



**SOUTH WAIRARAPA
DISTRICT COUNCIL**

Kia Reretahi Tātau

Annual Report

For the year ended 30 June 2019

Pūrongo-ā-Tau 2018/19

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

ISSN 1172-3335

Adopted by Council

Wednesday 30 October 2019

South Wairarapa District Council

P.O. Box 6

MARTINBOROUGH

Telephone: (06) 306 9611, Fax: (06) 306 9373

Internet address: www.swdc.govt.nz

E-mail: enquiries@swdc.govt.nz

Contents

Ngā Rārangī Take

DIRECTORY	2
MAYOR AND CHIEF EXECUTIVE’S REPORT.....	3
Significant events	3
Council Projects.....	4
Financial Performance.....	6
Non-financial Performance	6
STATEMENT OF COMPLIANCE AND RESPONSIBILITY	7
Compliance.....	7
INDEPENDENT AUDITOR’S REPORT	8
FINANCIAL STATEMENTS	12
Statement of Comprehensive Revenue and Expense for Year Ended 30 June 2019	12
Statement of Changes in Net Assets/Equity for Year Ended 30 June 2019	13
Statement of Financial Position as at 30 June 2019.....	14
Statement of Cash Flows for Year Ended 30 June 2019.....	15
Statement of Special and Separate Funds for Year Ended 30 June 2019	16
Statement of Special and Separate Funds for Year Ended 30 June 2018	17
South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019	18
NOTES TO THE FINANCIAL STATEMENTS	19
Significant Accounting Policies	20
FINANCIAL PRUDENCE BENCHMARKS	53
Financial Prudence Disclosure Statement.....	53
COUNCIL’S SIGNIFICANT ACTIVITIES	56
Community Outcomes	56
Community Outcomes, Vision, Mission and Strategy	56
Opportunities for Māori to Contribute	58
Update on Key Issues from the Long Term Plan	59
Significant Acquisitions or Replacements of Assets.....	60
STATEMENTS OF SERVICE PERFORMANCE	61
Governance, Leadership, Advocacy	61
Public Protection	68
Economic, Cultural and Community Development.....	75
Resource Management	79
Amenities	83
Land Transport (Roding and Footpaths).....	89
Water Supply.....	97
Solid Waste Management.....	105
Wastewater (Sewerage).....	109
Stormwater Drainage.....	116
GLOSSARY.....	121

Directory

Te Pukapuka Taki

<u>COUNCIL</u>	<u>OFFICE LOCATIONS</u>	<u>SENIOR STAFF</u>
<p>HIS WORSHIP THE MAYOR Alex Beijen</p> <p><u>COUNCILLORS</u> Cr Pam Colenso Cr Garrick Emms Cr Rebecca Fox Cr Leigh Hay Cr Brian Jephson Cr Pip Maynard Cr Alistair Plimmer Cr Ross Vickery Cr Brenda West</p> <p><u>COMMUNITY BOARDS</u></p> <p><u>FEATHERSTON</u> Claire Bleakley Indigo Freya Mark Shepherd Cr Garrick Emms Cr Ross Vickery</p> <p><u>GREYTOWN</u> Graeme Gray Ann Rainford Shelley Symes Cr Rebecca Fox Cr Alistair Plimmer</p> <p><u>MARTINBOROUGH</u> Aidan Ellims Nathan Fenwick Michael Honey Mel Maynard Cr Pam Colenso Cr Pip Maynard</p>	<p><u>MARTINBOROUGH</u> 19 Kitchener Street P O Box 6 Martinborough Phone 306 9611 Fax 306 9373 e-mail enquiries@swdc.govt.nz</p> <p><u>FEATHERSTON SERVICE CENTRE</u> The Library Fitzherbert Street Featherston Phone 308 9030 e-mail featherston@swdc.govt.nz</p> <p><u>GREYTOWN SERVICE CENTRE</u> Greytown Town Centre Main Street Greytown Phone 304 9061 e-mail greytown@swdc.govt.nz</p>	<p>Chief Executive Officer Harry Wilson</p> <p>Group Manager Infrastructure and Services Mark Allingham (until October 2019)</p> <p>Group Manager Planning and Environment Russell O'Leary</p> <p>Group Manager Corporate Support Jennie Mitchell</p> <p><u>AUDITORS</u> Audit New Zealand On behalf of the Auditor-General John Whittal</p> <p><u>BANKERS</u> Bank of New Zealand Johan Otto</p> <p><u>KEY LENDER</u> Local Government Funding Agency</p> <p><u>INSURANCE BROKERS</u> Jardine Lloyd Thompson Ltd Wellington</p> <p><u>SOLICITORS</u> Gawith Burrridge Masterton Debbie Van Zyl - Partner</p>

Mayor and Chief Executive's Report

Te Pūrongo o te Mea me te Timuaki

The 2018/19 financial year has been a busy one for South Wairarapa District Council, with exciting changes and projects coming to fruition, as well as some challenges to overcome. We farewelled outgoing Chief Executive Paul Crimp after five years in the role and welcomed in new Chief Executive Harry Wilson.

Water has been the subject of many Council decisions this past year. We made significant progress towards achieving our goal to restore the health of our waterways so they can be a prized natural resource for future generations. Two separate boil water notices issued in Martinborough provided Council with some valuable lessons learned and prompted moves to adopt a robust multi-barrier treatment process to safeguard the town's water from contamination.

South Wairarapa continues to be a sought-after destination for both tourists and day visitors, with the District attracting young families and retirees to settle in for the lifestyle and close-knit communities. This is great to see and with ratepayer's input, we have begun developing a spatial plan that will help us manage this growth. To address our increasingly ageing population, we worked with the other two Wairarapa Councils during the year to develop a regionwide Positive Ageing Strategy.

Financially, Council is in a strong position, with our surplus higher than forecast. We continue to embrace and demonstrate SWDC's 'Vision, Mission and Values' statement, which was adopted during the previous financial year's Long Term Plan process.

Significant events

Chief Executive welcomed

Paul Crimp stepped down as Chief Executive in March 2019, leaving Council in a stronger financial position than when he started in the role five years earlier. We welcomed Harry Wilson onboard in June 2019. Harry brought with him extensive chief executive and executive leadership experience, having previously held multiple high-level roles with the New Zealand Transport Agency and having been Chief Executive for Waikato Regional Council for five years. We're very fortunate to have Harry, who is loving his new home district and all it has to offer.

Martinborough boil water notices

Council was put to the test earlier this year when routine sampling detected E.coli in Martinborough's water supply network. This led to SWDC issuing two separate boil water notices, on 1 February and 9 April. SWDC worked closely with Wellington Water and Regional Public Health to take measures to avoid incidents of illness by ensuring all residents and visitors were promptly and widely informed of the boil water notices and that safe potable water was supplied to the town, especially to vulnerable residents. Investigations into the source of contamination were conducted and the operations of the Martinborough water plant and network were scrutinised. Temporary chlorination was required in order for the boil water notice to be lifted. Following the recommendations post the Havelock North water incident, we have been moving towards a multi-barrier approach in the delivery of safe water for Martinborough, with plans to install a manganese extraction plant to enable permanent water chlorination to be fast tracked. Fortunately, there were no reports of illness thought to be associated with the boil water events.

Waihinga Centre opening

On 10 December 2018 we celebrated the opening of the Waihinga Centre. The opening marked the culmination of a six-year project to save the old Town Hall and build a modern multi-purpose community hub. It was a joint partnership between the Council and the Waihinga Charitable Trust. The earthquake-prone Town Hall was strengthened and refurbished. The adjoining new extension houses the Martinborough i-SITE visitor centre, library, toy library, Plunket, Knucklebone Coffee Bar, and meeting rooms. The project's total budget was \$5.332 million (including \$200K

contingency), with Council contributing \$2.8 million and the remaining funds raised by the Trust through community donations and grants. The Trust is now fundraising for Phase 2 of the project, developing a children's playground.

Councillor appointments

Featherston ward Councillor Ross Vickery was sworn onto Council in August 2018, following a by-election in the wake of Dayle Harwood's resignation. Paora Ammunson, a Greytown ward Councillor, resigned from SWDC in December 2018. As this came within a year of the next local council elections, a by-election was not permitted and Mike Gray, the highest polling unsuccessful candidate in the previous triennial election, was appointed to fill the vacancy in March 2019.

Joining Wellington Water

Council began consultation on its proposal to join Wellington Water in February 2019. On April 17, Council voted to become a shareholder in the limited company. Wellington Water will be contracted to provide management services for SWDC's water, wastewater and stormwater networks, and water races. This shareholding (effective from 1 October 2019) will provide access to the expertise of additional specialists and strengthen the resilience of the District's three waters.

Better Communications

SWDC created the new position of Communications Manager to increase transparency and build on its communication with South Wairarapa communities. Amy Wharram stepped into this role in October 2018. In the short time since then, this appointment has had a positive impact on the council and ratepayer relationship, with increased engagement with the community.

Wairarapa Regional Economic Development Strategy

The Wairarapa Regional Economic Development Strategy was launched by the three Wairarapa Councils in November 2018 as a comprehensive economic development strategy and action plan focusing on maintaining momentum in the region's economy and planning for a future which allows for growth. It was released at a time to take advantage of the Government's Provincial Growth Fund (PGF). SWDC's Chief Executive represents the district on the Steering Group and the Mayor is on the governance group and is chairing and championing the Visitor and Tourism Portfolio. Within the 2018/19 financial year, the Wairarapa Region achieved nearly \$2 million in successful applications to the PGF. Of particular significance to South Wairarapa was the request for funding from the Martinborough Dark Sky Society, which aims to create the world's newest and potentially largest International Dark Sky Reserve. This application was subsequently approved with \$100,000 being awarded to the Society to develop an economic growth plan, bringing this goal one step closer to reality.

Council Projects

Council carried out many projects during the year. Here are some of the highlights.

Spatial Planning

The Spatial Plan will provide a blueprint for the next thirty years and will help us balance the environmental, social, economic, and quality of life factors affecting our communities, as well as guiding allocation of resources, such as land use and construction of capital works. We began this project with stakeholder workshops in early 2019 to identify what our communities should look like, where growth should occur, and how much growth is desired. A Discussion Document was then developed, with Council approving its release for public consultation in May 2019.

Diverting wastewater from waterways

Cleaning up the district's waterways is a top priority, with the upgrade of wastewater treatment in all three towns one of Council's largest ongoing projects. A milestone was achieved in June, when we began irrigating treated wastewater to land in Greytown. We have been irrigating treated wastewater to land in Martinborough since November 2017, and we continue to work through the Resource Management Consent process to be able to do the same in Featherston. Further technical assessment work focusing on pathogens and groundwater effects for the Featherston consent have

been progressing, with a hearing expected to be completed by 29 May 2020. Moving to irrigate wastewater to land is environmentally sustainable and ensures cleaner waterways for future generations.

Manganese extraction plant

Plans are progressing to install a manganese extraction plant in an important step towards providing clean, clear, safe and secure drinking water for Martinborough, for the long term. The decision to install the plant was made following consultation as part of the 2018/28 Long Term Plan. On 20 February 2019, after the town's first boil water notice was issued, Council made the decision to prioritise and fast-track the plant's installation (initially planned for 2021) to occur in Summer 2019/20.

Wheelie bins for recycling

Following consultation in 2018, it was decided that the three Councils would jointly introduce wheelie bins to make it easier for households to recycle. In preparation for the new service, SWDC collaborated with Masterton and Carterton councils to educate Wairarapa communities about the coming changes and the importance of recycling. In addition, South Wairarapa residents have been able to dispose of e-waste at Martinborough Transfer Station since October 2018, in an effort to reduce e-waste going to landfill and to enable electronic materials to be recycled.

Council Rebrand and New Logo

A modern bilingual council logo was officially launched in February 2019. Council worked closely with the Māori Standing Committee on this project. The new logo, developed by locally-based agency Satellite Design, was chosen following a ratepayer survey and replaced the outdated, mono-cultural logo that was introduced in 1989.

Wairarapa Positive Ageing Strategy development

The three Wairarapa district councils joined forces to develop the Wairarapa Positive Ageing Strategy to prepare for the region's ageing community. With input from the community including Māori and iwi, a draft Strategy was developed for community consultation and subsequently adopted by the three Wairarapa councils in May 2019. The Strategy outlines the way in which the councils will work together to improve and integrate their work for our older people.

Annual Plan Consultation

Almost 180 ratepayers contributed feedback on SWDC's Annual Plan for 2019/20, which Council adopted on 26 June 2019. New initiatives adopted under the Plan included a 12-month trial in reducing library charges, a trial of extended swimming pool hours, additional footpath maintenance, and increased funding to build a new dog pound. The Plan also included increased funding for the Māori Standing Committee, bringing forward the budget for the manganese extraction plant for Martinborough, and a change in funding of SWDC's housing for seniors.

Financial Performance

The financial results for the year are covered on pages 12 to 52 of this Annual Report.

The Statement of financial performance on page 12 shows a surplus of \$3.15 million for the year ended 30 June 2019. All of this surplus is required to fund capital expenditure e.g. grants and donations received for the construction of the Waihinga Centre (\$0.4 million), New Zealand Transport Agency subsidy for roading capital expenditure (\$0.9 million), vested assets (\$1.2 million) and financial contributions transferred to reserves (\$1.5 million).

Non-financial Performance

We have a total of 102 non-financial performance indicators that we report on as part of the Annual Report.

We've achieved or substantially achieved over 60% 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 2019 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 56 to 120.



Alex Beijen

Mayor

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



Harry Wilson

Chief Executive Officer

A handwritten signature in black ink, appearing to read 'H. Wilson'.

Statement of Compliance and Responsibility

Te Pūrongo Tūtohu me te Takohanga

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 2019 fairly reflect the financial position, operations and service performance of the South Wairarapa District Council.

Alex Beijen

Mayor



Date: 30 October 2019

Harry Wilson

Chief Executive Officer



Date: 30 October 2019

To the readers of South Wairarapa District Council's annual report for the year ended 30 June 2019

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 30 October 2019. 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 17 and pages 19 to 52:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2019;
 - 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 Long-Term Plan;
- the statements of service performance on pages 61 to 120:
 - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2019, including:

- the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 67 to 120, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's Long-Term Plan; and
- the funding impact statement for each group of activities on pages 67 to 120, 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 53 to 55, 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.

