



**SOUTH WAIRARAPA
DISTRICT COUNCIL**

Kia Reretahi Tātau

Annual Report

For the year ended 30 June 2020

Pūrongo-ā-Tau 2019-20

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

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Adopted by Council

17 December 2020

South Wairarapa District Council

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Ngā Rārangī Take

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Directory

Te Pukapuka Taki

<u>COUNCIL</u>	<u>OFFICE LOCATIONS</u>	<u>SENIOR STAFF</u>
<p style="text-align: center;">HIS WORSHIP THE MAYOR Alex Beijen</p> <p style="text-align: center;"><u>COUNCILLORS</u> Cr Garrick Emms (Deputy Mayor) Cr Pam Colenso Cr Rebecca Fox Cr Leigh Hay Cr Brian Jephson Cr Pip Maynard Cr Alistair Plimmer Cr Ross Vickery Cr Brenda West</p> <p style="text-align: center;"><u>COMMUNITY BOARDS</u></p> <p style="text-align: center;"><u>FEATHERSTON</u> Mark Shepherd (Chair) Claire Bleakley (Deputy Chair) Sophronia Smith Jayson Tahinurua Cr Garrick Emms Cr Ross Vickery</p> <p style="text-align: center;"><u>GREYTOWN</u> Ann Rainford (Chair) Shelley Symes (Deputy Chair) Simone Baker Graeme Gray Cr Rebecca Fox Cr Alistair Plimmer</p> <p style="text-align: center;"><u>MARTINBOROUGH</u> Mel Maynard (Chair) Aidan Ellims (Deputy Chair) Nathan Fenwick Michael Honey Cr Pam Colenso Cr Pip Maynard</p>	<p style="text-align: center;"><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 style="text-align: center;"><u>FEATHERSTON SERVICE CENTRE</u> The Library Fitzherbert Street Featherston Phone 308 9030 e-mail featherston@swdc.govt.nz</p> <p style="text-align: center;"><u>GREYTOWN SERVICE CENTRE</u> Greytown Town Centre Main Street Greytown Phone 304 9061 e-mail greytown@swdc.govt.nz</p>	<p style="text-align: center;">Chief Executive Officer Harry Wilson</p> <p style="text-align: center;">Group Manager Planning and Environment Russell O'Leary</p> <p style="text-align: center;">Group Manager Partnerships & Operations Euan Stitt</p> <p style="text-align: center;">Chief Financial Officer Katrina Neems</p> <p style="text-align: center;">Policy and Governance Manager Karen Yates</p> <p style="text-align: center;">Communications Manager Amy Wharram</p> <p style="text-align: center;">Human Resources Manager Kim Rudman Until October 2020</p> <p style="text-align: center;"><u>AUDITORS</u> Audit New Zealand On behalf of the Auditor-General John Whittal</p> <p style="text-align: center;"><u>BANKERS</u> Bank of New Zealand Johan Otto</p> <p style="text-align: center;"><u>KEY LENDER</u> Local Government Funding Agency</p> <p style="text-align: center;"><u>INSURANCE BROKERS</u> Marsh Limited, Wellington Darren Williamson</p> <p style="text-align: center;"><u>SOLICITORS</u> Gawith Burrige Masterton Adam Parker - Partner</p>

Mayor and Chief Executive's Report

Te Pūrongo o te Mea me te Timuaki

What a year it has been – from water woes, joining Wellington Water and beginning to fix the failing infrastructure and then, COVID-19 lockdown and recovery. It has been a year of huge change and challenge – one we will never forget.

The new Council took office in October, part way through the second year of implementation of the Long Term Plan (LTP) and just a few weeks before joining Wellington Water. Harry Wilson started as the new Chief Executive in June 2019 and in November SWDC celebrated 30 years of existence, since amalgamation of the three town borough councils and the Featherston County Council.

It has been a hard year but there have been some wins and highpoints along the way – we now have an inhouse climate change advisor; we received a record level of community engagement in our Annual Plan consultation; we committed to a rethink of our approach to wastewater disposal; and due to our involvement in Pack the Bus, for the first time children in need across South Wairarapa were visited by Santa.

Significant events

Elections and by-elections

The new Council, comprising six new and four returning members, was sworn in on 30 October 2019. New faces at the council table included Alex Beijen as Mayor and former Chair of the Greytown Community Board Leigh Hay as a councillor. Councillor Garrick Emms was appointed Deputy Mayor. Martinborough Community Board had a total refresh of membership. Greytown Community Board was completed by by-election in February; and Featherston Community Board after by-election in February, and then by a further appointment following the resignation of Indigo Freya.

Under the direction of the new Council, eight groups and subcommittees were disestablished to reduce costs, and we began filming meetings and publishing videos online to improve transparency.

Partnering with Wellington Water

As voted for by the former administration, Council became a shareholder of the council-controlled organisation Wellington Water Limited on 1 October 2019. This means that Council's drinking water, wastewater and stormwater assets are now managed by Wellington Water, while ownership of the assets remains with the Council. Wellington Water provides a level of specialist expertise and resource that would be unaffordable for a small council such as ours. Decisions on service levels and investment in water assets continue to be made by the Council's elected members.

Wellington Water's review of drinking water supply

Wellington Water engineers moved quickly to complete an extensive review of drinking water infrastructure to reveal the critical work needed to deliver clean, clear, safe and secure drinking water to our towns. Almost immediately following the review, Council approved \$500,000 to start urgent work, and a further \$2.8 million was allocated in the 2020/21 year to undertake further work to achieve compliance with national drinking water standards.

Water incidents

In January, issues at the Martinborough Wastewater Treatment Plant resulted in two incidents of discharge of partially treated wastewater into the Ruamāhanga River. A full post-incident investigation was carried out and Wellington

Water agreed to undertake a restorative justice process. Wellington Water has been instructed to publicly notify any such breeches as they happen in the interests of transparency.

In June, following prolonged wet weather, a land slip resulted in a breakage to the mains water pipe supplying Featherston, causing a major water outage to the town approximately 12 hours and a subsequent, precautionary boil water notice that lasted five days.

Dry summer heightens water restrictions

We experienced an exceptionally dry summer leading to higher level water restrictions being enforced in all three towns at various times. Martinborough's total outdoor water restrictions were the most enduring while the town was supplied by only one bore, due to the other two having too high levels of manganese to be chlorinated. Dry conditions and increasing water use, plus some water pump issues, contributed to all three towns having a total outdoor water ban during January through to early February. All town communities responded exceptionally well to the restrictions and conservation measures. Together we managed to navigate our way through with everyone playing their part – thank you! Though we are well on the way to fixing these issues, there will be times when water conservation is necessary to meet resource consent consents and protect our aquifers.

Establishment of Ruamāhanga Roads

Council embarked on a joint roading contract with Carterton District Council that was awarded to Fulton Hogan from 1 July 2019. The aim of the collaboration is to deliver a more efficient, consistent and cost-effective service for ratepayers.

Climate change appointment

Also, in partnership with Carterton District Council, we appointed a climate change advisor to guide the councils on what meaningful action should be taken to mitigate the effects of climate change, including advising council on its operations and providing information to the community about actions they can take.

Māori Standing Committee Chair resignation

In June, Raihania *Tipoki*, Chair of the Council's Māori Standing Committee (MSC), resigned following five years on the Committee, including four years as Chair. The Committee continues under the capable leadership of Chair Narida Hooper and we look forward to working closely to continue to build strong relationships with iwi, hapū and marae in our district.

Disruption of COVID-19 pandemic

Last, but the most significant, of all the events has been the impacts of COVID-19 and lockdown, which spanned for seven weeks from March to May. This had a significant impact on the social and economic wellbeing of our community, and the effects are continuing to be felt.

The three Wairarapa councils united to prevent the spread of COVID-19 through the district by urgently advising the public to adhere to government advice. In response to the threat of community transmission in Wairarapa, the three councils with Wellington Regional Emergency Management Office (WREMO) and Greater Wellington Regional Council came together to establish the Wairarapa Emergency Operations Centre (EOC), which was operational from 22 March to 29 May.

During this time, Council staff worked to deliver services in adherence with central government and SOLGM advice and guidelines; helped resource the EOC; and quickly adopted new technologies and ways of working to enable the Annual Plan consultation to continue in order to meet legislative timeframes.

Council Projects

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

Permanent chlorination of Martinborough's water

Following the two boil water notices in Martinborough in February and April, the previous financial year, in September officers released a Lessons Learned Report and the Council voted in favour of permanently chlorinating the town's water. The chlorination decision was made to provide robust, multi-barrier protection to prevent future contamination, but due to the reaction of chlorine with manganese-heavy water, it required the installation of the manganese reduction plant (MRP) to be brought forward. Investment for the plant had been agreed in the 2018/28 Long Term Plan process and was initially planned for 2021.

While waiting for the installation and functional performance of the MRP, Martinborough town's water supply was down to only one bore, which resulted in summer water restrictions being stricter and over a longer period than previous years.

Featherston wastewater treatment plant upgrade

Cleaning up the district's waterways continues to be a Council priority, with the upgrade of wastewater treatment in all three towns being one of Council's largest projects. So far, 35-year consents have been granted for wastewater irrigation to land in both Greytown and Martinborough.

During the financial year, Council continued to work towards obtaining a similar consent for the Featherston wastewater scheme. Due to the considerable feedback received against the proposal, Council undertook community engagement the better understand the concerns and new investigations to better understand the potential impact on the environment.

At a meeting in March, Council reviewed the options for moving forward with the project and decided to withdraw the current application, to have a rethink based on modern technology and climate change mitigation, with the aim of designing and building a future-proofed wastewater disposal solution for the town.

Water conservation

With the aim of increasing awareness and understanding of water conservation, working with Wellington Water, we have increased promotion of conservation messaging via multiple communication channels, including radio, social media, posters, media and our quarterly newsletter *Community Focus*. We have also added educational content to our website about water metering, household thresholds and fixing leaks and carried out extra meter readings to identify water leaks.

Solid waste

Working with the other two Wairarapa Councils and contractor Earthcare, in September, we launched the new wheelie bin recycling kerbside collection to encourage residents to recycle more and reduce rubbish going to landfill. We will need to review of our solid waste activities in line with proposed government plans to discourage waste to landfill.

