5. PROJECTS FOR 2017/18

- Continued programme of wastewater reticulation repairs and renewals.

This work deferred to allow the implementation of the accelerated discharge to land programme, unless identified as critical, such as the wastewater main in Waite Street, Featherston, with potential to reduce infiltration by 25%.

- Gain consent for Featherston wastewater implementation.

The Featherston consent was lodged in February 2017 and Council is working with the Regional Council to progress the application.

- Divert flow from Papawai Stream (Greytown).

Consent commenced, design of land discharge started with construction due to commence in early 2019.

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

The UV installation will be started in September 2018 and discharge to land planned for Greytown in early 2019.

- Carry out asset condition review.

The review of existing assets was progressed this year with a review of existing contractor observations and connections.

- Implement stage 1 wastewater plan, approximately 24% to land at Greytown site.

Work to discharge approximately 24% of the annual flow to land at Greytown site will be completed in early 2019.

- Agreed after consultation to defer some cyclical maintenance to accelerate the disposal of wastewater to land project.

Cyclical maintenance work was deferred as agreed.

6. SIGNIFICANT NEGATIVE EFFECTS

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

7. STATEMENT OF SERVICE PERFORMANCE

WASTEWATER: MEASURING SERVICE DELIVERY PERFORMANCE					
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2016/17 ACTUAL	2017/18 TARGET	2017/18 ACTUAL	COMMENT
Council provides wastewater services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	12.44	<10	11.55	Total of 48 blockages compared to 51 in 2016/17 were attended to, total for wastewater connections numbering 4156 equates to 11.55 per 1,000 connections. Improved communications are required for customers re suitable materials for disposal to the wastewater network, i.e. wet wipes/fats.
	Ratepayers and residents satisfaction with wastewater services	49% (13/14: 58%)	70%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2017 year, in addition to the 49% (2014: 58%) positive response, 46% (2014: 38%) felt they were unable to comment.
	Number of dry weather wastewater overflows per 1000 connections	1.49	<10	0.72	There were 3 recorded blockages that resulted in overflows within properties during dry weather (2016/17: 6).
	Attendance time: from notification to arrival on site	68% Median time: 0.75 hrs	< 1 Hr	65% Median time: 0.78 hrs	43 of 66 were achieved. (2016/17: 42/62)The majority of these variances are the result of the lag from time of received call in NCS and the job being loaded to the contractors system. For example the KPI success on contractors system records it as 94%.
	Resolution time: from notification to resolution of fault	73% Median time: 2.77 hrs	< 4 Hrs	67% Median time: 1.95 hrs	44 of 66 were achieved. (2016/17: 45/62) The size of some of the blockages require specialist larger equipment, and there was a delay to get it from Masterton or another job.
Wastewater 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*	96%	90%	97%	Annual reports have been produced for the 2017-2018 reporting period and submitted to GWRC Compliance reports for the Greytown, Martinborough and Featherston wastewater treatment facilities have been compiled for SWDC and are yet to be received from Greater Wellington. Lake Ferry- Fully compliant on 62 conditions, Featherston -Fully compliant on 31 conditions, non-compliant on 1 condition Greytown --- Fully compliant on 48 conditions, non-compliant on 2 conditions Martinborough - Fully compliant on 49 conditions, non-compliant on 2 conditions.
	No. of abatement notices	0	<2	0	The council meets with the Greater Wellington Regional Council regularly to monitor and improve compliance. No abatement notices were re received for water race consents.
	No. of infringement notices	0	0	0	No infringement notices received.
	No. of enforcement notices	0	0	0	No enforcement notices received.
	No. of convictions	0	0	0	No convictions.
	No. of complaints per 1000 connections received about sewage odour	0.9 (4)	< 15	0.9 (4)	4 complaints received.
	No. of complaints per 1000 connections received about sewage system faults	1.5 (7)	< 15	2.93 (12)	12 complaints received.
	No. of complaints per 1000 connections received about sewage system blockages	12.62 (51)	< 15	11.71 (48)	48 complaints received.
	No. of complaints per 1000 connections received about the response to issues with wastewater	0 (0)	< 15	0 (0)	No complaints received.
	Proportion of urgent wastewater service requests responded to within 6 hours of notification	84% (52/62)	95%	89% (59/66)	59 of 66 calls were responded to within the timeframe. All calls related to wastewater are now defined as an urgent wastewater call. The contractor can cause 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. WASTEWATER FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR WASTEWATER				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
Sources of operating funding				
	General rates, Uniform Annual General charges, Rates penalties			
1,855	Target rates	1,865	2,069	2,004
	Subsidies and grants for operating purposes			
	Fees and charges			
293	Local authorities fuel tax, fines, infringement fees, and other receipts	289	292	335
2,148	Total operating funding (A)	2,155	2,361	2,338
Applications of operating funding				
437	Payments to staff and suppliers	681	701	616
659	Finance costs	726	738	469
260	Internal charges and overheads applied	236	242	288
	Other operating funding applications			
1,355	Total applications of operating funding (B)	1,643	1,680	1,372
793	Surplus (deficit) of operating funding (A-B)	512	681	966
Sources of Capital funding				
	Subsidies and grants for capital expenditure			
171	Development and financial contributions	24	24	433
1,882	Increase (decrease) in debt	529	202	
	Gross proceeds from sale of assets			
	Lump sum contributions			
	Other dedicated capital funding			
2,053	Total sources of capital funding (C)	553	227	433
Applications of capital funding				
Capital Expenditure				
	- to meet additional demand			6
	- to improve the level of service	872	575	1,020
882	- to replace existing assets	314	214	117
1,964	Increase (decrease) in reserves	(121)	118	256
	Increase (decrease) of investments			
2,845	Total applications of capital funding (D)	1,065	907	1,400
(792)	Surplus (deficit) of capital funding	(512)	(681)	(965)
0	Funding Balance	0	0	0