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 Council for the audited information

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

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

The Council is responsible for such internal control as it determines is necessary to 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 Council is responsible for assessing its ability to continue as a going concern. The 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 Long-Term 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 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 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 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 Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 121, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

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 performed a limited assurance engagement related to the District Council's Debenture Trust Deed which is compatible with those independence requirements. Other than this engagement, 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

Ngā Pūrongo Pūtea

Statement of Comprehensive Revenue and Expense for Year Ended 30 June 2019

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

Actual 2017/2018 \$,000		Note	Actual 2018/2019 \$,000	Budget 2018/2019 \$,000
Operating Revenue				
13,513	Rates	2	14,229	14,133
484	Finance revenue	3	450	470
1,803	Fees, licences, charges		1,862	1,855
3,861	New Zealand Transport Agency subsidy		2,326	2,454
1,589	Grants, subsidies and donations	4	432	15
560	Rentals		562	504
1,490	Assets vesting in council	4	1,193	-
1,532	Development and financial contributions		1,475	1,037
520	Miscellaneous revenue	5	289	329
25,351	Total operating revenue		22,818	20,797
Operating Costs				
1,543	Public protection & health		1,648	1,606
367	Economic, cultural & community development		502	523
617	Resource management		577	628
3,039	Amenities		3,509	3,381
5,693	Land transport		5,402	5,780
2,663	Water supply		2,997	2,734
1,640	Solid waste management		1,690	1,558
1,793	Wastewater		2,200	2,180
233	Stormwater drainage		159	250
947	Governance, leadership & advocacy		1,071	1,024
18	Rate debtors written off		26	40
45	Bad debts		89	-
1	Loss on Share revaluation		-	-
14	Loss on disposal of assets		460	-
18,613	Total operating costs		20,331	19,704
6,738	Total Operating Surplus/(Deficit)		2,487	1,093
690	Other gains & losses	6	665	-
7,428	Total Surplus/(Deficit)		3,152	1,093
Comprehensive Revenue and Expense				
50,983	Increase/(decrease) in revaluation reserves		2,656	-
50,983	Total other comprehensive revenue and expense		2,656	-
58,411	Total comprehensive revenue and expense		5,809	1,093
Note: Operating costs include the following expenses:				
4,500	Depreciation	8	4,565	4,865
49	Amortisation	8	37	27
579	Finance costs	3	618	719

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 2019

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

Actual 2017/2018 \$,000	Note	Actual 2018/2019 \$,000	Budget 2018/2019 \$,000
385,851	Equity at start of year	444,261	403,580
58,411	Total comprehensive revenue and expense	5,809	3,485
444,261	Equity at end of year	450,070	407,065

Statement of Financial Position as at 30 June 2019

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

Actual 2017/2018 \$,000		Note	Actual 2018/2019 \$,000	Budget 2018/2019 \$,000
ASSETS				
Current assets				
4,212	Cash and cash equivalents	9	4,466	7,576
9,066	Investments	11	8,871	6,367
2,757	Debtors and other receivables	10	2,271	2,507
24	Inventories		12	33
1,500	Non-current assets held for sale	12	1,500	-
17,558	Total current assets		17,120	16,484
Non-current assets				
2,051	Investments	11	248	354
Other Financial assets:				
81	-Investment in CCOs and other similar entities	11	81	-
8	-Investment in other entities	11	1	-
90	Total other financial assets		82	-
8,435	Investment properties	13	9,100	7,813
125	Intangible assets	14	87	162
438,693	Property, plant and equipment	15	447,073	407,855
449,393	Total non-current assets		456,590	416,183
466,951	Total assets		473,710	432,667
LIABILITIES				
Current liabilities				
4,374	Creditors and other payables	16	2,856	2,375
348	Employee entitlements	17	425	236
34	Provisions - current portion	18	34	-
4,000	Public debt - current portion	19	5,000	710
8,756	Total current liabilities		8,316	3,321
Non-current liabilities				
434	Provisions - non-current portion	18	424	446
13,500	Public debt - non-current portion	19	14,900	19,820
13,934	Total non-current liabilities		15,324	20,265
Equity				
149,298	Public equity	20	151,443	145,466
24,510	Restricted reserves and trust funds	20	25,517	23,829
270,451	Asset revaluation reserve	20	273,109	237,211
2	Other reserves	20	0	2,574
444,261	Total equity		450,070	409,080
466,951	Total liabilities and equity		473,710	432,667

Statement of Cash Flows for Year Ended 30 June 2019

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

Actual 2017/2018 \$,000	Note	Actual 2018/2019 \$,000	Budget 2018/2019 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was received from:			
13,320		14,570	14,133
4,515		3,712	2,469
96		100	83
4,294		3,144	2,369
3,708		4,146	2,757
414		420	449
26,347		26,091	22,260
Cash was applied to:			
12,302		15,925	13,492
3,708		4,146	2,757
570		615	719
16,581		20,686	16,968
9,766		5,405	5,292
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was received from:			
277		-	-
6,510		16,643	700
6,787		16,643	700
Cash was applied to:			
7,970		9,556	7,128
10,895		14,638	1,284
18,866		24,195	8,412
(12,079)		(7,551)	(7,713)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was received from:			
4,000		6,400	2,036
4,000		6,400	2,036
Cash was applied to:			
4,000		4,000	445
4,000		4,000	445
0		2,400	1,591
(2,313)		254	829
6,524		4,212	3,560
4,212		4,466	4,389
REPRESENTED BY:			
162	9	1,766	222
4,050	9	2,700	4,167
4,212		4,466	4,389

Statement of Special and Separate Funds for Year Ended 30 June 2019

Reserve	Activities to which reserve relates	Opening Balance \$,000	Transfers In \$,000	Transfers Out \$,000	Closing Balance \$,000
District Property	All activities	(392)	100	(909)	(1,201)
To be used for Town Centre Development					
Asset Realisation	All activities	128	-	-	128
Capital gains from the sale of Council Assets that have been realised over time.					
Plantation Reserve	All activities	60	-	(28)	32
For road protection schemes and seal extensions in the future.					
Community Board Reserves					
<i>Community Board funds Carried over:</i>					
Featherston	Governance	8	28	(28)	7
Greytown	Governance	16	28	(34)	9
Martinborough	Governance	8	45	(29)	25
Featherston Beautification	Governance	50	11	(53)	8
Greytown Beautification	Governance	28	11	(8)	31
Martinborough Beautification	Governance	45	11	(3)	53
Restricted Reserves	All activities	670	443	(116)	996
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					
Water Race Reserves					
Featherston/Longwood Water race	Water	(39)	62	(76)	(53)
Moroa	Water	226	75	(92)	209
Trusts					
<i>Campground Memorial</i>	Amenities	7	-	-	7
<i>Pain Farm</i>	Amenities	146	88	(46)	189
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	All activities	2,857	1,032	(498)	3,391
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.					
Combined District Plan Reserve	Resource Mngmt	(38)	33	-	(4)
To Spread the costs of the District plan over the life of the plan					
Loan Redemption Reserve	All activities	1,889	1,022	-	2,911
Depreciation Reserves	All activities	17,632	3,330	(3,190)	17,772
To fund new capital projects					
Martinborough Town Hall Reserve	Amenities	376	1,070	(1,487)	(41)
Waihinga Centre Project					
Rural Roading Reserve	Roading	600	300	-	900
Rural Roading					
Housing Reserve	Amenities	(98)	150	(177)	(126)
Housing					
Maintenance Reserve	Amenities	11	33	(87)	(43)
To cover maintenance to buildings					
Wastewater Reserve	Wastewater	321	-	-	321
To Spread the initial costs of the Wastewater project - Land					
		24,510	7,871	(6,864)	25,517

Statement of Special and Separate Funds for Year Ended 30 June 2018

Reserve	Activities to which reserve relates	Opening Balance \$,'000	Transfers In \$,'000	Transfers Out \$,'000	Closing Balance \$,'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	39	11	-	50
Greytown Beautification	Governance	24	11	(6)	28
Martinborough Beautification	Governance	41	11	(7)	45
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					
<i>Campground Memorial</i>	Amenities	7	-	-	7
<i>Pain Farm</i> 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.	Amenities	95	88	(37)	146
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.	All activities	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 Mngmt	(71)	33		(38)
Loan Redemption Reserve	All activities	185	1,704		1,889
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	11,362	(10,326)	24,510

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019

2018 Annual Report		2018 Annual Plan	2019 LTP	2019 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
8,568	General rates, uniform annual general charges, rates penalties	9,041	9,911	9,229
4,944	Targeted rates	4,112	4,387	5,000
1,992	Subsidies and grants for operating purposes	3,302	2,454	1,474
1,583	Fees and charges	1,512	1,468	1,692
484	Interest and dividends from investments	287	449	498
1,220	Local authorities fuel tax, fines, infringement fees, and other receipts	1,290	989	1,432
18,791	Total operating funding (A)	19,544	19,658	19,325
Applications of operating funding				
12,683	Payments to staff and suppliers	12,351	13,197	13,808
1,003	Finance costs	1,025	1,116	921
293	Other operating funding applications	288	458	436
13,979	Total applications of operating funding (B)	13,664	14,771	15,166
4,812	Surplus (deficit) of operating funding (A-B)	5,881	4,887	4,159
Sources of Capital funding				
3,459	Subsidies and grants for capital expenditure	420	-	1,324
1,104	Development and financial contributions	283	795	1,045
-	Increase (decrease) in debt	365	1,007	2,400
-	Gross proceeds from sale of assets	-	-	-
428	Lump sum contributions	170	242	430
-	Other dedicated capital funding	-	-	-
4,992	Total sources of capital funding (C)	1,238	2,043	5,199
Applications of capital funding				
Capital Expenditure				
2,561	- to meet additional demand	1,192	1,120	136
1,383	- to improve the level of service	1,983	2,023	6,368
3,963	- to replace existing assets	4,150	3,985	3,049
1,896	Increase (decrease) in reserves	(207)	(198)	(694)
-	Increase (decrease) of investments	-	-	-
9,803	Total applications of capital funding (D)	7,119	6,930	8,860
(4,812)	Surplus (deficit) of capital (C-D)	(5,881)	(4,887)	(3,661)
-	Funding Balance ((A-B)+(C-D))	-	-	-

Notes to the Financial Statements

He Kōrero mō ngā Pūrongo Pūtea

Note 1: Statement of Accounting Policies for the Year Ended 30 June 2019

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 2019. The financial statements were authorised for issue by Council on 30 October 2019.

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.

Other grants are recognised as revenue when they are received unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grants are satisfied.

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:

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.

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.

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:

Asset	Estimated Life	Percentage
Buildings and Improvements	20 to 100 years	1% to 5%
Heritage assets	70 to 120 years	0.80% 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	0.97% to 6.7%
Sewer infrastructure*	14 to 123 years	0.81 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), Trent Bellingham (B.Com Ag (VFM)) of QV Asset & Advisory, and the valuation is effective as at 30 June 2019.

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 2019. 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 Trent Bellingham (B.Com Ag (VFM)) of QV Asset & Advisory, and the valuation is effective as at 30 June 2019.

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 \$1,201,450. The reason for the negative reserve balance is that Council are awaiting settlement of the sale of a property. This was expected to be settled before the end of the financial year however was held up and is now waiting LINZ. 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 2018-2028 Long Term Plan (LTP). 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 2019.

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.

Standards Not Yet Adopted

Financial Instruments

In January 2017, the External Reporting Board (XRB) issued Public Benefit Entity International Financial Reporting Standard (PBE IFRS) 9 *Financial Instruments*. PBE IFRS 9 replaces Public Benefit Entity International Public Sector Accounting Standard (PBE IPSAS) 29 *Financial Instruments: Recognition and Measurement*. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised at cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of the new standard.

Performance Reporting

PBE FRS 48 *Service Performance Reporting* was issued by XRB in November 2017 and is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of the new standard.

Amendment to PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. Council does not intend to early adopt the amendment

Note 2: Rates Revenue

	30 June 2019 \$000	30 June 2018 \$000
General Rates	7,388	6,754
Targeted Rates Attributable to Activities		
Water rates	129	133
Wastewater	2,032	2,005
Water	2,016	1,988
Refuse	711	685
Amenities	1,729	1,634
	6,618	6,445
Total Rates, Excluding Targeted Rates for Water by Meter	14,006	13,199
Targeted Rates for Water By Meter	107	166
Rates penalties	117	148
Total Revenue from Rates and Penalties	14,229	13,513

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 \$18,842 (2018: \$18,131) for the purposes listed below:

	30 June 2019 \$000	30 June 2018 \$000
Rates Revenue Before Remissions	14,248	13,531
Council policy remissions:		
Rural halls	2	2
Sports bodies	4	6
Community organisations	5	6
Conservation	8	4
Total Remissions	19	18

Rates Revenue after Remissions	14,229	13,513
---------------------------------------	---------------	---------------

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 2019	30 June 2018
Rating Base Information		
Number of rating units	7,084	6,971
	\$Million	\$Million
Capital Value of rating units	4,668	4,653
Land value of rating units	2,691	2,786

Note 3: Finance Revenue and Costs

	30 June 2019 \$000	30 June 2018 \$000
FINANCE REVENUE		
Interest revenue:		
- term deposits	450	484
Total finance revenue	450	484
FINANCE COSTS		
Interest expense:		
- interest on borrowings	618	579
Total finance costs	618	579

Note 4: Grants, Subsidies and Donations

	30 June 2019 \$000	30 June 2018 \$000
Grants and Subsidies		
Libraries	7	6
Community buildings	6	-
Lotteries grant for Waihinga centre	25	450
Trust House grant for Waihinga centre	150	-
Water supply	-	229
Miscellaneous	9	4
Donations		
Waihinga Centre Charitable Trust	95	900
Plunket Donation Royal NZ	140	-
Total grants, subsidies and donations	432	1,589

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised \$Nil (2018: \$Nil).

Assets Vesting in Council

Vested Infrastructure from property development \$603,678 (2018: \$1,489,817). Vested Featherston Memorial Sculpture \$589,137.