Adopted and implemented new bylaws

The updated consolidated bylaws for Wairarapa came into force for all three districts in July. The bylaws cover multiple topics that include activity that can and can't be done in public spaces, prevention of nuisance from fire and smoke, the keeping of animals, and water supply.

Update to the Register of Notable Trees

At the start of the financial year, Council concluded the public consultation on a plan change to update the Register of Notable Trees for the district. This was the first time the register had been updated since 2011. Updates were to take into account trees that no longer existed, as well as new expert thinking about what makes a tree notable.

Spatial Planning

In July we concluded the early engagement phase on the South Wairarapa Spatial Plan project, which involved asking the community how they want South Wairarapa to look in the future. The Spatial Plan work, including engagement, continues in the 2019/20 financial year combined with the Long Term Plan (LTP) engagement and consultation process. The Spatial Plan will provide a blueprint for the next thirty years and will help 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. By aligning the LTP with the Spatial Plan we are making best use of resources while achieving integrated strategic planning.

Positive Ageing Strategy

In August, we launched the Positive Ageing Strategy, which was adopted by Council in May. The Strategy was developed by the three Wairarapa councils to prepare for the region's rapidly ageing community. The Strategy outlines the way in which the councils will work together to improve and integrate their work for our older people. Extensive local research and consultation were undertaken as part of this process.

Climate Change Strategy

A draft of the Ruamāhanga Climate Change Strategy, a joint strategy with Carterton District Council, was developed and adopted by Council in March. The finalised Strategy was released later, in early July 2019, after data from the Wellington Region Greenhouse Gas (GHG) Inventory was incorporated. As well as including the data on GHG emissions, the Strategy sets out the actions the councils will take in the course of their daily operations to reduce them.

Construction of Waihinga Centre Playground

The second phase of the Waihinga Centre Project was completed by the Waihinga Charitable Trust with the help of the community fundraising. The Centre now has a playground outside the front of the centre, which is enjoyed by children living in and visiting Martinborough.

Wairarapa economic development

Throughout the year, Council continued its involvement in economic development both regionally and locally through the Wairarapa Regional Economic Development Strategy, Wellington Regional Strategy, Business Wairarapa, and other agencies and local business groups. Council also continued to support and promote district tourism through its funding of Destination Wairarapa.

The Wairarapa COVID-19 Recovery Joint Committee was established in June to lead the region's recovery from the impacts of COVID-19. The Committee's role is to oversee the development and implementation of the Wairarapa Recovery Plan, which is to provide direction on restoring and enhancing the community's social, economic, environmental and cultural wellbeing.

Community development

Mid-lockdown we appointed to the new position of Community Development Coordinator, initially a shared with Carterton District Council, however, following further scoping the role will transition to a fulltime role in the 2020/21 financial year. This move gives us greater capacity to work in partnership with residents, community groups, agencies,

community boards and councils. The objective of the role is to develop, coordinate and provide a wide range of initiatives, programmes, services and/or policies that enhance community wellbeing and aspirations.

Starting in 2018/19, \$75,000 per year was set aside to support youth training, development and recreational activities. Last year, approximately \$70,000 was awarded to six different community youth initiatives, including to fund wellbeing services at Kuranui College and part-fund the Wairarapa Whanau Trust.

Council continues to work to strengthen ties with Māori. Working with the Māori Standing Committee, we are reviewing its terms of reference and identifying opportunities to develop our partnership working. During the year, council officers attended Māori language classes and the Executive Leadership Team, elected members and members of the MSC will together attend Treaty of Waitangi training at Hau Arika Marae later this year, which was postponed due to COVID-19.

Financial Performance

Overall the financial results in this Annual Report are pleasing. A surplus was achieved, the result of increased development in the district, and the annual cyclical revaluation of assets. Operational expenditure exceeded budget, with the delivery of the three waters programme placing greater than expected demand on costs.

Non-financial Performance

Full details of all performance indicator targets and actual results can be found for each significant activity in the relevant section of the Annual Report. Council decided against conducting a customer survey this year affecting the measurement of some targets. A new survey will be conducted early 2021 to inform the Long Term Plan and following years Annual Report.

As a result of Wellington Water not meeting Department of Internal Affairs' requirements of accurate reporting of all fault response times, AuditNZ could not verify these measures to their satisfaction, resulting in a modified audit opinion. In future, Wellington Water understands its responsibility to ensure service requests are recorded correctly in accordance with the Auditing and Assurance Standards.



Alex Beijen

Mayor

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



Harry Wilson

Chief Executive Officer

A handwritten signature in black ink, appearing to be '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 2020 fairly reflect the financial position, operations and service performance of the South Wairarapa District Council.

Alex Beijen

Mayor



Date: 17 December 2020

Harry Wilson

Chief Executive Officer



Date: 17 December 2020

Independent Auditor's Report

To the readers of South Wairarapa District Council's annual report for the year ended 30 June 2020

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 17 December 2020. This is the date on which we give our report.

Opinion

Unmodified opinion on the audited information, excluding the statements of service performance

In our opinion:

- the financial statements on pages 15 to 20 and pages 22 to 56:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2020;
 - 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 Reporting Standards;
- the funding impact statement on page 21, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;

- the statement about capital expenditure for each group of activities on pages 72 to 126, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s annual plan; and
- the funding impact statement for each group of activities on pages 72 to 126, 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.

Qualified opinion on the statements of service performance

In our opinion, except for the possible effects of the matters described in the *Basis for our qualified opinion* section of our report, the statements of service performance on pages 65 to 125:

- presents fairly, in all material respects, the District Council’s levels of service for each group of activities for the year ended 30 June 2020, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand;

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 57 to 59, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s audited information and, where applicable, the District Council’s long-term plan and annual plans.

Basis for our qualified opinion

Six councils, including the District Council, are joint shareholders in Wellington Water Limited (Wellington Water). Wellington Water manages the six councils’ water assets and services on their behalf. A Committee represented by a member of each shareholding council monitors the performance of Wellington Water. Wellington Water reports its performance in respect of water services to the six councils, which are required to report thereon in their respective statements of service provision.

We identified some significant issues with the performance measures as described below.

Fault response times – Water supply, Wastewater and Stormwater

Wellington Water was unable to accurately report on fault response times for each of the three water services. The information produced by the system used to report on fault response times was not reliable because attendance and resolution times for service requests were not always recorded at the point in time they occurred.

Number of dry weather sewerage overflows – Wastewater

Wellington Water was unable to accurately report the number of dry weather sewerage overflows, as the system used for recording events included blockages in the wastewater network that did not necessarily result in an overflow.

As a result of these issues, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the reported results for the performance measures described above.

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 qualified opinion on the audited information.

Emphasis of matter – Impact of Covid-19

Without further modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the District Council as set out in Note 30 to the financial statements and page 65 of the statements of service performance.

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 annual plan.

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

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

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 129, but does not include the audited information and the disclosure requirements.

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

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we

conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

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

In addition to our audit of the audited information and our report on the disclosure requirements, we have performed a limited assurance engagement related to the District Council's debenture trust deed which is compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.



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 2020

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

Actual 2018/2019 \$,000		Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
Operating Revenue				
14,229	Rates	2	15,074	14,888
450	Finance revenue	3	389	634
1,862	Fees, licences, charges		1,800	2,009
2,326	New Zealand Transport Agency subsidy		3,170	2,412
432	Grants, subsidies and donations	4	316	215
562	Rentals		586	613
1,193	Assets vesting in council	4	1,579	-
1,475	Development and financial contributions		1,116	1,136
289	Miscellaneous revenue	5	334	248
22,818	Total operating revenue		24,365	22,155
Operating Costs				
1,648	Public protection & health		1,843	1,811
502	Economic, cultural & community development		505	564
577	Resource management		843	724
3,509	Amenities		3,749	3,613
5,402	Land transport		6,379	5,449
2,997	Water supply		3,313	2,714
1,690	Solid waste management		1,788	1,655
2,200	Wastewater		2,497	2,133
159	Stormwater drainage		345	248
1,071	Governance, leadership & advocacy		1,352	1,160
26	Rate debtors written off		-	30
89	Bad debts		19	-
0	Loss on Share revaluation		-	-
459	Impairment of assets		767	-
1	Loss on disposal of assets		58	-
20,331	Total operating costs		23,458	20,101
2,487	Total Operating Surplus/(Deficit)		907	2,054
665	Other gains & losses	6	2,376	-
3,152	Total Surplus/(Deficit)		3,284	2,054
Comprehensive Revenue and Expense				
2,656	Increase/(decrease) in revaluation reserves		170	-
2,656	Total other comprehensive revenue and expense		170	-
5,809	Total comprehensive revenue and expense		3,454	2,054
Note: Operating costs include the following expenses:				
4,565	Depreciation	8	4,816	4,605
37	Amortisation	8	34	9
618	Finance costs	3	628	614

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 2020

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

Actual 2018/2019 \$,000	Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
444,261	Equity at start of year	450,070	452,370
5,809	Total comprehensive revenue and expense	3,454	2,055
450,070	Equity at end of year	453,524	454,425

Statement of Financial Position as at 30 June 2020

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

Actual 2018/2019 \$,000		Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
ASSETS				
Current assets				
4,466	Cash and cash equivalents	9	2,203	12,126
8,871	Investments	11	11,700	7,283
2,271	Debtors and other receivables	10	2,300	2,671
12	Inventories		54	17
1,500	Non-current assets held for sale	12	-	-
17,119	Total current assets		16,258	22,097
Non-current assets				
248	Investments	11	269	500
Other Financial assets:				
81	-Investment in CCOs and other similar entities	11	131	-
1	-Investment in other entities	11	1	-
82	Total other financial assets		133	500
9,100	Investment properties	13	11,223	8,468
87	Intangible assets	14	53	265
447,073	Property, plant and equipment	15	452,025	448,031
456,590	Total non-current assets		463,702	457,264
473,710	Total assets		479,959	479,361
LIABILITIES				
Current liabilities				
2,856	Creditors and other payables	16	3,655	2,423
425	Employee entitlements	17	404	290
34	Provisions - current portion	18	35	34
5,000	Borrowings - current portion	19	5,700	911
8,316	Total current liabilities		9,793	3,658
Non-current liabilities				
424	Provisions - non-current portion	18	443	445
14,900	Borrowings - non-current portion	19	16,200	20,833
15,324	Total non-current liabilities		16,643	21,278
Equity				
151,443	Public equity	20	153,237	156,550
25,517	Restricted reserves and trust funds	20	28,264	24,119
273,109	Asset revaluation reserve	20	272,022	270,451
0	Other reserves	20	0	3,304
450,070	Total equity		453,523	454,425
473,710	Total liabilities and equity		479,959	479,361