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 wastewater. 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:

- 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:

- Achieve defined standards of customer service.
- Protect the health and safety of the community.
- Minimise adverse effects on the environment.
- Comply with legal requirements.
- Achieve defined technical standards.
- Implement policies of the Council.
- Promote development throughout the district.
- 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 2017/18

- Continued renewal and upgrading of stormwater drains.

A planned stormwater drain was due to be upgraded in May in conjunction with a building extension. Delays for this building have meant this work is now planned for 2018/19.

- Review Dublin Street West drain and arrange appropriate works.

Completed.

- Urban kerbing and drainage reviewed and implemented.

Work commenced during 2017/18 will be completed in the first quarter of 2018/19.

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	2016/17 ACTUAL	2017/18 TARGET	2017/18 ACTUAL	COMMENT
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	57% (13/14: 54%)	57%	-	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out this year. For the 2017 year, in addition to the 57% (2014: 54%) positive response, 20% (2014: 18%) felt they were unable to comment.
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	100%	95%	100%	There were 12 blockages for 2017/18. All responded to within 5 hours. 14 blockages were reported in 2016/17. All were attended to within 5 hours.
	No. of flooding events	0	0	0	There were no events.
	No. of habitable floors affected per flooding event per 1000 properties connected	0	0	0	There were no events.
	Consent Compliance	No. of abatement notices	0	0	0
	No. of infringement notices	0	0	0	No infringement notices were issued.
	No. of enforcement notices	0	0	0	No enforcement notices were issued.
	No. of convictions	0	0	0	There were no convictions.
	Median Response time to flooding events(Notification to personnel reaching site in hrs)	0	3	0	There were no events.
	No. of complaints about stormwater per 1000 properties connected	0	0	0	We received 12 notifications of blockages about the stormwater system however we do not have an urban stormwater network and as such we are unable to report against this on a connections basis.

8. STORMWATER DRAINAGE FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2018

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2018 FOR STORMWATER DRAINAGE				
2017 ACTUAL \$000		2017 LONG-TERM PLAN \$000	2018 LONG-TERM PLAN \$000	2018 ACTUAL \$000
	Sources of operating funding			
217	General rates, Uniform Annual General charges, Rates penalties Target rates Subsidies and grants for operating purposes Fees and charges	221	226	232
6	Local authorities fuel tax, fines, infringement fees, and other receipts	5	5	10
224	Total operating funding (A)	226	232	242
	Applications of operating funding			
35	Payments to staff and suppliers	50	52	50
5	Finance costs	7	8	6
61	Internal charges and overheads applied Other operating funding applications	75	76	71
101	Total applications of operating funding (B)	132	135	127
122	Surplus (deficit) of operating funding (A-B)	94	96	115
	Sources of Capital funding			
	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			
-	Total sources of capital funding (C)	-	-	-
	Applications of capital funding			
	Capital Expenditure			
	- to meet additional demand - to improve the level of service - to replace existing assets	52	54	
122	Increase (decrease) in reserves Increase (decrease) of investments	42	43	115
122	Total applications of capital funding (D)	94	96	115
(122)	Surplus (deficit) of capital funding	(94)	(96)	(115)
0	Funding Balance	0	0	0

GLOSSARY

GLOSSARY	
AMP	- Asset Management Plan
BERL	- Business and Economic Research Limited
BCA	- Building Consent Authority
CDEM	- Civil Defence and Emergency Management
GST	- Goods and Services Tax
LAPP	- Local Authorities Protection Programme
LGA	- Local Government Act
LGFA	Local Government Funding Agency
LTP	- Long-Term Plan (replaced Long Term Community Plan (LTCCP) from 2012/2013)
NAASRA	- National Association of Australia State Roading Authorities
NZTA	- New Zealand Transport Agency (formerly Transfund, Land Transport Safety Authority and Transit NZ)
NEW CAPITAL	- Capital Expenditure on New Infrastructure Assets
NRB	- National Research Bureau
RAMM	- Road Asset Maintenance Management
RENEWAL CAPITAL	- Capital Expenditure on Renewal of Infrastructure Assets e.g. Sewer or Water Pipes
RMA	- Resource Management Act
SPR	- Special Purpose Road
VESTED CAPITAL	- Capital Expenditure on Assets by Others with Ownership Vested in Council.