Note 5: Miscellaneous Revenue

	30 June 2019 \$000	30 June 2018 \$000
Commissions	75	73
Other recoveries	114	300
Petrol tax	101	96
Profit on sale of assets	-	51
Total miscellaneous revenue	289	520

Note 6: Other Gains and Losses

	30 June 2019 \$000	30 June 2018 \$000
Gain/(loss) in fair value of investment property	665	694
Gain/(loss) in fair value of properties intended for sale	-	(4)
Gain/(loss) in fair value of plant, property & equipment	-	-
Total gains/(losses)	665	690

Note 7: Personnel Costs

	30 June 2019 \$000	30 June 2018 \$000
Salaries and wages	3,462	3,099
Defined contribution plan employer contributions	93	77
Increase/(decrease) in employee entitlements/liabilities	13	10
Total personnel costs	3,568	3,186

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 2019 \$000	30 June 2018 \$000
EXPENDITURE		
Depreciation		
Roads	1,590	1,991
Bridges	658	444
Water systems	1,020	1,040
Wastewater systems	497	409
Stormwater systems	117	106
Buildings	202	128
Furniture & equipment	106	97
Library collections	154	138
Motor vehicles	37	47
Parks & reserves	48	47
Heritage assets	137	55
	4,565	4,500
Amortisation	37	49
Councillors' remuneration	250	237
Interest expense	618	579
Provision: discount unwinding	(10)	(13)
Rates remissions	19	18
Additional provision for doubtful debts	63	45
Superannuation contributions	93	77

Note 9: Cash and Cash Equivalents

	30 June 2019 \$000	30 June 2018 \$000
Cash at bank and in hand	1,277	863
Funds held in Trust Term deposits with maturities of less than 3 months at acquisition	488	49
Term deposits with maturities of less than 3 months at acquisition	2,700	3,300
Total cash and cash equivalents	4,466	4,212

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 \$206,500 (2018: \$207,926).

Maturity Analysis and Effective Interest Rates

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

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

2019	\$000
Short term deposits	2,700
Weighted average effective interest rate	2.05%

Note 10: Debtors and Other Receivables

	30 June 2019 \$000	30 June 2018 \$000
Rates receivables	290	401
Other receivables	1,769	1,986
Goods and services tax	226	364
Prepayments	102	58
	2,387	2,809
Less provision for impairment of receivables	(116)	(52)
Total debtors & other receivables	2,271	2,757

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 2019 \$000	30 June 2018 \$000
Collective impairment	116	52
Total provision for impairment	116	52

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

	30 June 2019 \$000	30 June 2018 \$000
At 1 July	52	58
Additional provisions made during the year	84	45
Provisions reversed during the year	-	-
Receivables written off during the year	(19)	(51)
At 30 June	117	52

Note 11: Investments

	30 June 2019 \$000	30 June 2018 \$000
CURRENT PORTION		
Term deposits	8,791	9,066
LGFA borrower notes	80	-
Total current portion	8,871	9,066
NON-CURRENT PORTION		
Held to maturity		
Term deposits	-	1,765
LGFA borrower notes	238	280
Other investments	9	5
Total non-current portion	248	2,051

There were no impairment provisions for other financial assets.

The weighted average interest rate of the investments is 3.31% (2018: 3.17%).

The total value of Term Deposits that can only be used for a specific purpose is \$2,911,353 (2018: \$1,593,390).

Other Financial Assets

	30 June 2019 \$000	30 June 2018 \$000
Investment in CCOs and other similar entities		
Civic Financial Services Limited (53,930 shares)	81	81
Total	81	81
Investment in other entities		
Airtel Ltd (4,900 shares)	-	7
Farmlands Trading Society Ltd (699 shares)	1	1
Total	1	8

Total other Financial assets	83	90
-------------------------------------	-----------	-----------

Unlisted Shares – Valuation

The fair value of the unlisted shares of 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 2019.

Note 12: Non-Current Assets Held for Sale

	30 June 2019 \$000	30 June 2018 \$000
Assets held for sale are:		
Buildings	7	7
Land	1,493	1,493
Total assets held for sale	1,500	1,500

At 30 June 2019 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 has been delayed and is now due expected by December 2020.

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 2019 \$000	30 June 2018 \$000
Balance 1 July	8,435	7,741
Disposals	-	-
Transfers	-	-
Additions	-	-
Fair value gains/(losses) on valuation	665	694
Balance 30 June	9,100	8,435

SWDC's investment properties are valued annually at fair value with the latest valuation effective 30 June 2019. All investment properties were based on open market evidence. The valuation was performed by Trent Bellingham (B.Com Ag (VFM)) 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 2019 (2018: Nil).

Note 14: Intangible Assets

	\$000
Cost	
Balance at 1 July 2018	355
Additions	-
Disposals	-
<i>Balance at 30 June 2018</i>	<i>355</i>
Balance at 1 July 2019	355
Additions	-
Disposals	-
Balance at 30 June 2019	355
Accumulated amortisation and impairment	
Balance at 1 July 2018	181
Amortisation Charge	49
Disposals	-
Balance at 30 June 2018	230
Balance at 1 July 2019	230
Amortisation charge	37
Disposals	-
Balance at 30 June 2019	267
Carrying amount	
Balance at 30 June 2017	174
Balance at 30 June 2018	125
Balance at 30 June 2019	87

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 2019	Cost/ Revaluation 30 June 2018	Accumulated Depreciation 30 June 2018	Carrying Amount 30 June 2018	Current Year Additions	Current Year Disposals	Current Year Transfers	Current Year Gain/(Loss) on sale	Current Year Depreciation	Revaluation, Impairment, Depreciation Recovered on Revaluation	Cost Revaluation 30 June 2019	Accumulated Depreciation 30 June 2019	Carrying Amount 30 June 2019
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
INFRASTRUCTURAL ASSETS												
Roads	323,751	-	323,751	2,014	-	-	-	1,590	(7,852)	317,913	1,590	316,323
Bridges	22,901	-	22,901	76	-	-	-	658	-	22,977	658	22,319
Water systems	25,991	-	25,991	487	(561)	-	(459)	1,020	58	25,975	1,020	24,955
Wastewater systems	17,370	-	17,370	1,005	-	-	-	497	-	18,375	497	17,878
Stormwater systems	4,498	-	4,498	53	-	-	-	117	-	4,551	117	4,434
	394,511	-	394,511	3,636	(561)		(459)	3,882	(7,794)	389,791	3,882	385,910
OPERATIONAL ASSETS												
Land	26,188	-	26,188	885	-	-	-	-	7,980	35,052	-	35,052
Buildings	6,955	245	6,710	833	-	-	-	202	(8)	7,779	447	7,332
Furniture & equipment	1,818	1,466	353	318	-	-	(1)	105	-	2,136	1,571	565
Library collections	949	138	811	98	-	-	-	154	-	1,047	292	755
Motor vehicles	322	202	120	-	-	-	-	37	-	322	239	82
Parks & reserves	422	246	176	26	-	-	-	10	(5)	443	256	187
Playgrounds	465	-	465	-	-	-	-	37	-	465	37	427
	37,118	2,296	34,822	2,159	-	-	(1)	546	7,967	47,245	2,843	44,402
OTHER ASSETS												
Heritage assets	4,447	98	4,348	5,503	-	-	-	137	2,587	12,537	235	12,302
Work in progress	5,011	-	5,011	3,238	-	(3,789)	-	-	-	4,460	-	4,460
Total assets	441,088	2,395	438,693	14,536	(561)	(3,789)	(460)	4,565	2,761	454,034	6,959	447,074

Note 15: Property, Plant and Equipment

30 JUNE 2018	Cost/ Revaluation 30 June 2017	Accumulated Depreciation 30 June 2017	Carrying Amount 30 June 2017	Current Year Additions	Current Year Disposals	Current Year Transfers	Current Year Gain/(Loss) on sale	Current Year Depreciation	Revaluation, Impairment, Depreciation Recovered on Revaluation	Cost Revaluation 30 June 2018	Accumulated Depreciation 30 June 2018	Carrying Amount 30 June 2018
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,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

Depreciation and Amortisation Expense by Group of Activity

	30 June 2019 \$000	30 June 2018 \$000
Public Protection & Health	42	45
Economic, cultural & community development		-
Resource management	4	4
Amenities	530	374
Land transport	2,250	2,436
Water supply	1,021	1,041
Solid waste management	8	11
Wastewater	519	421
Stormwater drainage	117	106
Governance, leadership & advocacy	6	6
Total directly attributable depreciation and amortisation by group of activity	4,497	4,444
Depreciation and amortisation not directly related to group of activities	105	106
Total depreciation and amortisation expense	4,602	4,549

Network Assets

	Acquisitions/ Constructed by SWDC \$,000	Transferred to SWDC \$,000	Closing Book Value \$,000	Replacement Cost \$,000
Water Supply				
Treatment plants and facilities	106	-	5,885	5,885
Land	-	-	1,141	1,141
Other Assets	320	92	19,070	19,070
Wastewater				
Treatment plants and facilities	27	-	6,662	6,662
Land	880	-	10,658	10,658
Other Assets	803	202	10,708	10,708
Stormwater Drainage	-	53	4,434	4,434
Roads and Footpaths	1,834	256	338,642	338,642

Note 16: Creditors and Other Payables

	30 June 2019 \$000	30 June 2018 \$000
Trade payables	2,404	3,681
Accrued expenses	182	203
Revenue in advance	-	213
Rates in advance	270	277
Total creditors and other payables	2,856	4,374

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 2019 \$000	30 June 2018 \$000
Accrued pay	192	127
Annual leave	233	220
Total employee entitlements	425	348
Comprising:		
Current	425	348
Non-current	-	-
Total employee entitlements	425	348

Note 18: Provisions

	30 June 2019 \$000	30 June 2018 \$000
Landfill aftercare provision		
Opening balance	468	481
Provision expensed for the year	(35)	(35)
Adjustment to NPV	25	22
Total provisions	458	468
Comprising:		
Current portion	34	34
Non-current portion	424	434
Total provisions	458	468

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 1.94% (2018: 2.81%).

Note 19: Borrowings

	30 June 2019 \$000	30 June 2018 \$000
Current		
Secured loans	5,000	4,000
Total current borrowings	5,000	4,000
Non-Current		
Secured loans	14,900	13,500
Total non-current borrowings	14,900	13,500

Fixed-rate Debt

SWDC's secured debt of \$19,900,000 (2018: \$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 2019 \$000	30 June 2018 \$000
PUBLIC EQUITY		
As at 1 July	149,298	143,009
Net transfer (to)/from reserves	(1,007)	(1,140)
Total surplus / (deficit) for the year	3,152	7,428
As at 30 June	151,444	149,298
Restricted reserves & trust funds		
As at 1 July	24,510	23,371
Transfers to fund	7,871	11,466
Transfers from fund	(6,864)	(10,326)
As at 30 June	25,517	24,510
<i>Restricted reserves and trust funds consist of:</i>		
Discretionary reserves	(1,043)	(205)
Community board reserves	132	155
Restricted reserves	996	670
Water race reserves	156	188
Council loan redemption reserves	2,911	208
Other reserves	22,169	23,342
Trusts	196	153
Total restricted reserves and trust funds	25,517	24,510
Asset revaluation reserve		
As at 1 July	270,451	219,468
Revaluation gains/(losses)	2,702	50,983
Other adjustments	(44)	-
As at 30 June	273,109	270,451
<i>Asset revaluation reserves consist of:</i>		
Land	23,046	15,071
Buildings	3,135	3,143
Heritage assets	3,565	977
Library collections	1,259	1,259
Bridges	17,179	17,179
Roading	188,572	196,424
Water	22,431	22,475
Wastewater	8,991	8,991
Stormwater	4,597	4,597
Playground equipment	328	328
Other equipment	8	8
Total	273,109	270,451
Fair value through other comprehensive income reserve		
As at 1 July	2	2
Valuation gains / (losses) taken to equity	-	-
Transfers to statement of financial performance on disposal	(2)	-
As at 30 June	0	2

Note 21: Statement of Capital Commitments and Operating Leases

	30 June 2019 \$000	30 June 2018 \$000
Water system	403	165
Roading	6,004	-
Wastewater system	756	3,695
Community Buildings	318	1,476
Solid Waste	9	-
Total capital commitments	7,490	5,336

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 11 months to 76 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	30 June 2019 \$000	30 June 2018 \$000
Not later than one year	189	148
Later than one year and not later than five years	52	156
Later than five years	3	5
Total non-cancellable operating leases	243	310

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 8 months to 60 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	30 June 2019 \$000	30 June 2018 \$000
Not later than one year	32	50
Later than one year and not later than five years	45	-
Later than five years	-	-
Total non-cancellable operating leases	77	50

Note 22: Contingencies

	30 June 2019 \$000	30 June 2018 \$000
CONTINGENT LIABILITIES		
Contractual dispute	-	-
Weather tightness claims	-	-
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.

Council has also been named as a party to the Carter Holt Harvey representative claim regarding an alleged defective product "Shadowclad". The quantum regarding this claim has not been disclosed by the claimant.

Contingent liability for 2019 is \$Nil (2018: \$Nil).

There are no contingent assets for 2019 (2018: \$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.

Local Government Funding Agency (LGFA)

The Council is a guarantor of LGFA. The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. It has a current credit rating from Standard and Poor's of AA+.

As at 30 June 2019, the Council is one of several local authority borrowers and guarantors of the LGFA. The LGFA's loans to local authorities are \$9.8 billion (2018: \$8.6 billion), of which the Council have borrowed \$0.025 billion (2018: \$0.017 billion). As a result, the council's cross guarantee on LGFA's loans to other local authorities is \$9.8 billion (2018: Nil).

Public Benefit Entity (PBE) Accounting Standards require the Council to recognise the guarantee liability at fair value. However, the Council have been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council consider the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- the council is not aware of any local authority debt default events in New Zealand; and,
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Note 23: Related Part 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 2019.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2018: \$Nil).

Note 24: Remuneration

	30 June 2019	30 June 2018
	\$	\$
Councillors		
Remuneration	250,334	236,943
Full-time equivalent members	10	10
Senior Management Team, including Chief Executive		
Remuneration	666,530	640,588
Full-time equivalent members	4	4
Total key management personnel compensation	916,865	877,531

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 period from 1 July 2018 to 31 March 2019 he received a salary of \$216,632 Harry Wilson was the Chief Executive from 4 June 2019 to 30 June 2019, he received a salary of \$17,737. (2018: Paul Crimp for full year : \$224,782).