Statement of Cash Flows for Year Ended 30 June 2020

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

Actual 2018/2019 \$,000	Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was received from:			
14,570	Receipts from rates revenue	14,603	14,888
3,712	Government grants & subsidies	3,386	2,628
100	Petrol tax	91	85
3,144	Other revenue	4,419	3,555
4,146	Regional council rates	4,340	2,922
420	Interest on investments	361	614
26,091		27,200	24,691
Cash was applied to:			
15,925	Payments to suppliers & employees	16,538	16,261
4,146	Regional council rates	4,340	2,922
615	Interest paid	625	619
20,686		21,503	19,802
5,405	Net cash flow from operating activities	5,697	4,889
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was received from:			
0	Sale of property, plant & equipment	1,726	-
16,643	Term investments, deposits, shares & advances	18,512	245
16,643		20,238	245
Cash was applied to:			
9,556	Purchase of property, plant & equipment	8,948	7,641
14,638	Term investments, deposits, shares & advances	21,250	1,247
24,195		30,198	8,888
(7,551)	Net cash flow from investing activities	(9,959)	(8,643)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was received from:			
6,400	Drawdown of Public debt	7,000	1,740
6,400		7,000	1,740
Cash was applied to:			
4,000	Repayment of public debt	5,000	-
4,000		5,000	-
2,400	Net cash flow from financing activities	2,000	1,740
254	Net increase/(decrease) in cash held	(2,262)	(2,014)
4,212	Add cash at start of year (1 July)	4,466	21,423
4,466	Balance at end of year (30 June)	2,203	19,409
REPRESENTED BY:			
1,766	Cash and cash equivalents	1,203	222
2,700	Short Term Investments	1,000	19,187
4,466		2,203	19,409

Statement of Special and Separate Funds for Year Ended 30 June 2020

Reserve	Activities to which reserve relates	Opening Balance \$,000	Transfers In \$,000	Transfers Out \$,000	Closing Balance \$,000
District Property	All activities	(1,201)	1,532	(134)	197
To be used for Town Centre Development					
Asset Realisation	All activities	128	171	-	298
Capital gains from the sale of Council Assets that have been realised over time.					
Plantation Reserve	All activities	31	-	(48)	(17)
For road protection schemes and seal extensions in the future.					
Community Board Reserves					
<i>Community Board funds Carried over:</i>					
Featherston	Governance	7	4	(5)	6
Greytown	Governance	9	4	(9)	5
Martinborough	Governance	7	4	(8)	3
Featherston Beautification	Governance	8	11	(1)	17
Greytown Beautification	Governance	31	11	(4)	38
Martinborough Beautification	Governance	53	11	(54)	10
Martinborough Swimming Pool	Governance	18	-	-	18
Restricted Reserves	All activities	996	377	-	1,373
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	(53)	60	(65)	(59)
Moroa	Water	209	73	(68)	214
Trusts					
<i>Campground Memorial:</i>					
<i>Pain Farm</i>	Amenities	7	-	-	7
	Amenities	189	93	(125)	157
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	3,391	740	(1,457)	2,673
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	(4)	-	-	(4)
To Spread the costs of the District plan over the life of the plan					
Loan Redemption Reserve	All activities	2,911	1,866	-	4,778
Depreciation Reserves	All activities	17,772	3,889	(4,219)	17,441
To fund new capital projects					
Martinborough Town Hall Reserve	Amenities	(41)	164	(353)	(230)
Waihinga Centre Project					
Rural Roding Reserve	Roding	900	300	(10)	1,190
Rural Roding					
Housing Reserve	Amenities	(125)	230	(243)	(138)
Housing					
Maintenance Reserve	Amenities	(43)	33	(24)	(35)
To cover maintenance to buildings					
Wastewater Reserve	Wastewater	321	-	-	321
To Spread the initial costs of the Wastewater project - Land					
		25,517	9,574	(6,827)	28,264

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 Roding Reserve	Roding	600	300	-	900
Rural Roding					
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

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 (whole of council)

	2019 Long Term Plan	2019 Annual Report	2020 Annual Plan	2020 Actual
	\$,000	\$,000	\$,000	\$,000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	9,911	9,229	10,286	9,686
Targeted rates	4,387	5,000	4,474	5,389
Subsidies and grants for operating purposes	2,454	1,474	2,412	2,102
Fees and charges	1,468	1,692	1,786	1,644
Interest and dividends from investments	449	498	476	389
Local authorities fuel tax, fines, infringement fees, and other receipts	989	1,432	1,268	1,039
Total operating funding (A)	19,658	19,325	20,703	20,248
Applications of operating funding				
Payments to staff and suppliers	13,197	13,808	13,844	16,424
Finance costs	1,116	921	1,129	916
Other operating funding applications	458	436	485	423
	-	-	-	-
Total applications of operating funding (B)	14,771	15,166	15,459	17,763
Surplus (deficit) of operating funding (A-B)	4,887	4,159	5,244	2,485
Sources of Capital funding				
Subsidies and grants for capital expenditure	-	1,323	-	1,422
Development and financial contributions	795	1,045	842	649
Increase (decrease) in debt	1,007	2,400	1,121	2,000
Gross proceeds from sale of assets	-	-	-	1,726
Lump sum contributions	242	430	494	468
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	2,043	5,198	2,457	6,265
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	1,120	136	397	1,200
- to improve the level of service	2,023	6,368	2,863	3,604
- to replace existing assets	3,985	3,049	4,381	3,844
Increase (decrease) in reserves	(198)	(694)	60	102
Increase (decrease) of investments		-	-	-
Total applications of capital funding (D)	6,930	8,860	7,701	8,749
Surplus (deficit) of capital funding (C-D)	(4,887)	(3,662)	(5,244)	(2,485)

Notes to the Financial Statements

He Kōrero mō ngā Pūrongo Pūtea

Note 1: Statement of Accounting Policies for the Year Ended 30 June 2020

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.

On 26 September 2019, South Wairarapa District Council (SWDC) became a shareholder of Wellington Water Limited (WWL). WWL issued 150 Class A Shares and 25 Class B Shares to SWDC for a total consideration of \$50,000.00, being a 12.50% shareholding. As this is a minority shareholding, the financial results of WWL are not consolidated into the accounts. Instead, the shareholding is held as an investment (included in Note 11). SWDC contracts WWL to carry out the maintenance and development of the Three Waters infrastructure on its behalf.

The financial statements of the SWDC are for the year ended 30 June 2020. The financial statements were authorised for issue by Council on 17 December 2020.

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 RDR 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 are a tax, as they are payable under the Local Government Ratings Act 2002, and therefore meet the definition of non-exchange transactions.

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 Brian Sherman (CMEngNZ, CPEng) of IAMC Consulting, and the valuation is effective as at 30 June 2020.

Assets Held for Sale

Assets held for sale are valued annually at the lower of carrying value and fair value less costs to sell. As at 30 June 2020 there are no assets held for sale. 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 Jaime Benoit (B.App Sci (VFM, AG), MPINZ) of QV Asset & Advisory, and the valuation is effective as at 30 June 2020.

Gains and losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

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.

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 2019/20 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the SWDC for the preparation of the financial statements. Please refer to note 29 for an explanation of significant variances to budget.

Cost Allocation

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

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

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

Critical Accounting Estimates and Assumptions

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

Landfill Aftercare Provision

Note 18 discloses an analysis of the exposure of the SWDC in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural Assets

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

These include:

- The physical deterioration and condition of an asset, for example the SWDC could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimized by the SWDC performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the SWDC could be over and under estimating the annual depreciation charge recognised as an expense in the statement of Comprehensive revenue and expense.
- To minimise this risk, SWDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience.

Asset inspections, deterioration and condition modelling are also carried out regularly as part of the SWDC asset management planning activities, which gives the SWDC further assurance over its useful life estimates.

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

Critical Judgments in Applying the SWDC's Accounting Policies

Management has exercised the following critical judgments in applying the SWDC's accounting policies for the year ended 30 June 2020.

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

PBE IPSAS 41 Financial Instruments

- PBE IFRS 9 was issued as an interim standard by NZASB replacing PBE IPSAS 29 (Financial instruments: recognition and measurement) to address concerns relating to mixed groups. However, it will be superseded by PBE IPSAS 41 as the latter is more closely based on for-profit entities financial instruments standard compared to PBE IFRS 9.

This new standard is effective for annual periods beginning on or after 1 January 2022, with early adoption permitted. The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council is yet to assess 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 2020 \$000	30 June 2019 \$000
General Rates	7,822	7,388
Targeted Rates Attributable to Activities		
Water rates	138	129
Wastewater	2,199	2,032
Water	2,160	2,016
Refuse	719	711
Amenities	1,768	1,729
Total Targeted Rates	6,983	6,618
Total Rates, Excluding Targeted Rates for Water by Meter	14,806	14,006
Targeted Rates for Water by Meter	163	107
Rates penalties	106	117
Total Revenue from Rates and Penalties	15,074	14,229

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 \$20,267 (2019: \$18,842) for the purposes listed below:

	30 June 2020 \$000	30 June 2019 \$000
Rates Revenue Before Remissions	15,096	14,248
Council policy remissions:		
Rural halls	2	2
Sports bodies	5	4
Community organisations	8	5
Conservation	4	8
Other	1	
Total Remissions	20	19
Rates Revenue after Remissions	15,076	14,229

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 2020	30 June 2019
Rating Base Information		
Number of rating units	7,196	7,084
	\$Million	\$Million
Capital Value of rating units	4,821	4,668
Land value of rating units	2,830	2,691

Note 3: Finance Revenue and Costs

	30 June 2020 \$000	30 June 2019 \$000
FINANCE REVENUE		
Interest revenue:		
- term deposits	389	450
Total finance revenue	389	450
FINANCE COSTS		
Interest expense:		
- interest on borrowings	628	618
Total finance costs	628	618

Note 4: Grants, Subsidies and Donations

	30 June 2020 \$000	30 June 2019 \$000
Grants and Subsidies		
Libraries	6	7
Community buildings	-	6
Lotteries grant for Waihinga centre	-	25
Trust House grant for Waihinga centre	-	150
Waihinga Centre Project Stage 2	30	
Mayors Task Force	103	
Water supply	-	-
Miscellaneous	87	9
Donations		
Waihinga Centre Charitable Trust	90	95
Plunket Donation Royal NZ		140
Total grants, subsidies and donations	316	432

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised \$Nil (2019: \$Nil).