Elected Representatives

	30 June 2019	30 June 2018
	\$	\$
V Napier	77,209	72,278
M Craig	18,314	17,074
B Jephson	31,010	28,911
C Olds*	19,677	20,125
P Ammunson**	9,157	17,074
M Gray*****	5,268	-
P Colenso	18,314	17,074
L Carter	18,314	17,074
C Wright	18,314	17,074
P Maynard	18,314	17,074
D Harwood*****	-	13,185
R Vickery***	16,443	-

Total elected representatives remuneration	250,334	236,943
	30 June 2019	30 June 2018
	\$	\$
Featherston Community Board		
C Bleakley	3,190	3,143
R Ramsden (Chair)	6,379	4,452
M Shepherd	3,190	3,143
B West	3,190	4,976
Greytown Community Board		
M Gray*****	2,392	3,143
L Hay (Chair)	6,379	6,285
A Rainford	3,190	3,143
C Stevenson	3,190	3,143
Martinborough Community Board		
F Beattie	3,190	3,143
L Cornelissen (Chair)	6,379	6,285
V Read	3,190	3,143
M Roy	3,190	3,143
Total Community Board members remuneration	47,049	47,142

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

** Resigned effective December 2018

*** New Councillor effective August 2018

**** Resigned effective April 2018

***** New Councillor effective March 2019; Resigned from Greytown Community Board March 2019

	30 June 2019	30 June 2018
	\$	\$
Council employees		
<\$60,000	42	
\$60,000 -79,999	14	
\$80,000 - \$119,999	8	
\$140,000-259,999	4	
<\$60,000		46
\$60,000 -79,999		10
\$80,000 - \$99,999		6
\$100,000 - 259,999		4
Total employees	68	66

Total remuneration includes non-financial benefits provided to employees. At balance date, the council employed 39 (2018: 35) full-time employees, with the balance of staff representing 13 (2018: 10) full-time equivalent employees. A full-time employee is determined on the basis of a 40 hour working week.

Severance Payments

A severance payment of \$14,000 was made in 2019. (2018: Nil).

Note 25: Events after Balance Date

There has been one significant event after balance date.

On 1st October 2019 SWDC became a shareholder of Wellington Water Limited (WWL). While ownership of all water assets remains with SWDC, WWL will be responsible for delivering operational and capital work across our three waters infrastructure.

Note 26: Financial Instrument Categories

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

	30 June 2019 \$000	30 June 2018 \$000
Fair value through profit and loss – held for trading		
Derivative financial instrument assets	-	-
Loans and receivables		
Cash and cash equivalents	4,466	4,212
Debtors and other receivables	2,271	2,812
Other financial assets:		
- Investments	8,871	10,831
Total loans and receivables	15,608	17,854
Held to maturity		
Other financial assets:		
- Investments	248	285
Total held to maturity	248	285
Fair value through other comprehensive income		
Other financial assets:		
- unlisted shares	83	90
Total fair value through equity	83	90

Financial Liabilities	30 June 2019 \$000	30 June 2018 \$000
Fair value through profit and loss – held for trading		
Derivative financial instrument liabilities	-	-
Financial liabilities at amortised cost		
Creditors and other payables	2,856	4,374
Borrowings:		
- secured loans	19,900	17,500
Total financial liabilities at amortised cost	22,756	21,874

Note 27: Internal Borrowing

30 June 2019	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 2018	Opening Balance \$,000	Amount Borrowed \$,000	Amount Repaid \$,000	Interest Paid \$,000	Closing Balance \$,000
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.

Note 28: Insurance of Assets

	30 June 2019 \$000	30 June 2018 \$000
Total value of property, plant and equipment	331,736	332,153
Value of assets covered by risk share arrangements	37,313	43,890
Value of assets covered by insurance contracts	27,310	19,220

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 first year of reporting following adoption of the 2018-2028 Long Term Plan.

Note 29: Explanation of Major Variances against Budget

Explanations for major variations from South Wairarapa District Council's estimated figures in the 2018/28 Long Term Plan are as follows.

Statement of Comprehensive Revenue and Expense

Overall revenue received is 9.7% higher than budgeted. This is due to several factors:

- Grants and donations relating to the Waihinga Centre were higher than budget, as they had been budgeted for in earlier years.
- 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.
- Financial contribution revenue is ahead of budget due to the ongoing growth in developments in the district.
- All other revenue is close to budget for the year.

Expenditure is slightly above budget for the year.

The surplus is above budget, however a significant portion of the funds received over budget are used to cover capital expenditure or transferred to reserves for future use e.g. financial contributions based on subdivision activity.

Statement of Movements in Equity

Council undertook cyclical valuations of land, buildings, and investment properties and the increase in revaluations of these assets are reflected in equity. Asset revaluations are not taken into account when preparing the annual budget.

Statement of Financial Position

- Cash and cash equivalents are lower than budgeted due to timing of term deposits at year end, however is only slightly lower than previous year. Reduced end of year debtor balances reflect improving collection periods.
- The increase in non-current assets is a reflection of positive cyclical revaluation of assets, and increased capital expenditure.
- Public debt increased this financial year, and is slightly below budget.
- Overall, equity has increased. Special reserve balances are higher than budget, as is the asset revaluation reserve. Financial contributions which are transferred to reserves were higher than expected. Other reserve funds are accumulating for repayment of interest only loans.

Statement of Cashflows

- Net cashflow from operating activities is slightly favourable to budget. The timing of the receipts of grants and donations is the main contributor to this.
- Net cashflow from investing activities is also slightly favourable to budget. This is due to the maturity term of deposits held at balance date partially offset by increased capital expenditure, being expenditure on capital projects budgeted in previous years.
- Net cashflow from financing activities reflects a higher than budgeted debt level.

Financial Prudence Benchmarks

Ngā Paerewa Pūtea

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.

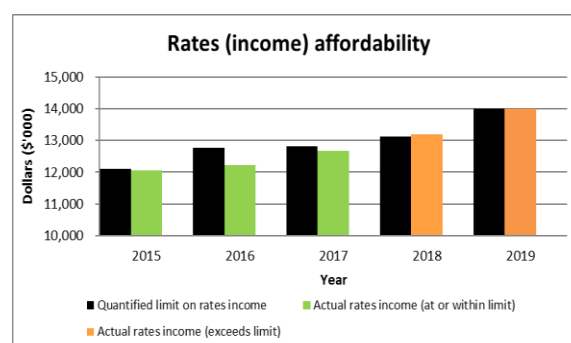
Rates affordability benchmark

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.

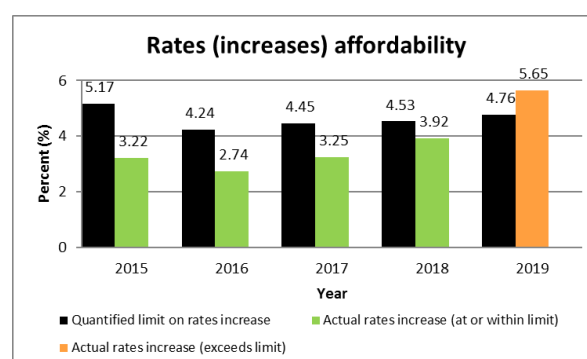
Rates (income) affordability

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

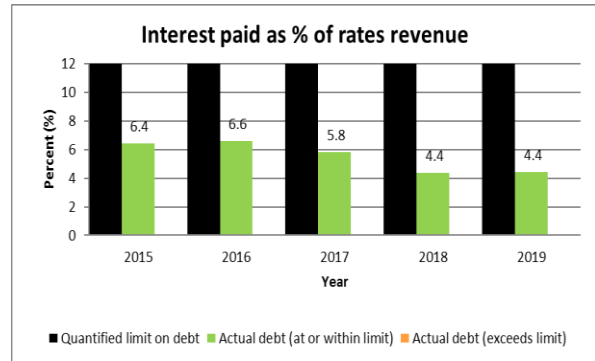
The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's long-term plan. The quantified limit is the percentage change in average rates must not exceed the increase in the opening BERL local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

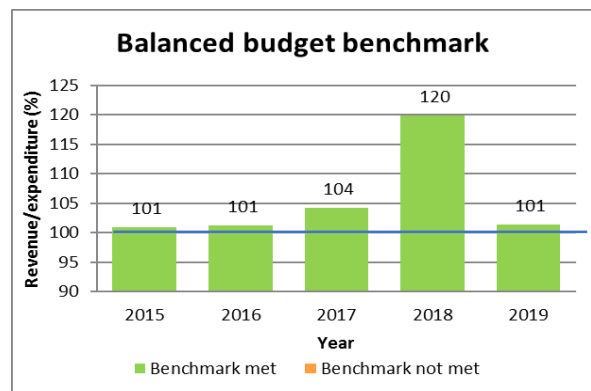
The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is that gross interest paid on term debt must not exceed 12 percent of rates revenue.



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.

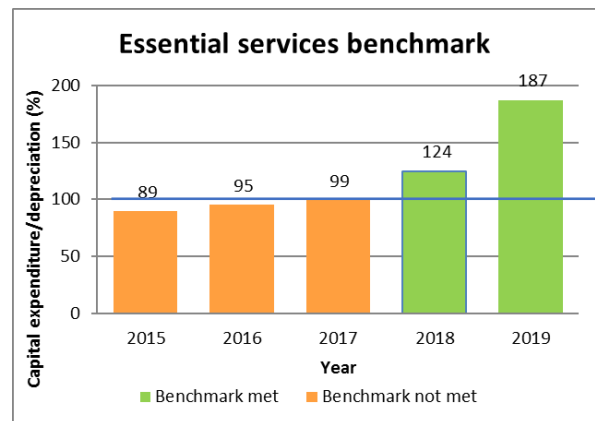


Essential services benchmark

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.

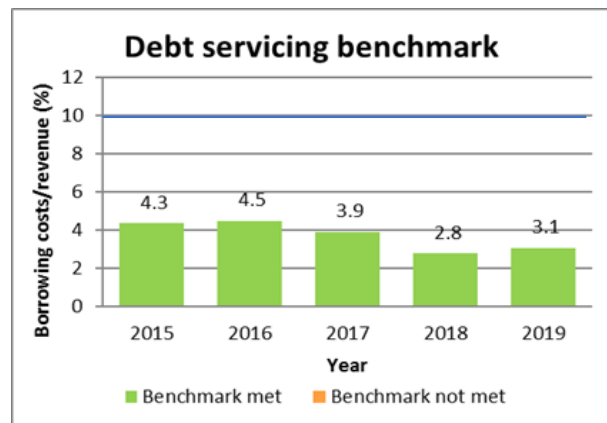
Council plans its network expenditure to ensure assets are maintained for the very long term, and on an as needed basis. Expenditure is based on maintenance need. Unspent funds are held in reserve until required.



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

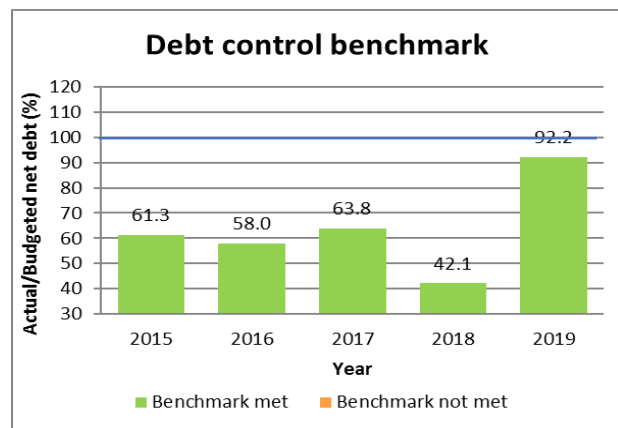


Debt control benchmark

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

Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

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.

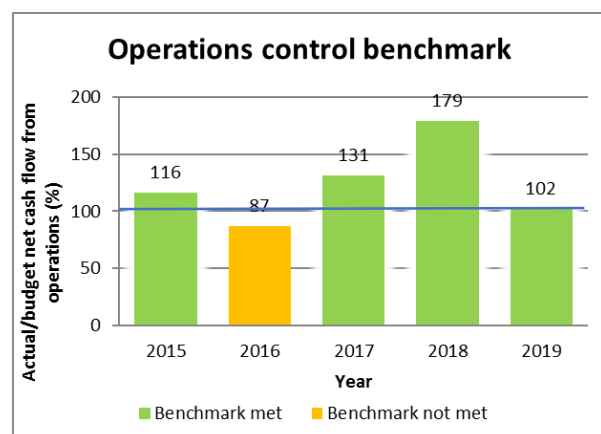


Operations control benchmark

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

Ngā Mahi Whakahirahira o te Kaunihera

Community Outcomes

The 2018/19 Community Outcomes were reconfirmed in the 2018-28 Long Term Plan (LTP) 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.

Community Outcomes, Vision, Mission and Strategy

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 to 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 & Liberty*

The Council elected in 2016 developed the following outline of the strategic plan for the three years ahead. These four pillars formed the basis for decisions on what to include and what to exclude from the Long Term Plan and Annual Plan.



The 2018/19 financial year is the first year of the 2018-8 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 2018/19 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.

Healthy and 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 been completed 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 completed and still 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.

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. Council has decided to reduce Library fees in the 2019/20 financial year which will enable more members of the community to access the library services. 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.

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.

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.

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.

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.

Council continues to work to strengthen ties with Māori. Various initiatives including hui were held by the Māori Standing Committee (MSC) to help develop the new logo and currently the MSC are working on development of a proposal to transform our Māori policy. Council has also allocated operating funding to the MSC for the first time in 2019/20 to enable them to work in a similar way to the Community Boards which represent each town.




Update on Key Issues from the Long Term Plan

The following comments report back on progress during the past year with the key issues that were identified in the Council's Long Term Plan (LTP) which was adopted in June 2018.

Activity	Key Issue	Progress
<p>Land Transport</p> 	<p>Roading in the district is vital, not only for car traffic which is the predominant means of transport for most residents and visitors, but also commercial traffic which is essential to service major industrial enterprises, particularly farming, horticulture and the wine industry.</p>	<p>The roading programme was completed as planned. This 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.</p>
<p>Wastewater</p> 	<p>Council continues to work towards alternative wastewater disposal systems such as discharge to land for the wastewater systems in the three towns. Discharges need to meet GWRC's discharge standards.</p>	<p>The 2018/19 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. Treated wastewater has been distributed to land in both towns during the financial 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. A hearing is likely to take place early in 2020.</p>
<p>Amenities</p> 	<p>Waihinga Centre</p>	<p>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 was completed and the centre opened in December 2018. The Waihinga centre has been well used since its opening and has been nominated for a number of architectural awards. Council would like to acknowledge the considerable contribution made by the community to this project. Council could not have funded this project without the generous donations of time and money from the community and other funders.</p>

Significant Acquisitions or Replacements of Assets

The following comments cover significant acquisitions or replacements of assets.

Project	Comment	2018/19 Budget \$'000	2018/19 Actual \$'000	2017/18 Actual \$'000
Amenities 	Waihinga Centre Development Work on the earthquake strengthening of the Martinborough Town Hall and the construction of the Waihinga Centre was completed during the year and opened in December 2018. Budget was carried forward from previous years. Donations and grants of \$410K were received this year to contribute towards this project.	\$0	\$1,588	\$3,600
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. 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 2020 financial year. During the year Council approved the purchase of additional land for the Featherston wastewater site. This was additional to the budget.	\$1,175	\$4,280	\$1,000
Land Transport 	Land transport capital expenditure includes road resealing, seal extensions, footpaths and other rehabilitations and renewals. Most of the land transport capital expenditure attracts a subsidy from NZTA. The total subsidy received to fund this Capital expenditure was \$880K for this financial year.	\$2,134	\$1,834	\$3,991

Statements of Service Performance

Te Pūrongo o ngā Whakahaere Ratonga

Governance, Leadership, Advocacy

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.

During the financial year Council conducted a Governance review and a Representation review. The outcome of the Governance review was to form three additional Committees with public agendas and minutes from what had previously been working parties. The new committee structure ensures meetings and agendas are more public and transparent.

The South Wairarapa District Council now operates five publicly notified committees as follows:

- The Māori Standing Committee (6 weekly).
- The Hearings Committee (as required).
- The Assets and Services Committee (6 weekly).
- The Planning and Regulatory Committee (6 weekly).
- The Finance, Audit and Risk Committee (quarterly).

A number of operational working groups, 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.

Council also conducted a Representation review during the year, including a period of public consultation. The outcome of the Representation review was to retain the status quo regarding the number of Councillors, that they be elected by ward and that the ward boundaries remain unchanged.

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.

Council commenced a Spatial planning exercise during the financial year. A draft discussion document was produced and Council is seeking community input into the ideas raised in the discussion document. The Spatial Plan will provide a blueprint for the next thirty years and will help us balance the environmental, social, economic, and quality of life factors affecting our communities, as well as guiding allocation of resources, such as land use and construction of capital works.

Council Rebrand and New Logo - a modern bilingual council logo was officially launched in April 2019. This is being rolled out over all communication platforms, council collateral and signage. This replaces the outdated, mono-cultural logo that was introduced in 1989.

Strengthening Communication with our Community - SWDC created a new full-time Communications Manager position in 2018, to strengthen and build on our communication with our communities in South Wairarapa.

Council is in the process of revamping its website to make it easier for our residents and visitors to find out more about Council and our district online, and on a mobile, as more people use this method of obtaining information rather than face-to-face contact with Council officers.

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.

Community Outcomes to Which the Activity Contributes

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

Healthy Economically Secure People	Educated and knowledgeable people	Vibrant and strong communities	Sustainable South Wairarapa	A place that’s accessible and easy to get around
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • By demonstrating leadership and advocacy for the community with regard to education and by the provision of good information 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • By demonstrating leadership and advocacy to ensure economic development and environmental management go hand in hand 	<ul style="list-style-type: none"> • 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

The Activity Goal and Principal Objectives

The governance/leadership/advocacy activity goal is:

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

Council’s principal objectives are:

- To be a vigorous advocate for issues of concern to the community and demonstrate leadership in carrying out its work.
- To demonstrate sound and considered governance.
- To develop good policies in order to guide its work in a consistent manner.
- To assist in co-ordinating the many different actions of central government, education providers and businesses to make Council’s vision a reality.






- To have strategies and planning which will be keys to success, as will new and innovative ways of doing things.
- To encourage and facilitate public consultation and opportunities for effective public partnership in Council's decision making process.
- To keep people informed and hold a sound database of information.
- 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.
- To work with others (councils included) in partnerships to achieve best results for South Wairarapa and also Wairarapa as a whole.
- To foster iwi relationships and meet treaty obligations.



Assets we Look After

The only asset under this activity is a motor vehicle.

Projects for 2018/19 – Governance, Leadership and Advocacy

Following are the projects undertaken for the 18/19 year and progress made.

Project	Progress
Advocacy 	Continue to 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. Central Government announced significant funding to upgrade the railway lines from Wellington to the Wairarapa which will improve the commuting times for residents who live in the Wairarapa and work in Wellington which a significant number of South Wairarapa residents do.
Advocacy 	Continue to work with other interested parties to lobby NZTA for improvements to the Remutaka hill road. Council is represented on the Remutaka Hill Road working party and continues to lobby through this and other communications with NZTA.
Governance 	Review community boards terms of reference and delegations. This review has been completed.
Governance 	Complete a governance review. This review was completed.
Governance 	Complete a representation review. This review was completed.

Resource Management	Commence review the Wairarapa Combined District Plan to enable public notification of the new plan by the due date of May 2021.	The Planning Team has commenced this review with officers from MDC and CDC. This work will take a couple years to complete and will be an important component of managing sustainable growth in the region for the future.
	Amenities	Commence installing bilingual signage for all SWDC signs in the district.
	New signage has been installed in a number of locations as part of the roll out of the new logo. This project will continue into the 2019/20 year.	

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.

Statement of Service Performance - Governance, Leadership and Advocacy

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	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	-	80%	69%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 69% (2017: 79%) positive response, 18% (2017: 13%) felt they were unable to comment. Council has worked to improve communication with ratepayers since this survey was conducted.
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	-	70%	47%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 47% (2017: 63%) positive response, 20% (2017: 23%) felt they were unable to comment. Council receives a large number of submissions to its annual plan each year and holds hearings to listen to the views of ratepayers. We continue to work to improve the two way communication with our communities.
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	-	75%	65%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 65% (2017: 70%) positive response, 8% (2017: 14%) felt they were unable to comment. Council completed a governance review during the year and commenced committee meetings that are open to the public to increase the transparency of their decision making.
	Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	-	70%	61%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 61% (2017: 65%) positive response, 10% (2017: 14%) felt they were unable to comment. Council conducted a rating review during the year and heard numerous submissions to the annual plan regarding rates. We will continue to look at ways to make the rating system as fair as possible for our ratepayers.
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	GTN 90% FTN 94% MBA 93%	90%	GTN 89% FTN 87% MBA 91%	This measure reports on the percentage of resolutions made that relate solely to local issues. The resolutions that do not meet this criteria were mainly regarding initiatives which benefitted the whole district, not just the ward of the relevant community board.
	% of ratepayers and residents who know how to contact a community board member	-	70%	60%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In 2017 69% gave a positive response. Community boards have worked to improve communication with ratepayers since this survey was conducted.
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	-	55%	36%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 36% (2017: 47%) positive response, 26% (2017: 31%) felt they were neither satisfied nor dissatisfied, and 4% (2017: 5%) felt they were unable to comment. Council completed a governance review during the year and commenced committee meetings that are open to the public to increase the transparency of their decision making.
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 8 occasions. In total 33 resource consent applications were considered. (2018: 7 meetings and 24 resource consent applications)

South Wairarapa District Council Funding Impact Statement for the Year Ended 30 June 2019 for Governance, Leadership and Advocacy Funding

2018 Annual Report		2018 LTP	2019 LTP	2019 Actual
\$,000		\$,000	\$,000	\$,000
	Sources of operating funding			
937	General rates, Uniform Annual General charges, Rates penalties	764	998	1,001
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
-	- Fees and charges	-	-	-
-	- Internal charges and overheads recovered	-	-	-
49	Local authorities fuel tax, fines, infringement fees, and other receipts	17	26	49
986	Total operating funding (A)	781	1,024	1,050
	Applications of operating funding			
485	Payments to staff and suppliers	402	540	553
1	Finance costs	3	2	1
455	Internal charges and overheads applied	370	477	511
-	- Other operating funding applications	-	-	-
941	Total applications of operating funding (B)	775	1,019	1,065
44	Surplus (deficit) of operating funding (A-B)	6	5	(15)
	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	-	-	-
44	Increase (decrease) in reserves	6	5	(15)
	Increase (decrease) of investments	-	-	-
44	Total applications of capital funding (D)	6	5	(15)
(44)	Surplus (deficit) of capital funding (C-D)	(6)	(5)	15
-	Funding Balance ((A-B)+(C-D))	-	-	-

Public Protection

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 noise control through of the Resource Management Act 1991.

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:

- Dog Control Act 1996
- Dog Control Bylaw 2013
- Policy for Control of Dogs Policy 2013
- Impounding Act 1955
- Wairarapa Consolidated Bylaws

Alcohol

Council administers the Sale and Supply of Alcohol Act 2012 with the aim of encouraging the responsible and safe consumption of alcohol in the South Wairarapa. Council does this through the implementation of its Local Alcohol Policy (LAP), providing public education and undertaking compliance and enforcement activities. Council also supports the operation of the District Licencing Committee (DLC) in carrying out its decision making responsibilities under the Act.

Safe Food

The Food Act took effect on 1 March 2016 and provided for a 3-year transition period for existing businesses. On 1 March 2019, the Food Act 2014 became fully operational, requiring all food businesses to be registered.

Council retains a role as a registration authority, and is the first point of contact for a significant proportion of businesses. Council is also required to monitor performance of premises and undertake compliance, enforcement and prosecution activities.

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 two staff (1.9 full time equivalent) dedicated to the area.

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

Wairarapa Consolidated Bylaws

This Public Protection team completed a review of all Bylaws in conjunction with MDC and CDC during the 2018/19 year. The amended Bylaws were approved by Council on 26 June 2019.

Community Outcomes to Which the Activity Contributes

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

<p>Healthy Economically Secure People</p> <ul style="list-style-type: none"> •By providing services which help to protect the community 	<p>Educated and knowledgeable people</p> <ul style="list-style-type: none"> •By contributing to Council’s database of public information 	<p>Vibrant and strong communities</p> <ul style="list-style-type: none"> •By providing services which help to protect the community 	<p>Sustainable South Wairarapa</p> <ul style="list-style-type: none"> •By providing services in a sustainably managed way
---	--	---	---

The Activity Goal and Principal Objectives

The public protection activity goal is:

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

The Council’s principal objectives are:

- To ensure that services are provided to meet legislative requirements and reasonable community expectations.
- To ensure that the required services are provided in a cost-effective manner to the community.
- To put in place appropriate operational regimes for all matters relating to public protection.






Assets we Look After

The only assets under this activity are two motor vehicles, a personal safety locator device and a noise measurement device.

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.

Projects for 2018/19 – Public Protection

Following are the projects undertaken for the 18/19 year and progress made.

Project		Progress
Safe and Sanitary Buildings 	Complete project to scan existing building consent files along with all new building consents.	The scanning of offsite stored files has been completed and we have begun scanning the onsite files while also scanning any new applications that come into Council.
Safe Food 	Set up and commence project to scan existing environmental services application and consent/permit records and all new applications.	This project has not been started.
Alcohol 	Commence development and establishment of electronic licence, permit and consent processing within Environmental Services.	This project has not been started.
Alcohol 	Implement the Local Alcohol Policy (LAP) in a manner that is consistent with MDC and CDC and monitor the performance of the DLC and Council processes in implementation of the Act and LAP.	This was implemented during the year and monitoring is ongoing.
Dogs and Animals 	Construct an updated pound facility in Featherston.	Council officers are working with officers from Carterton District Council to investigate the possibility of a joint pound shared by both Councils. It is planned for completion in the 2019/20 financial year.

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.

Statement of Service Performance - Public Protection

PUBLIC PROTECTION: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
Food services used by the public are safe	Premises have appropriate Food Control Plan (FCP) in place and meet the risk based standards set out in the Plan.	100%	100%	100%	<p>The changes to the Food Act 2014 required that businesses had an appropriate Risk Based Measure in place by the end of the transition period (Feb 2019). The total number of premises is subject to change month by month as new businesses open and existing ones close. The number of businesses operating different types of food plans at 30 June 2019 are listed below:</p> <p>Food Control Plan (Food Act) – 97 National Programme - 61</p> <p>This represents 158 registered businesses in total compared with 101 businesses last year. It was anticipated that the Food Act 2014 would increase the number of registered businesses as it requires the registration of more food businesses than previous legislation.</p> <p>The National Programme premises are broken down as follows: 23 National Programme 1 (2017/18: 2) 6 National Programme 2 (2017/18: 2) 32 National Programme 3 (2017/18:13)</p>
	Premises are inspected in accord with regulatory requirements.	100%	100%	76%	<p>74 premises out of 97 inspected at new or renewal application stage. (2017/18: 71) 74 Food Control Plan Verifications (2017/18: 31) 0 Food Hygiene Regulations inspections (superceded) (2017/18: 40)</p> <p>The total number of premises is subject to change month by month as new businesses open and existing ones close.</p>
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%	88%	<p>There were 60 licences due for renewal of which 53 were inspected. (2017/18: 44/44)</p> <p>122 Licences in total at 30 June 2019. The total number of licences is subject to change month by month as new businesses open and existing premises close</p> <p>21 on licence inspections (2017/18: 21) 26 off licence inspections (2017/18: 18) 6 club licences (2017/18: 5)</p>
	Premises that are high or medium risk are inspected annually, while low risk premises are audited no less than once every three years.	88.46%	100%	72%	<p>There are no high risk premises in the district. There are 29 premises that are low or medium risk. Of these, 21 have been inspected. (2017/18: 26/30)</p>
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement.(CLEG)	100%	100%	N/A	<p>One meeting of CLEG with no compliance inspections undertaken this year. 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.</p>
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%	99%	<p>109 noise issues were reported to Council, 108 of which were followed up on either by our after-hours contractor, or by Council Officers. (2018: 88/92) One complaint was not responded to in the required timeframe. -</p>