Assets Vesting in Council

Vested Infrastructure from property development \$1,574,718 (2019: \$603,678). Other vested assets \$4,382 for tables & benches in Parks & Reserves (2019: \$589,137 for the Featherston Memorial Sculpture).

Note 5: Miscellaneous Revenue

	30 June 2020 \$000	30 June 2019 \$000
Commissions	78	75
Other recoveries	170	114
Petrol tax	86	101
Profit on sale of assets	0	-
Total miscellaneous revenue	334	289

Note 6: Other Gains and Losses

	30 June 2020 \$000	30 June 2019 \$000
Gain/(loss) in fair value of investment property	2,376	665
Gain/(loss) in fair value of properties intended for sale	-	-
Gain/(loss) in fair value of plant, property & equipment	-	-
Total gains/(losses)	2,376	665

Note 7: Personnel Costs

	30 June 2020 \$000	30 June 2019 \$000
Salaries and wages	4,377	3,462
Defined contribution plan employer contributions	108	93
Increase/(decrease) in employee entitlements/liabilities	80	13
Total personnel costs	4,566	3,568

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 2020 \$000	30 June 2019 \$000
EXPENDITURE		
Depreciation		
Roads	1,687	1,590
Bridges	660	658
Water systems	1,082	1,020
Wastewater systems	521	497
Stormwater systems	118	117
Buildings	172	202
Furniture & equipment	180	106
Library collections	167	154
Motor vehicles	34	37
Parks & reserves	47	48
Heritage assets	147	137
	4,816	4,565
Amortisation	34	37
Councillors' remuneration	319	250
Interest expense	639	618
Provision: discount unwinding	(19)	(10)
Rates remissions	20	19
Additional provision for doubtful debts	(9)	63
Superannuation contributions	108	93

Note 9: Cash and Cash Equivalents

	30 June 2020 \$000	30 June 2019 \$000
Cash at bank and in hand	1,203	1,277
Funds held in Trust Term deposits with maturities of less than 3 months at acquisition	-	488
Term deposits with maturities of less than 3 months at acquisition	1,000	2,700
Total cash and cash equivalents	2,203	4,466

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 \$185,811 (2019: \$206,500).

Maturity Analysis and Effective Interest Rates

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

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

2020	\$000
Short term deposits	1,000
Weighted average effective interest rate	0.36%

Note 10: Debtors and Other Receivables

	30 June 2020 \$000	30 June 2019 \$000
Rates receivables	338	290
Other receivables	1,313	1,769
Goods and services tax	501	226
Prepayments	165	102
	2,316	2,387
Less provision for impairment of receivables	(108)	(116)
Total debtors & other receivables	2,229	2,271

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 2020 \$000	30 June 2019 \$000
Collective impairment	108	116
Total provision for impairment	108	116

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

	30 June 2020 \$000	30 June 2019 \$000
At 1 July	117	52
Additional provisions made during the year	9	84
Provisions reversed during the year	-	-
Receivables written off during the year	(19)	(19)
At 30 June	108	117

Note 11: Investments

	30 June 2020 \$000	30 June 2019 \$000
CURRENT PORTION		
Term deposits	11,609	8,791
LGFA borrower notes	91	80
Total current portion	11,700	8,871
NON-CURRENT PORTION		
Held to maturity		
Term deposits	-	-
Advances		
Local authority stock		
LGFA borrower notes	259	238
Other investments	9	9
Total non-current portion	269	248

There were no impairment provisions for other financial assets.

The weighted average interest rate of the investments is 2.24% (2019: 3.31%).

The total value of Term Deposits that can only be used for a specific purpose is \$4,777,745 (2019: \$2,911,353).

Other Financial Assets

	30 June 2020 \$000	30 June 2019 \$000
Investment in CCOs and other similar entities		
Civic Financial Services Limited (53,930 shares)	81	81
Wellington Water (25 shares)	50	-
Total	131	81
Investment in other entities		
Airtel Ltd (4,900 shares)	-	-
Farmlands Trading Society Ltd (699 shares)	1	1
Total	1	1
Total other Financial assets	133	83

Unlisted Shares – Valuation

The fair value of the unlisted shares of Farmlands Trading Society Limited and Wellington Water 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 2020.

Note 12: Non-Current Assets Held for Sale

	30 June 2020 \$000	30 June 2019 \$000
Assets held for sale are:		
Buildings	-	7
Land	-	1,493
Total assets held for sale	-	1,500

During the year to 30 June 2020 SWDC sold properties valued at \$1,500,000 as of 30 June 2019. This sale was approved by Council on 24 February 2016 but had been delayed. SWDC does not currently hold any properties with the intention of sale.

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 2020 \$000	30 June 2019 \$000
Balance 1 July	9,100	8,435
Disposals	-	-
Transfers	(290)	-
Additions	36	-
Fair value gains/(losses) on valuation	2,376	665
Balance 30 June	11,223	9,100

SWDC's investment properties are valued at fair value with the latest valuation effective 30 June 2020. All investment properties were based on open market evidence. The valuation was performed by Jaime Benoit (B.App Sci (VFM, AG), MPINZ) of QV Asset & Advisory.

Contractual obligations in relation to investment properties at balance date but not recognised in the financial statements are nil. There are no capital commitments as at 30 June 2020 (2019: Nil).

Note 14: Intangible Assets

	\$000
Cost	
Balance at 1 July 2018	355
Additions	-
Disposals	-
<i>Balance at 30 June 2019</i>	<i>355</i>
Balance at 1 July 2019	355
Additions	-
Disposals	-
Balance at 30 June 2020	355
Accumulated amortisation and impairment	
Balance at 1 July 2018	230
Amortisation Charge	37
Disposals	-
Balance at 30 June 2019	267
	.
Balance at 1 July 2019	267
Amortisation charge	34
Disposals	-
Balance at 30 June 2020	302
Carrying amount	
Balance at 30 June 2019	87
Balance at 30 June 2020	53

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 2020	Cost/ Revaluation 30 June 2019	Accumulated Depreciation 30 June 2019	Carrying Amount 30 June 2019	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 2020	Accumulated Depreciation 30 June 2020	Carrying Amount 30 June 2020
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
INFRASTRUCTURAL ASSETS												
Roads	317,913	1,590	316,323	2,825	-	-	-	1,687	-	320,738	3,278	317,460
Bridges	22,977	658	22,319	50	-	-	-	660	-	23,027	1,318	21,710
Water systems	25,975	1,020	24,955	1,515	-	-	-	1,082	-	27,490	2,102	25,388
Wastewater systems	18,375	497	17,878	3,459	-	-	-	521	-	21,834	1,018	20,816
Stormwater systems	4,551	117	4,434	152	-	-	-	118	-	4,703	235	4,468
	389,791	3,882	385,910	8,001	-	-	-	4,069	-	397,793	7,951	389,842
OPERATIONAL ASSETS												
Land	35,052	-	35,052	492	-	(170)	-	-	-	35,375	-	35,375
Buildings	7,779	447	7,332	402	-	-	-	172	-	8,182	620	7,562
Furniture & equipment	2,136	1,571	565	508	-	-	-	180	-	2,644	1,751	892
Library collections	1,047	292	755	80	-	-	-	(291)	(288)	839	1	839
Motor vehicles	322	239	82	43	(28)	-	-	5	-	337	245	92
Parks & reserves	443	256	187	17	-	290	-	9	-	751	265	485
Playgrounds	465	37	427	434	-	-	-	37	-	898	75	823
	47,245	2,843	44,402	1,976	(28)	120	-	114	(288)	49,025	2,957	46,069
OTHER ASSETS												
Heritage assets	12,537	235	12,302	164	-	-	-	147	-	12,701	381	12,319
Work in progress	4,460	-	4,460	103	-	-	-	-	*(767)	3,795	-	3,795
Total assets	454,033	6,959	447,074	10,244	(28)	120	-	4,330	(1,055)	463,314	11,289	452,025

* \$767,377.46 of costs related to the Featherston Waste Water to Land project were determined to be related only to the consent application withdrawn in the year. These are therefore sunk costs and have been impaired from the work in progress asset.

There are no restrictions over the title of SWDC's property, plant and equipment assets, nor are any of these 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	14,535	(561)	(3,789)	(460)	4,565	2,761	454,033	6,959	447,074

Depreciation and Amortisation Expense by Group of Activity

	30 June 2020 \$000	30 June 2019 \$000
Land transport	2,349	2,250
Water supply	1,084	1,021
Wastewater	542	519
Amenities	541	530
Stormwater drainage	118	117
Solid waste management	57	8
Public Protection & Health	42	42
Governance, leadership & advocacy	6	6
Resource management	4	4
Economic, cultural & community development		
Total directly attributable depreciation and amortisation by group of activity	4,741	4,497
Depreciation and amortisation not directly related to group of activities	108	105
Total depreciation and amortisation expense	4,850	4,602

Network Assets

	Acquisitions/ Constructed by SWDC \$,000	Transferred to SWDC \$,000	Closing Book Value \$,000	Replacement Cost \$,000
30 June 2020				
Water Supply				
Treatment plants and facilities	961	-	6,414	6,414
Land	-	-	1,141	1,141
Other Assets	554	128	18,974	18,974
Wastewater				
Treatment plants and facilities	361	-	6,830	6,830
Land	492	-	11,150	11,150
Other Assets	3,098	450	13,986	13,986
Stormwater Drainage	152	127	4,468	4,468
Roads and Footpaths	2,875	869	339,170	339,170

	Acquisitions/ Constructed by SWDC \$,000	Transferred to SWDC \$,000	Closing Book Value \$,000	Replacement Cost \$,000
30 June 2019				
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 2020 \$000	30 June 2019 \$000
Trade payables	3,158	2,404
Accrued expenses	227	182
Revenue in advance	-	-
Rates in advance	270	270
Total creditors and other payables	3,655	2,856

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 2020 \$000	30 June 2019 \$000
Accrued pay	91	192
Annual leave	314	233
Total employee entitlements	404	425
Comprising:		
Current	404	425
Non-current		
Total employee entitlements	404	425

Note 18: Provisions

	30 June 2020 \$000	30 June 2019 \$000
Landfill aftercare provision		
Opening balance	458	468
Provision expensed for the year	(35)	(35)
Adjustment to NPV	54	25
Total provisions	477	458
<i>Comprising:</i>		
Current portion	35	34
Non-current portion	443	424
Total provisions	477	458

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 1.22% (2019: 1.94%).