PUBLIC PROTECTION: MEASURING SERVICE DELIVERY PERFORMANCE (CONTINUED)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18 ACTUAL	2018/19 TARGET	2018/19 ACTUAL	COMMENT
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.	3 visits	New Material produced and distributed	Dog Newsletter sent to all dog owners June 2019	Greytown school holiday programme was visited and a dog education programme was presented to all children ton, Some schools are doing their own education. A dog newsletter was sent to all dog owners in June 2019 with advice re dog management.
	Complaints about roaming and nuisance dogs are responded to within 4 hours.	99.2%	100%	100%	There were 219 complaints received during the year, all of which were responded to within the 4-hour target response time. (2018: 240/242
	Complaints about dog attacks on persons or stock are responded to within 1 hour.	87.5%	100%	100%	There were 20 dog attacks, all of which were responded to in 1 hour. (2018: 21/24).
Stock don't wander on roads, farmers are aware of their responsibilities	Stock causing a traffic hazard is responded to within 1 hour.	100%	100%	100%	There were 28 incidents of wandering stock. All responded to within timeframe. (2018: 16/16)
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	-	80%	74%	The National Research Bureau (NRB) Customer survey was carried out in October 2018. (2017: 81%)
	Regional Civil Defence Emergency Annual Plan achieved.	Yes	Yes	Yes	Council worked with other Councils in the region and WREMO as part of Chief Executives Group (CEG) Subcommittee.
Council's BCA certifies all consented work complies with the building code – ensuring our communities are safe	Code Compliance Certificate applications are processed within 20 working days.	98.9%	100%	100%	All 450 CCC's were processed within 20 working days. (2018: 356/360) In 2018 CCCs exceeded the 20 working day target due to errors in data control.
	Building consent applications are processed within 20 working days.	100%	100%	100%	533 consents with a value of \$48,323,573 were processed this year, all within 20 working days. This compares to 531 consents in 2017/18 with a total value of \$54,878,496.
The Council's BCA 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, BWOFS and Swimming Pools	Yes	Yes	Yes	5303 BC inspections during the year. (2018 total: 3956).
	Earthquake prone buildings (EPB) reports received and actioned.	87%	100%	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. 1 building has been demolished. 14 buildings identified as EPB have been sent notices to be affixed to the building. 2 of the 14 have building consents for strengthening work. Unresolved: 11 buildings are still being assessed by Council's engineers and Council has requested detailed evidence of the performance of the building from another 21 building owners.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Public Protection

2018 Annual Report \$,000		2018 LTP \$,000	2019 LTP \$,000	2019 Actual \$,000
Sources of operating funding				
488	General rates, Uniform Annual General charges, Rates penalties	807	530	531
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
1,080	Fees and charges	768	1,053	1,012
-	- Internal charges and overheads recovered	-	-	-
36	Local authorities fuel tax, fines, infringement fees, and other receipts	58	29	58
1,604	Total operating funding (A)	1,633	1,612	1,602
Applications of operating funding				
1,264	Payments to staff and suppliers	1,328	1,314	1,340
6	Finance costs	9	12	2
228	Internal charges and overheads applied	243	250	264
-	- Other operating funding applications	-	-	-
1,498	Total applications of operating funding (B)	1,580	1,576	1,606
106	Surplus (deficit) of operating funding (A-B)	53	35	(5)
Sources of Capital funding				
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	-	114	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
-	Total sources of capital funding (C)	-	114	-
Applications of capital funding				
Capital Expenditure				
29	- to meet additional demand	-	-	-
-	- to improve the level of service	-	130	-
38	- to replace existing assets	26	31	-
39	Increase (decrease) in reserves	27	(12)	(23)
-	- Increase (decrease) of investments	-	-	-
106	Total applications of capital funding (D)	53	149	(23)
(106)	Surplus (deficit) of capital funding (C-D)	(53)	(35)	23
-	Funding Balance ((A-B)+(C-D))	-	-	-

Economic, Cultural and Community Development

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.

Community Outcomes to Which the Activity Contributes

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

Healthy Economically Secure People	Educated and knowledgeable people	Vibrant and strong communities	Sustainable South Wairarapa
•By contributing to the economic development of the district	•By contributing to the cultural development of the district	•By contributing to the social and community development of the district	•By contributing to the environmental well-being of the district

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:
 1. Making South Wairarapa a safe place for its residents.
 2. Promoting South Wairarapa as a good place in which to live.
 3. Fostering a sense of community pride.
 4. Consulting widely to ensure representative and inclusive policies.
 5. Respecting obligations under the Treaty of Waitangi.

To provide community leadership, facilitation, advocacy and contribute to funding where it can by way of grants.

Assets we Look After

There are no assets that this activity manages.

Projects for 2018/19 – Economic, Cultural and Community Development

Project		Progress
Community Development 	Start project to promote and enhance the district.	Actions taken this year include the Council rebrand and new logo and appointment of a new full-time Communications Manager, to strengthen and build on our communication with our communities. Council has also commenced the revamp of its website.
Economic Development 	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.	Council is working with Masterton District Council (MDC) and Carterton District Council (CDC) on implementing Wairarapa Regional Economic Development Strategy. This Wairarapa-wide strategy was launched in December last year. The Council's CEO represents the District on the Steering Group and the Mayor is on the Governance Group and chairs the Visitor and Tourism Portfolio. Council continues to support Destination Wairarapa via an annual grant.
Water project 	Continued support for the Wairarapa Water project.	Funds were allocated in the 2018/19 financial year to continue to support this project.
Economic Development 	Develop an Economic Development Strategy.	This Wairarapa-wide strategy was prepared in conjunction with MDC, CDC and WREDA and launched in December 2018.
Cycling 	Promote cycle tourism by agreeing to maintain the portion of the proposed cycle trail from Featherston to Masterton that passes through our district.	Council agreed to provide this support to the proposed cycle trail and keeps a watching brief on the project via the joint cycling coordinator and Wairarapa Trails Advisory Group (WTAG).
Community Development 	Commence additional grant funding specifically targeted at the district's youth.	Starting in 2018/19, \$75,000 per year has been set aside to support youth training, development and recreational activities via grant funding.

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.

Statement of Service Performance – Economic, Cultural and Community Development

ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18 ACTUAL	2018/19 TARGET	2018/19 ACTUAL	COMMENT
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	11 grants made	Yes	11 grants made	11 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 11 grants 2017/18.
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	11 grants made	Yes	10 grants made	13 grant applications received during the year, with 10 meeting the grant criteria outlined in the grants policy and funded within the budget. Applications considered by Council on a case by case basis. This compares to 11 grants in 2017/18.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Economic, Cultural & Community Development

2018 Annual Report \$,000	2018 LTP \$,000	2019 LTP \$,000	2019 Actual \$,000
Sources of operating funding			
374	321	448	453
-	-	-	-
1	-	-	-
-	-	-	-
-	-	-	-
17	-	-	-
392	321	448	453
Applications of operating funding			
3	8	1	1
5	1	5	1
66	48	59	62
293	264	458	436
367	321	523	502
24	-	(75)	(49)
Sources of Capital funding			
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Applications of capital funding			
Capital Expenditure			
-	-	-	-
-	-	-	-
-	-	-	-
24	-	(75)	(49)
	-	-	-
24	-	(75)	(49)
(24)	-	75	49
-	-	-	-

Resource Management

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.

Community Outcomes to Which the Activity Contributes

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

Educated and knowledgeable people	Vibrant and strong communities	Sustainable South Wairarapa
<ul style="list-style-type: none">•By contributing to people’s confidence that they can achieve their aspirations	<ul style="list-style-type: none">•By contributing to people feeling safe, are proud to live and have a sense of belonging	<ul style="list-style-type: none">•By ensuring that the District is sustainably managed where economic development and responsible environmental management go hand in hand

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.

Assets we Look After

There are no assets that this activity manages.

Projects for 2018/19 – Resource Management

Project		Progress
District Plan 	Continue to improve the functionality of the District Plan and undertake Council initiated Plan changes where necessary.	Work has continued during the year for a proposed plan change for the Martinborough South Growth Area to provide more residential housing to meet demand. Council has had two rounds of consultation with impacted landowners.
Resource Management 	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.
Water race 	Review residential water race maintenance.	Council engaged Eastern Consulting to undertake a water race review. This work was completed in the 2018/19 year.
District Plan 	Undertake State of Environment (SoE) and Plan Effectiveness Monitoring (PEM) to inform the review of the Wairarapa Combined District Plan (WCDP).	Plan effectiveness monitoring will be undertaken as part of review work for the WCDP.
Spatial Plan 	Commence spatial plan for South Wairarapa District.	A Spatial Plan Discussion Document was produced in July 2019 and Council is currently carrying out initial community engagement to get feedback on the discussion document. This feedback will help shape the content of the Draft Spatial Plan, and resultant South Wairarapa Spatial Plan.
Financial contributions 	Review current financial contributions system and prepare to implement development contributions.	Work has commenced on this and will continue in the 2019/20 year.

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.

Statement of Service Performance – Resource Management

RESOURCE MANAGEMENT MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	97%	100%	89%	168 resource consent applications were processed this year. Of these 150 were completed within statutory timeframes (2018 – 148/152)
	s.223* certificates issued within 10 working days	96%	100%	96%	48 Section 223 applications were received. All but 2 were processed within statutory timeframes (2018 – 48/50)
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	100%	95%	96%	50 Section 224 applications were received. All but two were processed within statutory timeframes (2018 – 50/50)
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”	-	80%	89%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. (2017: 87%)
	The District Plan has a monitoring programme that provides information on the achievement of its outcomes (Anticipated Environmental Results) (AER's)	No	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.
<i>Land Information Memoranda</i>	LIMs contained all relevant/accurate information	100%	100%	100%	276 LIM applications were received compared to 296 in 2018. These were all processed within statutory timelines.
It is easy to purchase information on any property in the district	Non-urgent LIMs processed within 10 days	99.6%	100%	100%	49 urgent LIM applications were received compared to 74 in 2018

NOTES:

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

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Resource Management

2018 Annual Report \$,000	2018 LTP \$,000	2019 LTP \$,000	2019 Actual \$,000
Sources of operating funding			
401	340	478	479
-	-	-	-
-	-	-	-
216	156	173	242
-	-	-	-
9	6	11	14
627	502	662	736
Applications of operating funding			
536	378	525	466
-	-	-	-
77	93	102	107
			-
613	471	627	574
14	31	34	162
Sources of Capital funding			
-			-
424	124	362	443
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
424	124	362	443
Applications of capital funding			
Capital Expenditure			
-	-	-	-
-	-	-	-
1	-	-	-
437	155	397	595
-	-	-	-
438	155	397	595
(14)	(31)	(34)	(152)
-	-	-	-

Amenities

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.

Community Outcomes to Which the Activity Contributes

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

Healthy Economically Secure People	Educated and knowledgeable people	Vibrant and strong communities	Sustainable South Wairarapa
•By providing amenities to assist active communities	•By providing amenities to assist people achieve their aspirations	•By providing amenities for outside communities to feel safe, so that they are proud to live here and have a sense of belonging	•By providing amenities which are sustainably managed

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.

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, Featherston Camp memorial sculpture, 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.

Projects for 2018/19 – Amenities

Project		Progress
Cemetery 	Continue the new cemetery development at Featherston.	Due to other priorities no work has been completed but planned this year 2019/2020.
Library and buildings 	Complete development of Waiyinga Centre.	The Waiyinga Centre was officially opened on 10 December 2018.
Swimming Pool 	Complete pool upgrades.	Shade covers installed on all pools, Featherston pipe work upgrade underway, all new pool covers supplied.
Parks and Reserves 	Development plan for Card Reserve.	A user group has been established and will meet in the first quarter of 2019/20.
Library and buildings 	Connect libraries to Ultra-Fast Broadband (UFB).	Crown Infrastructure advised in April 2019 UFB installations are ahead of original schedule. All three South Wairarapa towns are to have fibre installed for UFB with the Greytown installation underway and scheduled for completion by May 2020, Featherston by March 2021, and Martinborough by December 2021.
Public Toilets 	Provide additional infrastructure for visitors in the district.	Two extra coastal toilets installed at White Rock and North Tora. Water fountain installed in Featherston.
Library and buildings 	Complete feasibility study for extension of the Featherston library. Work with ANZAC Club to establish a development plan for the ANZAC hall.	A Memorandum of Understanding has been signed between SWDC and the ANZAC Club. The electrical upgrade is underway, Kiwi Hall toilet upgrade approved and in planning/design stage.
Sports Facility 	Contribute to the feasibility study for a sports hub proposed by Kuranui College Board of Trustees, Greytown Trustlands Trust and Greytown Sports and Leisure.	This contribution was made and the report was published in March 2019.

Sports Facility

Contribute to the renovation of the cricket wicket block at Soldiers Memorial Park.

This contribution was made and work completed.

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.

Statement of Service Performance - Amenities

AMENITIES: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	-	90%	88%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 88% (2017: 94%) positive response, 3% (2017: 2%) felt they were unable to comment. Council has focussed on improvements to parks and reserves during the year.
Our playgrounds in parks and reserves are safe and enjoyed by the community	Ratepayers and residents are satisfied with Council playgrounds	-	85%	78%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 78% (2017: 82%) positive response, 11% (2017: 12%) felt they were unable to comment. Council is aware that the Greytown playgrounds are reaching capacity and has budgeted in the LTP to provide more playground space. The upgrade of the Martinborough playground is underway as phase two of the Wainga centre project.
	Council playground equipment that meets national standards	100%	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	90%	100%	92%	The pool testing regime in the NZ Standard includes eight tests for water quality and four tests for microbiological contaminants, with test frequencies ranging from three-hourly to monthly. Out of 2281 tests conducted, 2097 (92%) met the required standard. (2018: 90%) 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	-	65%	73%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 73% (2017: 61%) positive response, 17% (2017: 22%) felt they were unable to comment. Council made swimming pool entry free which could be the reason for the increased satisfaction level.
Provision of some low cost housing for the elderly (or in line with Council policy) in each town	Occupancy of pensioner housing	94%	94%	91%	Council provides 14 bedsits and 21 one bedroom units. From the total of 11,680 accommodation available days, 10,602 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	-	80%	71%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 71% (2017: 74%) positive response, 15% (2017: 10%) felt they were unable to comment.)
Cycling embraced in the district	Cycle strategy	Wellington regional trails framework being developed	Tested	Wellington regional trails framework progressing	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). The region wide work has changed the focus on this cycle strategy but also added a depth of knowledge which benefits the district.
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	-	85%	87%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 87% (2017: 85%) positive response, 6% (2017: 7%) 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	27	>3 per library	26	Each of the three libraries held preschool reading winter reading, and summer reading programmes for children. Total programmes for each Library were: Featherston – 16 programmes – including Little Dog Barking Theatre Company, Books to Babies, Book Yoga for Teens and Booktown events Greytown – 4 programmes – including Maths is Fun. Martinborough – 6 programmes – including a monthly book club, Books to Babies and, school holiday crafts
	% of ratepayers and residents satisfied with libraries	-	90%	90%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 90% (2017: 91%) positive response, 6% (2017: 7%) felt they were unable to comment.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Amenities

2018 Annual Report		2018 LTP	2019 LTP	2019 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
2,537	General rates, Uniform Annual General charges, Rates penalties	1,943	2,678	2,689
-	- Targeted rates	-	-	-
10	Subsidies and grants for operating purposes	-	-	16
-	- Fees and charges	-	-	100
-	- Internal charges and overheads recovered	-	-	-
534	Local authorities fuel tax, fines, infringement fees, and other receipts	509	494	436
3,081	Total operating funding (A)	2,452	3,172	3,241
Applications of operating funding				
1,939	Payments to staff and suppliers	1,843	2,119	2,160
149	Finance costs	145	186	172
576	Internal charges and overheads applied	611	645	664
-	- Other operating funding applications	-	-	-
2,664	Total applications of operating funding (B)	2,599	2,950	2,996
417	Surplus (deficit) of operating funding (A-B)	(147)	222	246
Sources of Capital funding				
1,350	Subsidies and grants for capital expenditure	-	-	416
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	(61)	(51)	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
1,350	Total sources of capital funding (C)	(61)	(51)	416
Applications of capital funding				
Capital Expenditure				
2,526	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	1,734
243	- to replace existing assets	387	617	321
(1,002)	Increase (decrease) in reserves	(595)	(447)	(1,482)
-	- Increase (decrease) of investments	-	-	-
1,767	Total applications of capital funding (D)	(208)	171	573
(417)	Surplus (deficit) of capital funding (C-D)	147	(222)	(157)
-	Funding Balance ((A-B)+(C-D))	-	-	-

Land Transport (Roothing and Footpaths)

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 and the relevant provisions of the 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.

Community Outcomes to Which the Activity Contributes

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

Healthy Economically Secure People	Educated and knowledgeable people	Sustainable South Wairarapa	A place that is accessible and easy to get around
<ul style="list-style-type: none">•By advocating for better transport systems for the community with regard to health services, employment opportunities and social services	<ul style="list-style-type: none">•By ensuring land transport, in all its forms, is safe for the community and that it encourages a sense of pride and belonging	<ul style="list-style-type: none">•By ensuring all transport options and telecommunications add to the sustainability of the South Wairarapa	<ul style="list-style-type: none">•By demonstrating advocacy and commitment to achieving improved land transport options and services and telecommunications

The Activity Goal and Principal Objectives

The land transport goal is:

- To improve transport options.
- 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:

- 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 including NZTA agreement.
- To implement policies of South Wairarapa District Council.
- To achieve defined standards of system management.

Assets we Look After

This activity maintains the following assets:

ASSET DESCRIPTION			
PAVEMENT LENGTH (KM)	RURAL	URBAN	TOTAL
Sealed	341.1	68.2	409.3
Unsealed	258.6	1.2	259.8
TOTAL	599.7	69.4	669.1
<i>Guard Rails (m)</i>	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

ASSET DESCRIPTION			
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 2019.

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).

Projects for 2018/19 – Land Transport

Project		Progress
Pavements (Roads) 	Complete an annual reseals programme and re-metaling programme.	Reseals completed under contract C1218 Reseal and Roadmarking. Remetalling completed under contract C1209 the Road maintenance contract.
Structures 	Complete the bridge inspection programme including review for new maximum allowable weight and dimension limits for heavy vehicles (effective December 2017).	Detailed inspections were carried out on 24 bridges, general inspections were carried out on 37 bridges. Maintenance works identified have been prioritised.
Structures 	Develop bridges works programme for 2019/20	This has been completed.
Footpaths 	Renew and extend footpaths as per programme.	Programme completed under joint SWDC CDC footpath contract.
Pavements (Roads) 	Work with NZTA regarding the proposed change in funding for the Special Purpose Road (proposed transition from 100% to 52% subsidy).	Case put forward to NZTA TO limit SWDC financial risk, awaiting outcome from NZTA.
Pavements (Roads) 	Complete approximately 1km seal extensions.	Western Lake Road completed 0.65km in line with budget.

Cycling	Develop a cycle strategy.	Delayed due to regional trail development being introduced
		
Footpaths	Apply to NZTA for footpath maintenance funding.	Completed and received in Regional Land Transport Programme 2018/2021
		

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.

Statement of Service Performance – Land Transport

LAND TRANSPORT: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
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%	97%	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	-	75%	68%	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in October 2018. (2017: 73%)
	5% of sealed roads are resealed each year subject to availability of NZTA subsidy	100%	100%	92%	The total length of road resealed was 18.727 km (2017/18: 21.314 km), which represents 4.6% of the sealed road network in terms of NZTA funding.(2017/18: 5.23%)
	The pavement condition index as measured by the NZTA pavement integrity index	97.5%	95%	97.8%	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	Reduced by 12	Yes	Reduced by 6	There was 1 (2017/18: 7) crash including fatal, serious injury, and minor injury during the year.
	The change in the number of fatalities and serious injury crashes on the local road network	7 Reduced by	<7	Increased by 2	There were 4 fatal or serious injury crashes during the year. (2018: 2)
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	-	65%	62%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 62% (2017: 63%) positive response, 7% (2017: 8%) felt they were unable to comment. Council approved additional spend in footpath maintenance as part of the 2019/20 annual plan.
	Availability of footpaths on at least one side of the road down the whole street (Urban)	72%	90%	72%	Council resolved to repair and refurbish existing footpath stock, rather than construct new footpaths.
	Footpath Condition rating 95% compliant with SWDC AMP Standard	87%	95%	N/A	Footpath surveys carried out with the road condition audits every 2 years. A survey was completed in July 2018.
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	67%	80%	91%	408 requests were received, (2018: 417) most requests have been around adding new footpaths.
	Meet annual plan footpath targets	Yes	Yes	Yes	The Annual plan footpath work agreed was completed. This included 1126 m ² of asphalt overlay and 896 m ² of concrete replacement.

NOTE:

1. Baseline length of footpaths is worked out on the basis that 49,740m length is completed out of total length of 68,800m.
2. Smooth travel exposure (STE) is percentage of travel undertaken on roads with a roughness less than 150 NAASRA (National Association of Stats Roading Authorities) counts. NAASRA counts are a measure of road roughness (reflecting smoothness of road) i.e. the higher the count the rougher the road. Compared to other Councils' roads in New Zealand, South Wairarapa District Council's roads smoothness standard is very high. It is difficult to improve smooth travel exposure further but roads will be maintained to current level with $\pm 5\%$ variation.
3. $\pm 10\%$ variation for reseals is to take into consideration location and site conditions of work.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Land Transport (Roading and Footpaths)

2018 Annual Report		2018 LTP	2019 LTP	2019 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
3,120	General rates, Uniform Annual General charges, Rates penalties	2,818	3,400	3,412
-	- Targeted rates	-	-	-
1,981	Subsidies and grants for operating purposes	2,363	2,454	1,446
-	- Fees and charges	-	-	-
-	- Internal charges and overheads recovered	-	-	-
444	Local authorities fuel tax, fines, infringement fees, and other receipts	409	196	209
5,545	Total operating funding (A)	5,590	6,051	5,068
Applications of operating funding				
2,651	Payments to staff and suppliers	2,295	2,447	2,394
46	Finance costs	56	45	45
560	Internal charges and overheads applied	511	670	698
-	- Other operating funding applications	-	-	-
3,256	Total applications of operating funding (B)	2,862	3,162	3,137
2,288	Surplus (deficit) of operating funding (A-B)	2,728	2,889	1,931
Sources of Capital funding				
1,880	Subsidies and grants for capital expenditure	-	-	880
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	(98)	(119)	-
-	- Gross proceeds from sale of assets	-	-	-
428	Lump sum contributions	128	242	430
-	- Other dedicated capital funding	-	-	-
2,308	Total sources of capital funding (C)	30	122	1,310
Applications of capital funding				
Capital Expenditure				
-	- to meet additional demand	-	-	-
363	- to improve the level of service	126	237	223
2,782	- to replace existing assets	1,874	1,918	1,611
1,452	Increase (decrease) in reserves	758	856	1,313
-	- Increase (decrease) of investments	-	-	-
4,596	Total applications of capital funding (D)	2,758	3,011	3,147
(2,288)	Surplus (deficit) of capital funding (C-D)	(2,728)	(2,889)	(1,837)
-	Funding Balance ((A-B)+(C-D))	-	-	-

Water Supply

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 whether they be provided by public or private means. Council does not maintain water supplies that service single premises that have their own rainwater tanks or bores.

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 4063 connections to the system, with another 230 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. A fourth bore is being constructed to increase the quantity of water available to meet peak demand.

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 ultraviolet (UV) plant and 700,000 litre tank before the existing pipeline crossing the Tauherenikau River. The pipe joins the 4km 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 tank also feeds the Greytown reservoir which holds 450,000 litres before it flows via the 7km gravity trunk main to Greytown. A project is being completed to convert a storage reservoir for treated water to increase it to approximately 8,000,000 litres to the supply to both Featherston and Greytown

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 and storage will change this bore to an emergency supply.

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 then passes through the ultra-violet plant with chlorine disinfection before entering the network. 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.

The groundwater has a high percentage of manganese and other minerals. A temporary manganese removal plant is being constructed to enable a more resilient water treatment process and fully use all the bores. This will allow long term chlorination of the network.

Martinborough – Huangarua

A channel intake is located adjacent to the Huangarua River approximately 200 m north of Hinekura 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 alkylthene, 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 water supply 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.

Community Outcomes to Which the Activity Contributes

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

Healthy Economically Secure People	Vibrant and strong communities	Sustainable South Wairarapa
<ul style="list-style-type: none">•By ensuring that adequate public supplies are provided, at an affordable cost, and that private supplies are properly monitored	<ul style="list-style-type: none">•By ensuring that adequately located and pressured connections for firefighting are provided in reticulated communities	<ul style="list-style-type: none">•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

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.

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).

Projects for 2018/19 – Water Supply

Project		Progress
Water Supply 	Refurbish storage tank for Featherston and Greytown water supply.	Partially completed, lining and cover to be completed before the end of 2019.
Water Supply 	Implement additional bore to supply Featherston and Greytown.	First bore site was dry, however alternative site successful. Headworks to be completed before the end of 2019.
Reduce Water Loss 	Implement leak detection and pipe replacements and renewals to reduce water loss from our water supply system.	Greytown completed in period, with 30% reduction in water losses.
Water conservation 	Implement programme to promote water conservation.	Engagement started to coincide with Martinborough Manganese Removal plant project ahead of summer peak demand period.

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. During the 2018/19 year there were two incidents of positive e-coli tests in the Martinborough water supply which led to boil water notices being put in place. To ensure this doesn't happen in the future and residents and visitors have safe drinking water supplies, Council approved temporary chlorination of the Martinborough water supply and installation of a manganese extraction plant in the 2019/20 financial year to enable the Martinborough water supply to be permanently chlorinated. This will provide a multi barrier approach improving the safety of the drinking water.

Statement of Service Performance – Water Supply

WATER SUPPLY: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority.	440Lt	<400Lt	487 Lt	This result reflects the treated water per resident for the population numbers provided by ID consultants of 6,988 not accounting for any losses. We will be working with Wellington Water to identify what can be done to reduce water consumption to more sustainable levels. Council will be focussing on water conservation messaging going forward to reduce this average consumption to target levels.
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to “mainly complying” or better	100%	100%	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 guidelines 2008*	MBA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	MBA: No GTN: No FTN: No	<p>Water sampling was undertaken on a weekly basis by Council’s Contractor. 488 routine bacteriological samples were taken from the three public supplies with a further 598 follow up samples taken, a total of 1086 samples.</p> <p>The Martinborough drinking water supply was non-compliant as documented in the Lutra report (April 2019). Additional sampling is needed at Greytown and Featherston to meet the monitoring and performance requirements of the drinking water standards and achieve compliance.</p> <p>Wellington Water is reviewing the sampling regime and processes to identify and implement improvements required to achieve compliance across all supplies as soon as possible, following SWDC becoming a shareholder of Wellington Water in October 2019.</p>
	Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards guidelines 2008	MBA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	MBA: No GTN: No FTN: No	<p>The Martinborough WTP performance and monitoring requirements were non-compliant as documented in the Lutra report (April 2019).</p> <p>Further work is needed at Greytown and Featherston to meet the monitoring and performance requirements of the drinking water standards and achieve compliance.</p> <p>Wellington Water is working with us to identify and implement improvements required to achieve compliance across all treatment plants as soon as possible following SWDC becoming a shareholder of Wellington Water in October 2019.</p>
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	29%	20%	28%	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. 160 were tested and 6 hydrants replaced 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: 30% GTN: 42% FTN: 54%	<30%	MBA: 13% GTN: 39% FTN: 9%	<p>Real losses were calculated from the Water NZ benchmarking over the year using meter readings</p> <p>with assumptions for usage by other connections, fire brigade, council etc.</p> <p>Council does not meter amenities or fire hydrants. It is reported that a number of people use the hydrants, including the fire brigade all of which is unmetred.</p> <p>Planned maintenance on Featherston network should see reduced water loss for 2018/19 year.</p>

WATER SUPPLY: Measuring Service Delivery Performance (continued)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
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. (2017/18: 0)
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	0	<15	0	0 complaints received (2017/18: 0)
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	2.49	<15	5.66	23 complaints received (2017/18: 10)
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	4.49	<15	6.65	27 complaints received (2017/18: 18)
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	1.99	<15	5.66	23 complaints received (2017/18: 8)
	Total of all water complaints per 1,000 connections	8.97	<75	17.97	This measure is the accumulated complaints for the above measures, which are recorded in NCS or on the contractor's system. For 2018/19 year was 73, which is 17.97 per 1000 connections. (2017/18: 36 and 8.97) If the complaint is recorded there was a response, this also corresponds to the direction for the National Performance Review sent to Water NZ.
	Ratepayers and residents satisfied with level of service for water	-	65%	69%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 69% (2017: 59%) positive response, 25% (2017: 33%) 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 in < 1 hour	69% Median time 0.85 hrs	75%	77% Median time 0.25 hrs	23 of 30 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%. (2017/18: 24/35)
	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 in < 8 hours	71% Median time 3.52 hrs	90%	88% Median time 1.6 hrs	23 of 26 complaints were achieved. The majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time. (2017/18: 25/35)
	Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 2 working days	77% Median time 0.77 days	75%	71% Median time 0.91 days	321 of 449 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time. (2017/18: 281/367)
	Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm in < 5 working days	81% Median time 1.08 days	85%	87% Median time 1.54 days	391 of 449 complaints were achieved. Majority of the variances were caused by the delay in equipment, and the occurrence of jobs at the same time. (2017/18: 298/367)

NOTE:

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

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Water Supply

2018 Annual Report		2018 LTP	2019 LTP	2019 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
-	General rates, Uniform Annual General charges, Rates penalties	-	-	-
2,255	Targeted rates	2,381	2,333	2,257
-	Subsidies and grants for operating purposes	-	-	-
14	Fees and charges	161	9	15
-	Internal charges and overheads recovered	-	-	-
92	Local authorities fuel tax, fines, infringement fees, and other receipts	55	74	75
2,361	Total operating funding (A)	2,597	2,416	2,347
Applications of operating funding				
1,183	Payments to staff and suppliers	1,286	1,253	1,492
104	Finance costs	100	126	123
336	Internal charges and overheads applied	306	345	361
-	Other operating funding applications	-	-	-
1,622	Total applications of operating funding (B)	1,692	1,724	1,976
739	Surplus (deficit) of operating funding (A-B)	905	692	371
Sources of Capital funding				
229	Subsidies and grants for capital expenditure	-	-	-
247	Development and financial contributions	63	169	237
-	Increase (decrease) in debt	(88)	56	-
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
476	Total sources of capital funding (C)	(25)	225	237
Applications of capital funding				
Capital Expenditure				
-	- to meet additional demand	-	-	19
-	- to improve the level of service	-	161	104
690	- to replace existing assets	371	640	291
524	Increase (decrease) in reserves	509	116	119
-	Increase (decrease) of investments	-	-	-
1,214	Total applications of capital funding (D)	880	917	533
(739)	Surplus (deficit) of capital funding (C-D)	(905)	(692)	(296)
-	Funding Balance ((A-B)+(C-D))	-	-	-

Solid Waste Management

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 are unmanned recycling depots at Tukurumuri and Ngawi. Private collection services are also available in the district including two coastal areas, and disposal of this material is allowed at Council's transfer station. Coastal areas are serviced more frequently during periods of high tourist visitor numbers.