Note 19: Borrowings

	30 June 2020 \$000	30 June 2019 \$000
Current		
Secured loans	5,700	5,000
Total current borrowings	5,700	5,000
Non-Current		
Secured loans	16,200	14,900
Total non-current borrowings	16,200	14,900

Fixed-rate Debt

SWDC's secured debt of \$21,900,000 (2019: \$19,900,000) is issued at fixed rates of interest.

Security

SWDC's loans are secured over either separate or general rates of the district, no assets have borrowings secured against them.

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 2020 \$000	30 June 2019 \$000
PUBLIC EQUITY		
As at 1 July	151,444	149,298
Net transfer (to)/from reserves	(1,490)	(1,007)
Total surplus / (deficit) for the year	3,284	3,152
As at 30 June	153,238	151,444
Restricted reserves & trust funds		
As at 1 July	25,517	24,510
Transfers to fund	9,574	7,871
Transfers from fund	(6,827)	(6,864)
As at 30 June	28,264	25,517
<i>Restricted reserves and trust funds consist of:</i>		
Discretionary reserves	478	(1,043)
Community board reserves	96	132
Restricted reserves	1,373	996
Water race reserves	155	156
Council loan redemption reserves	4,778	2,911
Other reserves	21,219	22,169
Trusts	164	196
Total restricted reserves and trust funds	28,264	25,517
Asset revaluation reserve		
As at 1 July	273,109	270,451
Revaluation gains/(losses)	170	2,702
Other adjustments	(1,257)	(44)
As at 30 June	272,022	273,109
<i>Asset revaluation reserves consist of:</i>		
Land	21,790	23,046
Buildings	3,135	3,135
Heritage assets	3,565	3,565
Library collections	1,429	1,259
Bridges	17,179	17,179
Roading	188,572	188,572
Water	22,431	22,431
Wastewater	8,991	8,991
Stormwater	4,597	4,597
Playground equipment	328	328
Other equipment	8	8
Total	272,022	273,109
Fair value through other comprehensive income reserve		
As at 1 July	-	2
Valuation gains / (losses) taken to equity		
Transfers to statement of financial performance on disposal	-	(2)
As at 30 June	-	-
Other reserves		
As at 1 July	-	-
Adjustments	-	-
As at 30 June	-	-

Note 21: Statement of Capital Commitments and Operating Leases

	30 June 2020 \$000	30 June 2019 \$000
Roading	4,804	6,005
Waste Water	-	756
Water Supply	-	403
Community Buildings & Housing	65	318
Solid Waste	-	9
Intangibles	10	-
Parks & Reserves	28	-
Total capital commitments	4,907	7,490

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 2020 \$000	30 June 2019 \$000
Not later than one year	108	189
Later than one year and not later than five years	92	52
Later than five years	0	3
Total non-cancellable operating leases	200	243

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 2020 \$000	30 June 2019 \$000
Not later than one year	48	32
Later than one year and not later than five years	67	45
Later than five years	-	-
Total non-cancellable operating leases	115	77

Note 22: Contingencies

	30 June 2020 \$000	30 June 2019 \$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.

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.

On 17 August 2020 a settlement was negotiated with CHH. Tom Weston QC who acts for MOE was contacted by CHH with an offer from councils to accept a discontinuance of all claims against them, on the basis that costs lie where they fell – in other words the claims against the councils would be brought to an end and no money changes hands.

Contingent liability for 2020 is \$Nil (2019: \$Nil).

There are no contingent assets for 2020 (2019: \$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 2020, the Council is one of several local authority borrowers and guarantors of the LGFA. The LGFA's loans to local authorities are \$12.5 billion (2019: \$9.8 billion), of which the Council have borrowed \$0.022billion (2019: \$0.025 billion). As a result, the council's cross guarantee on LGFA's loans to other local authorities is \$12.5 billion (2019: \$9.8billion).

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 Party Transactions

Key Management Personnel

During the year councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Council (such as payment of rates and purchase of rubbish bags etc.). All payments were made on a cash basis and no payments were delayed. No interest was charged and there are no outstanding balances as at 30 June 2020. No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2019: \$Nil).

Note 24: Remuneration

	30 June 2020	30 June 2019
	\$	\$
Councillors		
Remuneration	318,971	250,334
Full-time equivalent members	10	10
Senior Management Team, including Chief Executive		
Remuneration	880,413	666,530
Full-time equivalent members	4.5	4
Total key management personnel compensation	1,199,384	916,865

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 senior management team, including Chief Executive.

Chief Executive

The Chief Executive of the SWDC appointed under section 42 of the Local Government Act 2002. Harry Wilson was the Chief Executive for the year ended 30 June 2020. He received a salary of \$250,000. (2019: Harry Wilson \$17,737, Paul Crimp \$216,632).

Elected Representatives

	30 June 2020	30 June 2019
	\$	\$
A Beijen***	66,617	-
V Napier**	24,360	77,209
M Craig**	5,798	18,314
G Emms***	24,502	
R Fox***	19,700	
L Hay	19,706	
B Jephson	27,695	31,010
C Olds	5,799	19,677
A Plimmer***	19,215	
P Ammunson**		9,157
M Gray	5,798	5,268
P Colenso	24,033	18,314
L Carter**	5,799	18,314
C Wright**	5,799	18,314
P Maynard	23,148	18,314
R Vickery***	23,711	16,443
B West	17,289	
Total elected representatives' remuneration	318,971	250,334

	30 June 2020 \$	30 June 2019 \$
Featherston Community Board		
C Bleakley	2,987	3,190
R Ramsden (Chair)*	1,930	6,379
M Shepherd (Chair) ***	5,552	3,190
I Freya	938	3,190
Greytown Community Board		
G Gray**	2,293	
M Gray		2,392
L Hay (Chair)	1,627	6,379
A Rainford (Chair)	5,552	3,190
C Stevenson	965	3,190
S Symes	2,293	
Martinborough Community Board		
A Ellims**	2,293	
N Fenwick**	2,293	
M Honey**	2,293	
M Maynard**	4,588	
F Beattie*	965	3,190
L Cornelissen (Chair)*	1,930	6,379
V Read*	965	3,190
M Roy*	965	3,190
Total Community Board members remuneration	40,430	47,049

* Resigned due to election January 2020

** Elected October 2019

*** Changed role in 2019-20

Council employees	30 June 2020 \$	30 June 2019 \$
<\$60,000	38	42
\$60,000 -79,999	16	14
\$80,000 - \$119,999	10	8
\$120,000-259,999	4	4
Total employees	68	68

Total remuneration includes non-financial benefits provided to employees. At balance date, the council employed 48 (2019: 39) full-time employees, with the balance of staff representing just under 7 (2019: 13) full-time equivalent employees. A full-time employee is determined on the basis of a 40-hour working week.

Severance Payments

Two severance payments were made in 2020. One for \$41,368.00 and the other \$27,898.12. Total severance payments for 2020 were \$69,266.12 (2019: \$14,000).

Note 25: Events after Balance Date

There have been no significant events after balance date.

Note 26: Financial Instrument Categories

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

	30 June 2020 \$000	30 June 2019 \$000
Fair value through profit and loss – held for trading		
Derivative financial instrument assets	-	-
Loans and receivables		
Cash and cash equivalents	2,203	4,466
Debtors and other receivables	2,300	2,271
Other financial assets:		
- Investments	11,700	8,871
Total loans and receivables	16,204	15,608
Held to maturity		
Other financial assets:		
- Investments	269	248
Total held to maturity	269	248
Fair value through other comprehensive income		
Other financial assets:		
- unlisted shares	133	83
Total fair value through equity	133	83

Financial Liabilities	30 June 2020 \$000	30 June 2019 \$000
Fair value through profit and loss – held for trading		
Derivative financial instrument liabilities	-	-
Financial liabilities at amortised cost		
Creditors and other payables	3,655	2,856
Borrowings:		
- secured loans	21,900	19,900
Total financial liabilities at amortised cost	25,555	22,756

Note 27: Internal Borrowing

30 June 2020	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 2019	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 2020 \$000	30 June 2019 \$000
Total value of property, plant and equipment (excluding land)	364,612	331,736
Value of assets covered by risk share arrangements	48,632	37,313
Value of assets covered by insurance contracts	56,340	27,310

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.

Note 29: Explanation of Major Variances against Budget

Explanations for major variations from South Wairarapa District Council's estimated figures in the 2019/20 Annual Plan are as follows.

Statement of Comprehensive Revenue and Expense

The lower than expected operating surplus over planned was the result of higher than expected expenditure (\$3.4M), partly offset by higher revenues (\$2M). The increase in revenue reflects New Zealand Transport Agency increased subsidies for emergency events (\$0.8M), and continued high levels of developmental activity within the district, shown as income from vested assets (\$1.58M). Operationally, delivery of the 3 waters programme placed a greater than expected demand on costs (\$1.1M). The decision to withdraw the current wastewater consent application for Featherston resulted in a write down of cost shown as an impairment of assets (\$0.7M). Additional costs in Roading for emergency works (\$0.9M) was offset by the additional subsidy received as additional revenue.

Investment properties, including property intended for sale was revalued this year to reflect market values resulting in a positive increase (\$2.3M) to total surplus.

Statement of Financial Position

The overall position shows Council is able to meet commitments having sufficient means to cover current liabilities. Assets held to support the delivery of Council services increased in value due to positive cyclical revaluations and increased capital expenditure and assets vested council. Public debt increased this financial year, in line with budget expectations. Overall, equity has increased. Transfers to special and restricted reserves balances reflect increasing development within the district and the accumulation of funds for repayment of loans.