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

4,423 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.

Community Outcomes to Which the Activity Contributes

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

<p>Healthy Economically Secure People</p> <ul style="list-style-type: none">•By providing services which help to protect the health of the community	<p>Vibrant and strong communities</p> <ul style="list-style-type: none">•By providing services which help to protect the safety of the community	<p>Sustainable South Wairarapa</p> <ul style="list-style-type: none">•By providing services in a sustainably managed way
--	--	--

The Activity Goal and Principal Objectives






The solid waste management goal is:



- To provide a reliable and safe solid waste management regime within the district and the Wairarapa region.
- And the Council's principal objectives are:
- To protect the health of the community.
- To protect the environment.
- To minimise waste volumes that require disposal by addressing recycling use and reduction of waste material.
- To work with other councils toward Wairarapa regional solutions.

Assets we Look After

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

Projects for 2018/19 – Solid Waste

Project		Progress
Waste Management 	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.
Waste Collections 	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.	One hard waste collection was carried out: - 6-10 August 2018
Transfer Station 	Improve layout of transfer station.	Minor work was completed this year, but further work is planned in conjunction for the implementation of the resource consent.
Waste Management 	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 included e-waste collection at the transfer station from October 2018 and wheelie bin recycling commencing September 2019.
E-waste 	Implement e-waste collections.	E-waste has been accepted at the transfer station since October 2018.

<p>Recycling</p> 	<p>Implement use of 240 litre recycling bins to supplement current recycling bins.</p>	<p>Planning for the roll out of wheelie bins was completed during the year. Wheelie bin collections commenced in September 2019.</p>
<p>Waste Management</p> 	<p>Investigate ways to promote composting of food waste to reduce waste going to the landfill.</p>	<p>Combined communications for the district have been implemented.</p>

Significant Negative Effects

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

Statement of Service Performance – Solid Waste

SOLID WASTE: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18 ACTUAL	2018/19 TARGET	2018/19 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 0.5%	Decreasing by 2.5% from prior year	Reduced by 6.6%	Refuse measured by weight for the 2018/19 reporting period was 2078 tonnes (2017/18: 2225 tonnes). This has resulted in an decrease of 147 tonnes in comparison to last year's totals.. Recycling tonnages increased by 3.7% at 1224 tonnes compared with 1180 tonnes the previous year.
	% of ratepayers and residents satisfied with the level of service	-	70%	71%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In relation to the recycling collection, in addition to the 71% (2017: 66%) positive response, 14% (2017: 25%) felt they were unable to comment.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Solid Waste Management

2018 Annual Report		2018 LTP	2019 LTP	2019 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
479	General rates, Uniform Annual General charges, Rates penalties	1,247	461	454
685	Targeted rates	-	710	711
	- Subsidies and grants for operating purposes	-	-	12
273	Fees and charges	132	233	304
	- Internal charges and overheads recovered	-	-	-
185	Local authorities fuel tax, fines, infringement fees, and other receipts	151	154	138
1,622	Total operating funding (A)	1,530	1,558	1,619
Applications of operating funding				
1,493	Payments to staff and suppliers	1,367	1,406	1,529
	- Finance costs	-	-	-
136	Internal charges and overheads applied	135	144	152
	- Other operating funding applications	-	-	-
1,630	Total applications of operating funding (B)	1,502	1,551	1,681
(7)	Surplus (deficit) of operating funding (A-B)	28	8	(62)
Sources of Capital funding				
	- Subsidies and grants for capital expenditure	-	-	28
	- 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)	-	-	28
Applications of capital funding				
Capital Expenditure				
	- to meet additional demand	-	-	5
	- to improve the level of service	-	261	28
11	- to replace existing assets	28	75	-
		-	-	-
(19)	Increase (decrease) in reserves	-	(329)	(101)
	- Increase (decrease) of investments	-	-	-
(7)	Total applications of capital funding (D)	28	7	(68)
7	Surplus (deficit) of capital funding (C-D)	(28)	(7)	96
	Funding Balance ((A-B)+(C-D))	-	-	-

Wastewater (Sewerage)

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 4,209 pans are connected to the system with a further 260 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 south 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 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 Pa 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 has installed new pumps for the UV disinfection plant and irrigation to a new irrigation system to 35 hectares of land. The first treated wastewater was discharged to land in Greytown in May 2019, with full operation to 30 hectares of land due in Spring 2019.

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 to an adjacent 6 hectares of land in November 2017.

A few households in Martinborough are still operating off septic tanks and are 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 and the 1.8km of Polyethylene replaced in 2019. There has been the greatest use of earthenware and asbestos-cement pipe with decreasing amounts of reinforced concrete, uPVC and fibrolite. The use of uPVC is increasing.

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 98%) 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.

Community Outcomes to Which the Activity Contributes

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

<p>Healthy Economically Secure People</p> <ul style="list-style-type: none">•By ensuring that adequate public systems are provided, at an affordable cost	<p>Sustainable South Wairarapa</p> <ul style="list-style-type: none">•By ensuring that all of the reticulated systems operate as efficiently as possible; that the conditions are complied with
---	---

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.

Assets we Look After






In the South Wairarapa district, there are four wastewater community systems. There are 4,209 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.

Projects for 2018/19 – Wastewater

Project		Progress
Wastewater 	Continued programme of wastewater reticulation repairs and renewals.	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.
Wastewater 	Progress consent application lodged March 2017 for Featherston wastewater implementation, including notifying the consent and public consultation followed by the consent hearing.	Council is working with the Regional Council to progress the application, and has carried out public engagement on the proposed wastewater to land scheme. The hearing has been delayed to enable additional technical analysis to inform the consent process.
Installations 	Install ultra-violet disinfection for the Greytown effluent discharge and apply for land irrigation consents by September 2018.	The UV installation was started in September 2018 and discharge to land commenced for Greytown in May 2019.
Wastewater 	Increase the capacity of the main to Greytown wastewater treatment plant (WWTP).	This project was delayed for redesign and will be retendered for completion in 2019/2020.
Installations 	Install new gravity main in Featherston.	1800m of gravity main replaced in Featherston, with an early indication of reduction of infiltration in excess of 30%.

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.

consent process ensures health, environmental, and cultural considerations are taken into account.

Statement of Service Performance - Wastewater

WASTEWATER: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
Council provides wastewater services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	11.55	<10	10.69	Total of 45 blockages compared to 48 in 2017/18 were attended to, total for wastewater connections numbering 4209 equates to 10.69 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	-	53%	57%	The National Research Bureau (NRB) Customer Satisfaction survey was carried out in October 2018. In addition to the 57% (2017: 49%) positive response, 31% (2017: 45%) felt they were unable to comment. This improvement in satisfaction could be as a result of Council putting in place disposal of treated wastewater to land in Greytown and Martinborough.
	Number of dry weather wastewater overflows per 1000 connections	0.72	<10	0	There were no recorded blockages that resulted in overflows within properties during dry weather (2017/18: 3).
	Attendance time: from notification to arrival on site < 1 hour	65% Median time: 0.78 hrs	70%	40% Median time: 1.07 hrs	18 of 45 were achieved. (2017/18: 43/66) 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 contractor's system. For example, the KPI success on contractor's system records it as 98%.
	Resolution time: from notification to resolution of fault < 4 hours	67% Median time: 1.95 hrs	75%	38% Median time: 10.3 hrs	20 of 32 were achieved. (2017/18: 44/66) 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*	97%	90%	97%	Annual reports have been produced for the 2018-2019 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 3 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 wastewater odour	0.9 (4)	< 15	0.95 (4)	4 complaints received.
	No. of complaints per 1000 connections received about wastewater system faults	2.93 (12)	< 15	2.38 (10)	10 complaints received.
	No. of complaints per 1000 connections received about wastewater system blockages	11.71 (48)	< 15	6.65 (28)	28 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	89% (59/66)	95%	69% (31/45)	31 of 45 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.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Wastewater

2018 Annual Report \$,000		2018 LTP \$,000	2019 LTP \$,000	2019 Actual \$,000
Sources of operating funding				
-	General rates, Uniform Annual General charges, Rates penalties	-	-	-
2,004	Targeted rates	2,069	2,054	2,032
-	Subsidies and grants for operating purposes	-	-	-
-	Fees and charges	-	-	19
-	Internal charges and overheads recovered	-	-	-
335	Local authorities fuel tax, fines, infringement fees, and other receipts	292	331	297
2,338	Total operating funding (A)	2,361	2,384	2,348
Applications of operating funding				
616	Payments to staff and suppliers	700	730	807
469	Finance costs	738	558	500
288	Internal charges and overheads applied	242	294	374
-	Other operating funding applications	-	-	-
1,372	Total applications of operating funding (B)	1,680	1,582	1,681
966	Surplus (deficit) of operating funding (A-B)	681	802	667
Sources of Capital funding				
-	Subsidies and grants for capital expenditure	-	-	-
433	Development and financial contributions	24	264	365
-	Increase (decrease) in debt	202	438	2,400
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
433	Total sources of capital funding (C)	226	702	2,765
Applications of capital funding				
Capital Expenditure				
6	- to meet additional demand	-	588	0
1,020	- to improve the level of service	575	1,175	4,280
117	- to replace existing assets	214	511	776
256	Increase (decrease) in reserves	118	(769)	(1,707)
-	Increase (decrease) of investments	-	-	-
1,400	Total applications of capital funding (D)	907	1,505	3,349
(965)	Surplus (deficit) of capital funding (C-D)	(681)	(802)	(584)
-	Funding Balance ((A-B)+(C-D))	-	-	-

Stormwater Drainage

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.

Community Outcomes to Which the Activity Contributes

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

Vibrant and Strong Communities	Sustainable South Wairarapa
•By ensuring that people feel safe and are proud to live in	•By ensuring that the stormwater systems, whether Council's or private, operate as efficiently as possible

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.

Assets we Look After

This activity owns and maintains all pipes and pits that collect and discharge storm water in the district. The majority of the stormwater network is constituted by the kerb and channelling of the road network.

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

Projects for 2018/19 - Stormwater

Project	Progress	
Stormwater 	Continue renewal and upgrading of stormwater drains.	A planned stormwater drain was due to be upgraded in conjunction with a building extension. Delays for this building extension have meant this work is now planned for 2019/20.

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.

Statement of Service Performance - Stormwater

STORMWATER: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVELS	KEY PERFORMANCE INDICATORS	2017/18	2018/19	2018/19	COMMENT
		ACTUAL	TARGET	ACTUAL	
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	-	58%	48%	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in October 2018. In addition to the 48% (2017: 57%) positive response, 20% (2017: 20%) felt they were unable to comment. The drop in satisfaction could be the result of increased flooding events after large rainfall.
	% 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 13 blockages for 2018/19. All responded to within 5 hours. 12 blockages were reported in 2017/18. All were responded 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 abatement notices were issued.
	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 13 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.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2019 for Stormwater Drainage

2018 Annual Report \$,000	2018 LTP \$,000	2019 LTP \$,000	2019 Actual \$,000
Sources of operating funding			
232	226	198	199
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
10	6	6	7
242	232	205	206
Applications of operating funding			
50	52	51	34
6	8	5	8
71	76	65	-
-	-	-	-
127	136	121	42
115	96	84	164
Sources of Capital funding			
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Total sources of capital funding (C)	-	-	-
Applications of capital funding			
Capital Expenditure			
-	-	-	-
-	-	-	-
-	54	55	-
115	42	29	157
	-	-	-
115	96	84	157
(115)	(96)	(84)	(157)
-	-	-	-

Glossary

Te Kuputaka

AMP	Asset Management Plan
BERL	Business and Economic Research Limited
BCA	Building Consent Authority
CCO	Council Controlled Organisation
CDC	Carterton District Council
CDEM	Civil Defence and Emergency Management
DLC	District Licencing Committee
GIS	Geographical information system
CEG	Chief Executives Group
GST	Goods and Services Tax
GWRC	Greater Wellington Regional Council
LAP	Local Alcohol Policy
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)
MDC	Masterton District Council
NAASRA	National Association of Australia State Roading Authorities
NZTA	New Zealand Transport Agency
NRB	National Research Bureau
PBE IPSAS	Public Benefit Entity International Public Sector Accounting Standard
PBE IFRS	Public Benefit Entity International Financial Reporting Standard
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
SWDC	South Wairarapa District Council
uPVC	Unplasticised polyvinyl chloride
UV	Ultraviolet
VESTED CAPITAL	Capital Expenditure on Assets by Others with Ownership Vested in Council.
WTP	Water treatment plant
WWL	Wellington Water Limited
WWTP	Wastewater treatment plant
XRB	External Reporting Board