Statement of Cashflows

Net cashflow from operating activities are positive. Net cashflow from investing activities is unfavourable to budget reflecting increased costs to deliver the 3 water programme and timing of previous years capital projects carried forward to this financial year. Net cashflow from financing activities reflects \$2m of new debt for continued Featherston Wastewater consent and the Martinborough Manganese Reduction plant.

Note 30: COVID-19 Impact

Statement of Comprehensive Revenue and Expenses

COVID-19 has not materially impacted the net financial result of the District Council.

Statement of Financial Position

The District Council has considered the impact of COVID-19 on the valuation of the assets and liabilities as at 30 June 2020. Based on the information available at the time of preparing these statements, COVID-19 has had no material impact on the Statement of Financial Position.

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.

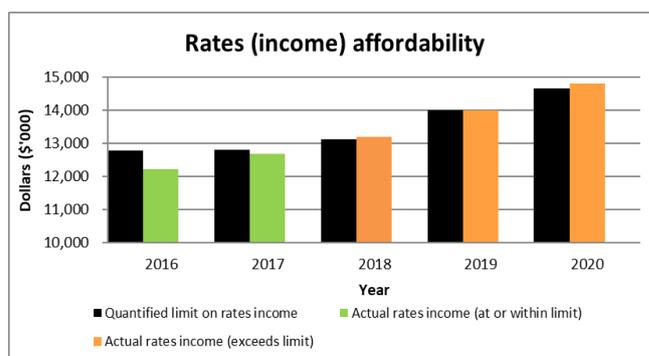
Rates affordability benchmark

The Council meets the rates affordability benchmark if:

- It’s 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.

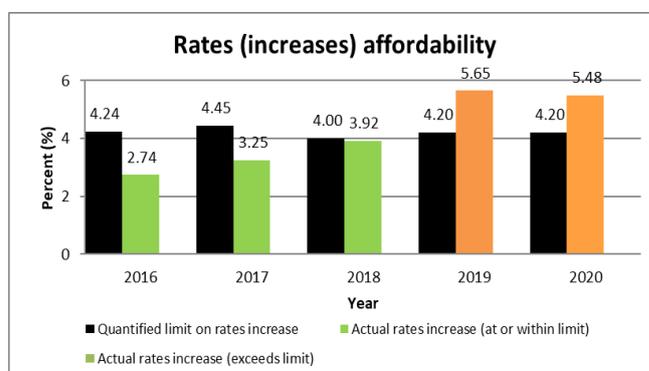
Rates (income) affordability

This 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 slightly above the quantified limits set.



Rates (increases) affordability

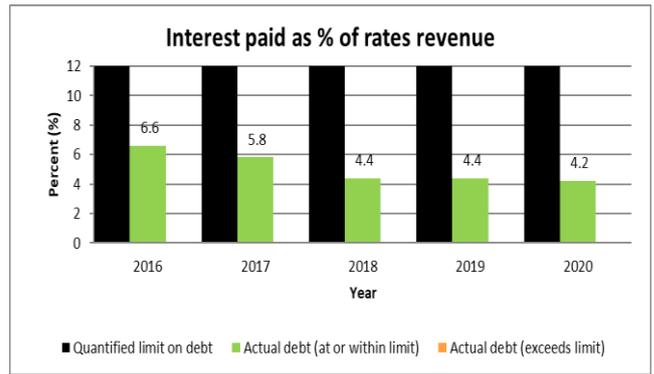
This graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy of the Council's long-term plan. The quantified limit is the percentage change in average rates should not exceed the increase in the opening BERL local government cost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

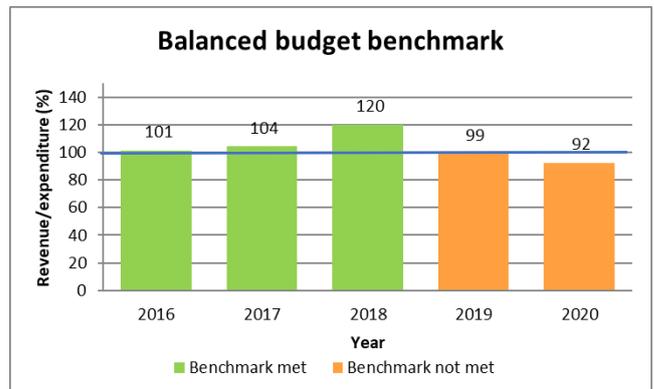
The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is that gross interest paid on term debt must not exceed 12 percent of rates revenue.



Balanced budget benchmark

This 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.

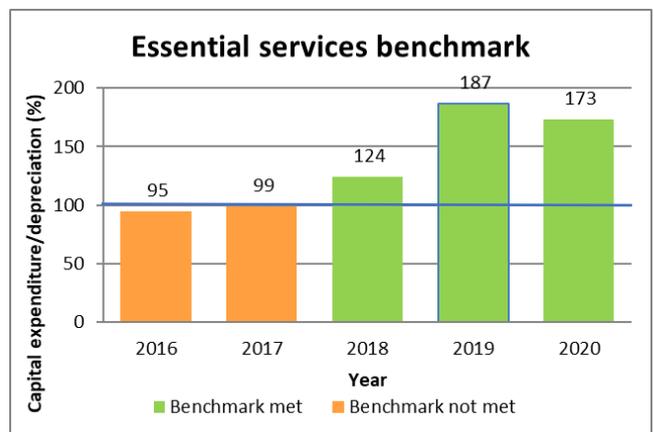


Essential services benchmark

This 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.

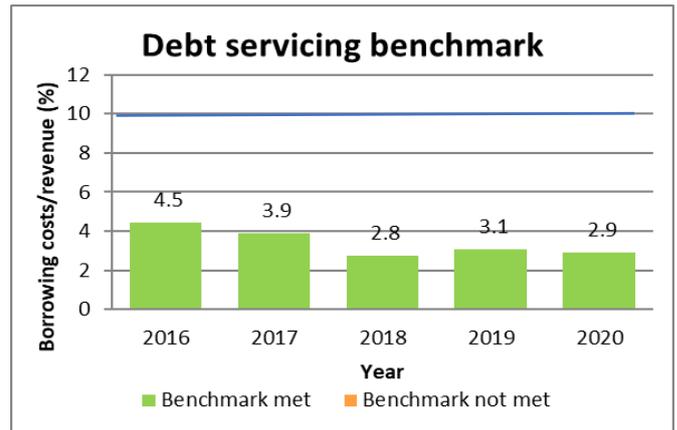
Council plans its network expenditure to ensure assets are maintained for the very long term, and on an as needed basis. Expenditure is based on maintenance need. Unspent funds are held in reserve until required.



Debt servicing benchmark

This 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).

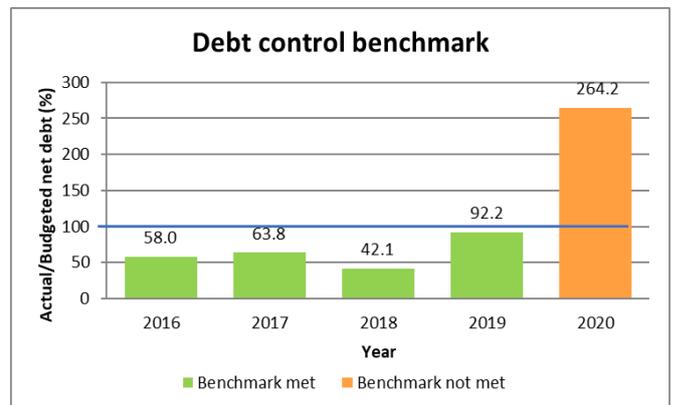
Because Statistics New Zealand projects the Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



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).

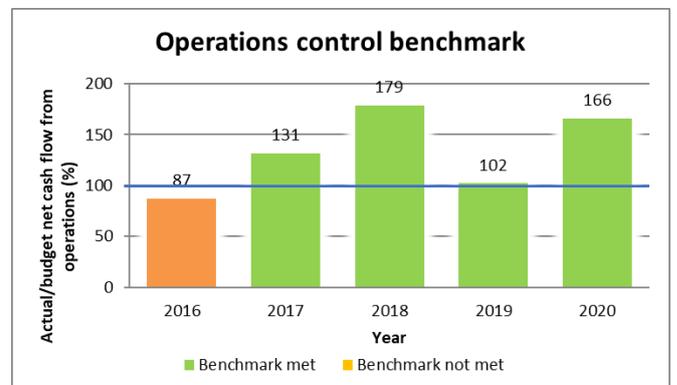
Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



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.



Council's Significant Activities

Ngā Mahi Whakahirahira o te Kaunihera

Community Outcomes

The 2019/20 Community Outcomes were reconfirmed in the 2019/20 Annual Plan 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

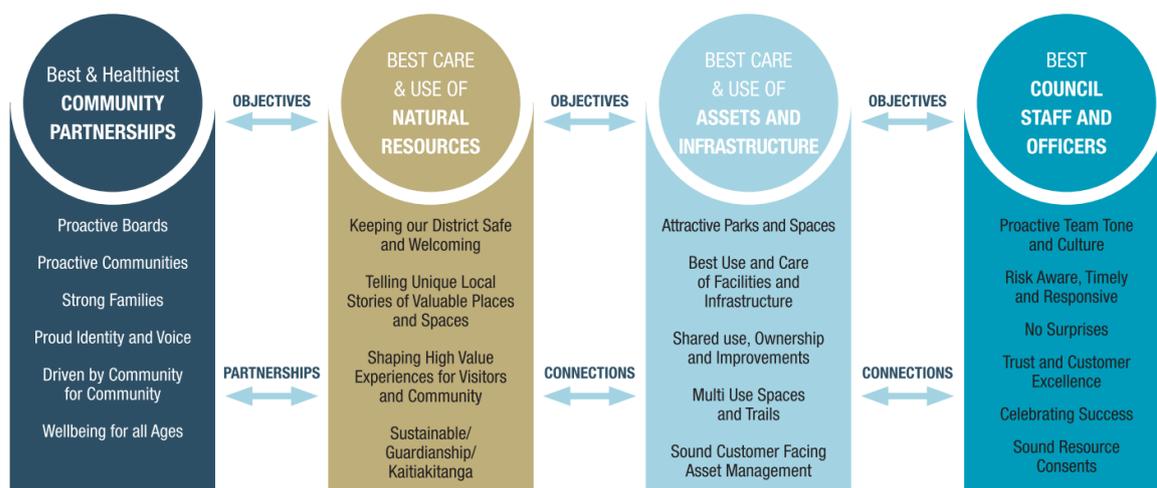
Our Vision is *'for the South Wairarapa to be an open energetic and unified community'*

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 2019/20 financial year is the third year of the 2018-28 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 2019/20 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>Cleaning up the district's waterways continues to be a Council priority, with the upgrade of wastewater treatment in all three towns being one of Council's largest projects. So far, 35-year consents have been granted for wastewater irrigation to land in both Greytown and Martinborough.</p> <p>During the financial year, Council continued to work towards obtaining a similar consent for the Featherston wastewater scheme. Due to the considerable feedback received against the proposal, Council undertook community engagement the better understand the concerns and new investigations to better understand the potential impact on the environment.</p> <p>At a meeting in March, Council reviewed the options for moving forward with the project and decided to withdraw the current application, to have a rethink based on modern technology and climate change mitigation, with the aim of designing and building a future-proofed wastewater disposal solution for the town.</p>
<p>Amenities</p> 	<p>Waihinga Centre Playground</p>	<p>Installation of a new playground have been completed. .</p>

Significant Acquisitions or Replacements of Assets

The following comments cover significant acquisitions or replacements of assets.

Project	Comment	2019/20 Budget \$'000	2019/20 Actual \$'000	2018/19 Actual \$'000
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. Council conducted a series of consultative working groups in each town, where it was identified that discharge to land should be investigated. 35 year consents have been obtained for Martinborough and Greytown. During the financial year, Council continued to work towards obtaining a similar consent for the Featherston wastewater scheme. Due to the considerable feedback received against the proposal, Council undertook community engagement the better understand the concerns and new investigations to better understand the potential impact on the environment. At a meeting in March, Council reviewed the options for moving forward with the project and decided to withdraw the current application, to have a rethink based on modern technology and climate change mitigation, with the aim of designing and building a future-proofed wastewater disposal solution for the town.	\$504	\$516	\$704
Water Supply 	Martinborough Manganese Reduction Plant Installation of a manganese reduction plant is almost complete. Work continues to install telemetry equipment. The project is on track to be fully functional in time for summer 2020/21.	\$2,000	\$2,213	\$0
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 \$1,215K for this financial year.	\$2,380	\$2,005	\$2,134

Statements of Service Performance

Te Pūrongo o ngā Whakahaere Ratonga

COVID-19 Impact on Key Performance Indicators

COVID-19 did not have any significant impact on the achievement and reporting against key performance indicators, for further details over interruptions due to COVID-19 are disclosed on pages 65 to 127 and 128.

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.

Elections for the 2019-2022 triennium were held in October 2019. By-elections were also subsequently held for the Greytown and Featherston Community Boards as not all vacancies had been filled by election and a further by-election was held for Featherston as a result of the resignation of a Board member. The new Council and Community Board members participated in a comprehensive induction programme spanning their various roles, legislative framework and operations of council.

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 on the Mayor's recommendation, usually after each triennial election. A committee chairperson is responsible

for presiding over meetings of a committee and ensuring that the committee acts within its terms of reference and 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.

At the beginning of the new triennium, the Mayor reviewed the committee structure from the 2016-2019 triennium and recommended a new open and flat structure with new delegations to empower the community boards.

The South Wairarapa District Council now operates five publicly notified committees, and one sub-committee as follows:

- The Māori Standing Committee.
- The Assets and Services Committee.
 - The Water Race Sub-Committee.
- The Planning and Regulatory Committee.
- The Finance, Audit and Risk Committee.
- The CEO Review Committee.

The Māori Standing Committee is comprised of three councillors, two representatives appointed from each of the South Wairarapa Marae and Pae tū Mokai o Tauria, and one representative appointed from each of the two Wairarapa Iwi. A Hearings Committee is still to be established this triennium, as needed. The Council agreed to review the revised structure and terms of reference for the committees in the next financial year 2020/21.

The Council has also appointed the following publicly notified joint committees with other councils:

- The Wairarapa Library Service Joint Committee (with Carterton District Council).
- The Wairarapa COVID-19 Recovery Joint Committee (with Carterton and Masterton District Councils).
- The Wellington Region Waste Management and Minimisation Plan Committee (with all councils in the Wellington region).
- Wellington Water Committee (with the joint shareholders of Wellington Water: Hutt, Porirua and Wellington City Councils and Greater Wellington Regional Council).

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

Council and community board meetings are held six weekly and the Committees meet in accordance with their terms of reference.

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.

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 engaging with the community is fundamental to the Council's strategic planning role. 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 Council makes best use of the Annual Plan process to engage with the community more widely than required by legislation. This year, the Council invited early feedback on issues that it wants to include as part of the 2021/31 Long Term Plan, including waste minimisation and water conservation, alongside hearing what is important for the community's wellbeing. This feedback will help frame further work and engagement with the community early in the next financial year.

The Governance 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 Wairarapa Combined District Plan are included in this activity and a review of the 2011 operative District Plan is to commence next financial year. Policy development arising from this activity provides the framework for the community's strategic direction.

Council commenced preparatory work to develop a Spatial Plan during the financial year. A discussion document and draft Plan was produced and Council sought 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 and their wellbeing, as well as guiding allocation of resources, such as land use and construction of capital works. Work on the Spatial Plan will be integrated into the Long Term planning process next financial year.

Strengthening Communication with our Community: The Council employed a new full-time Communications Manager in 2018 who has driven a programme of improvements to the way we communicate with our communities in South Wairarapa. Council is revamping its website to make it easier for our residents and visitors to find out more about Council and interface with our services as people move to digital methods 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

Community Wellbeing to Which the Activity Contributes

Social	Economic	Environmental	Cultural
✓	✓	✓	✓

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

There are no assets under this activity.

Projects for 2019/20 – Governance, Leadership and Advocacy

Following are the projects undertaken for the 19/20 year and progress made.

Project		Progress
<p>Governance</p> 	<p>Allocate funding to Māori Standing Committee to enable them to fund activities in a similar way to Community Boards.</p>	<p>Funding was allocated.</p>
<p>Governance</p> 	<p>The Crown and Rangitāne o Wairarapa Tamaki nui-ā-Rua signed a Deed of Settlement in August 2016 and settlement legislation was enacted in October 2017.</p> <p>The Crown and Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua signed an Agreement in Principle in May 2016 and initialled a deed of settlement in March of 2018.</p> <p>The Ngati Kahungunu and Rangitāne o Wairarapa Tamaki nui-ā-Rua treaty settlements will require input and consideration on how SWDC works during and after the transition.</p> <p>Decisions regarding input will include input from the Māori Standing Committee.</p>	<p>The Council continues to prepare for transition as the settlement process continues.</p>

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

GOVERNANCE, LEADERSHIP AND ADVOCACY: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2018/19	2019/20	2019/20	COMMENT
		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	69%	80%	n/a	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in the 2019/20 financial year. The Mayor has held weekly drop-in sessions across the three towns since the elections in October 2019. There have been 25 attendances by members of the community at public forum at Council and Committee meetings (noting that meetings were cancelled or held remotely during the period April to June). Council has worked to improve communications with ratepayers and residents since the 2018 NRB survey. Positive feedback on the improvements was received during the Annual Plan consultation.
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	47%	75%	n/a	The NRB Customer Satisfaction survey was not carried out in the 2019/20 financial year. See above.
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	65%	80%	n/a	The NRB Customer Satisfaction survey was not carried out in the 2019/20 financial year. Council's revised committee structure facilitates greater transparency of decision making. Council's Annual Plan 2020/21 consultation process resulted in over 1000 submissions, compared with a typical response of 200-250 submissions. Council also engaged early with the community on issues for the Long Term Plan 2021-31.
	Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	61%	75%	n/a	The NRB Customer Satisfaction survey was not carried out in the 2019/20 financial year. However, sixty-six submitters to the Council's Annual Plan 2020/21 consultation commented on proposed rates increases. Of these, submitters 15 commented that essential infrastructure should be prioritised above non-essential activities, 9 did not support Council borrowing to fund operating costs and 21 suggested Council's planned expenditure should be re-examined in light of the potential impacts of COVID-19.
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	GTN 89% FTN 87% MBA91%	90%	GTN 82% FTN 74% MBA 89%	This measure reports on the percentage of resolutions made that relate solely to local issues. "Decision-making reports" and associated resolutions includes recommendations to Council that relate to local issues. The resolutions that do not meet this criteria mainly relate to 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	60%	75%	n/a	The NRB Customer Satisfaction survey was not carried out in the 2019/20 financial year. There have been 32 attendances by members of the community at public forum at Community Board meetings (noting that meetings were cancelled or held remotely during the period April to June). Greytown Community Board members carried out consultation with their community on the Council's Annual Plan 2020/21 consultation.
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	36%	65%	n/a	The NRB Customer Satisfaction survey was not carried out in the 2019/20 financial year. Council's revised committee structure facilitates greater transparency of decision making. Council's Annual Plan 2020/21 consultation process resulted in over 1000 submissions, compared with the usual response of 200-250 submissions. Council also engaged early with the community on issues for the Long Term Plan 2021-31.
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%	The Māori Standing Committee met on 5 occasions. The Council's draft climate change strategy was considered and accepted by the Committee. Updates were provided to the Committee on water and wastewater matters. The Committee also made a submission on the Council's 2020/21 Annual Plan. In total the Committee were advised of 27 rural subdivision and land use resource consent applications.

South Wairarapa District Council Funding Impact Statement for the Year Ended 30 June 2020 for Governance, Leadership and Advocacy Funding

2019 Annual Report \$,000		2019 Long Term Plan \$,000	2020 Long Term Plan \$,000	2020 Actual \$,000
Sources of operating funding				
1,001	General rates, Uniform Annual General charges, Rates penalties	998	1,010	1,120
-	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	26	26	24
1,050	Total operating funding (A)	1,024	1,035	1,144
Applications of operating funding				
553	Payments to staff and suppliers	540	544	576
1	Finance costs	2	2	1
511	Internal charges and overheads applied	477	482	666
-	Other operating funding applications	-	-	-
1,065	Total applications of operating funding (B)	1,019	1,027	1,243
(15)	Surplus (deficit) of operating funding (A-B)	5	8	(98)
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	-	-	11
-	- to replace existing assets	-	40	-
-		-	-	-
(15)	Increase (decrease) in reserves	5	(32)	(109)
-	Increase (decrease) of investments	-	-	-
(15)	Total applications of capital funding (D)	5	8	(98)
15	Surplus (deficit) of capital funding (C-D)	(5)	(8)	98
(0)	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
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Community Wellbeing to Which the Activity Contributes

Social ✓	Economic ✓	Environmental ✓	Cultural ✓
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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.

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.

Assets we Look After

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

Projects for 2019/20 – Public Protection

Following are the projects undertaken for the 19/20 year and progress made.

Project		Progress
Safe and Sanitary Buildings 	Continue scanning existing building consent files.	The scanning of any new applications that come into Council.
Safe Food 	Continue process to scan environmental services files (applications, consents, permits).	This project has not been started. However, we have been in discussions with Carterton District Council to investigate the implementation of a standardised electronic application and verification for Safe food.
Dogs and Animals 	Construct a new dog pound in conjunction with Carterton District Council.	Council officers have produced various reports establishing options for SWDC Council to consider. A report was commissioned, and three options identified. These were a stand-alone pound in South Wairarapa, a joint venture with Carterton District Council and a contract for service agreement between all three Wairarapa councils. Initial costings have been scoped and discussions are continuing with officers and councils.

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	2018/19	2019/20	2019/20	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 2020 are listed below:</p> <p>Food Control Plan (Food Act) – 106 National Programme - 63</p> <p>This represents 169 registered businesses in total compared with 158 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 (2018/19: 19) 7 National Programme 2 (2018/19: 6) 33 National Programme 3 (2018/19:32)</p>
	Premises are inspected in accord with regulatory requirements.	76%	100%	48.1%	<p>51 premises out of 106 inspected at new or renewal application stage. (2018/19: 74) 51 Food Control Plan Verifications (2018/19: 74) 0 Food Hygiene Regulations inspections (superseded) (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. COVID-19 pandemic meant that for 3 months of this period no verifications were able to be done pursuant to Ministry of Primary Industries guidelines.</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.	88%	100%	100%	<p>There were 61 licences due for renewal of which 61 were inspected. (2018/19: 53/60)</p> <p>124 Licences in total at 30 June 2020. The total number of licences is subject to change month by month as new businesses open and existing premises close</p> <p>26 on licence inspections (2018/19: 21) 29 off licence inspections (2018/18: 26) 6 club licences (2018/19: 6)</p>
	Premises that are high or medium risk are inspected annually, while low risk premises are audited no less than once every three years.	72%	100%	100%	<p>There are no high risk premises in the district. There are 35 premises that are low or medium risk. Of these, 35 have been inspected. (2018/19: 21/29)</p>
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement.(CLEG)	N/A	100%	100%	<p>Multiple compliance inspections were undertaken in year to June 2019/2020 in conjunction with NZ Police and Public Health. 1 x Controlled purchase operation completed. controlled purchase operations (CPOs) are 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.	99%	100%	98.9%	<p>184 noise issues were reported to Council, 182 of which were followed up on either by our after-hours contractor, or by Council Officers. (2018/19: 108/109) 2 complaints were not responded to in the required timeframe. -</p>

PUBLIC PROTECTION: MEASURING SERVICE DELIVERY PERFORMANCE (CONTINUED)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2018/19	2019/20	2019/20	COMMENT
		ACTUAL	TARGET	ACTUAL	
Dogs don't wander freely in the street or cause menace to or harm humans or stock	Undertake public education, school and community visits to promote safe behaviour around dogs and/or responsible dog ownership.	Dog Newsletter sent to all dog owners June 2019	New Material produced and distributed	Dog Newsletter sent to all dog owners June 2020	1 dog safety sheet created for the volunteer water meter readers. Some schools are doing their own education. A dog newsletter was sent to all dog owners in 2020 with advice re dog management.
	Complaints about roaming and nuisance dogs are responded to within 4 hours.	100%	100%	99%	There were 150 complaints received during the year, 148 of which were responded to within the 4-hour target response time. (2019: 219/219)
	Complaints about dog attacks on persons or stock are responded to within 1 hour.	100%	100%	100%	There were 26 dog attacks, all of which were responded to in 1 hour. (2019: 20/20).
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 24 incidents of wandering stock. All responded to within timeframe. (2019: 28/28)
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	74%	80%	No result	The National Research Bureau (NRB) Customer survey was not carried out in 2019/20. (2019: 74%)
	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.	100%	100%	99%	350 of 353 CCC's were issued within 20wd. As a result of human/technical error a process has been put in place to avoid this delay in future.99.15%
	Building consent applications are processed within 20 working days.	100%	100%	100%	508 consents with a value of \$58,317,636 were processed this year, one consent was processed in 21wd and the balance within 20 working days. This compares to 533 consents in 2018/19 with a total value of \$48,323,573.
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 2020 confirmed Council accreditation until 2022. The next review is scheduled for late January 2022.
	Council inspects new building works to ensure compliance with the BC issued for the work, BWOF's and Swimming Pools	Yes	Yes	Yes	4369 BC inspections during the year. (2019 total: 5303). Inspections were not carried out during Level 4 lockdown.
	Earthquake prone buildings (EPB) reports received and actioned.	87%	100%	80%	Under the new legislation 46 buildings are identified as EPB. 25 buildings identified as EPB have been sent notices to be affixed to the building (increase of 11 from 2018/19). 1 has obtained building consent and strengthening work has been carried out, 1 building has consent to strengthen but work was delayed due to COVID-19. 9 buildings require engineering assessment from owners. 2 owners have requested an extension of time to provide this assessment.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 for Public Protection

2019 Annual Report \$,000		2019 Long Term Plan \$,000	2020 Long Term Plan \$,000	2020 Actual \$,000
Sources of operating funding				
531	General rates, Uniform Annual General charges, Rates penalties	530	562	652
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
1,012	Fees and charges	1,053	1,075	1,068
-	- Internal charges and overheads recovered	-	-	-
58	Local authorities fuel tax, fines, infringement fees, and other receipts	29	28	61
1,602	Total operating funding (A)	1,612	1,664	1,781
Applications of operating funding				
1,340	Payments to staff and suppliers	1,314	1,337	1,506
2	Finance costs	12	12	3
264	Internal charges and overheads applied	250	250	293
	Other operating funding applications	-	-	-
1,606	Total applications of operating funding (B)	1,576	1,599	1,801
(5)	Surplus (deficit) of operating funding (A-B)	35	65	(20)
Sources of Capital funding				
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	114	(12)	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
-	Total sources of capital funding (C)	114	(12)	-
Applications of capital funding				
Capital Expenditure				
-	- to meet additional demand	-	-	-
-	- to improve the level of service	130	-	-
-	- to replace existing assets	31	1	-
(5)	Increase (decrease) in reserves	(12)	52	(20)
	Increase (decrease) of investments	-	-	-
(5)	Total applications of capital funding (D)	149	53	(20)
5	Surplus (deficit) of capital funding (C-D)	(35)	(65)	20
-	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

Community Wellbeing to Which the Activity Contributes

Social	Economic	Environmental	Cultural
✓	✓	✓	✓

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 2019/20 – Economic, Cultural and Community Development

Project		Progress
Community Development 	Continue work to promote and enhance the district.	Council continue to roll-out the new logo on all signage. The website project is continuing and is expected to be completed early 2021.
Water project 	Contribute financially to the Wairarapa Water project.	Funds were allocated in the 2019/20 financial year to continue to support this project.
Economic Development 	Continue work on Wairarapa Economic Development Strategy	The Wairarapa wide strategy was prepared in conjunction with MDC, CDC, and WREDA and launched in December 2018. Council continues to work towards implementing the strategy.
Community Development 	Continue grant funding specifically targeted at the district's youth.	Council continues to support youth training, development and recreational activities via annual grant funding of \$75,000. Council awarded \$68,000 toward youth initiatives in 2019-20.

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	2018/19 ACTUAL	2019/20 TARGET	2019/20 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	32 grants made	38 grant applications received during the year including both community and youth, with 32 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 2018/19.
Organisations that support art, heritage and cultural activities are supported	Support, and where appropriate, funding is provided to organisations and agencies to help them deliver their programmes and services to their communities	10 grants made	Yes	7 grants made	7 grant applications received during the year, with all meeting the grant criteria outlined in the grants policy and funded within the budget. Applications considered by Council on a case by case basis. This compares to 10 grants in 2018/19.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 for Economic, Cultural & Community Development

2019 Annual Report	2019 Long Term Plan	2020 Long Term Plan	2020 Actual
\$,000	\$,000	\$,000	\$,000
Sources of operating funding			
453	448	477	571
-	-	-	-
-	-	-	100
-	-	-	-
-	-	-	-
-	-	-	-
453	448	477	671
Applications of operating funding			
1	1	1	105
1	5	6	1
62	59	59	79
436	458	411	423
502	523	477	609
(49)	(75)	-	63
Sources of Capital funding			
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Applications of capital funding			
Capital Expenditure			
-	-	-	-
-	-	-	-
-	-	-	-
(49)	(75)	-	63
-	-	-	-
(49)	(75)	-	63
49	75	-	(63)
Funding Balance ((A B)+(C-D))			
-	-	-	-

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 •By contributing to people’s confidence that they can achieve their aspirations	Vibrant and strong communities •By contributing to people feeling safe, are proud to live and have a sense of belonging	Sustainable South Wairarapa •By ensuring that the District is sustainably managed where economic development and responsible environmental management go hand in hand
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Community Wellbeing to Which the Activity Contributes

Social	Economic ✓	Environmental ✓	Cultural
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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.
- To undertake monitoring to enable State of the Environment (SoE) reports and plan effectiveness reviews to be completed.

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 2019/20 – Resource Management

Project		Progress
Resource Management 	<p>Intended changes to the Resource Management Act by Government will impact significantly on future planning activity and service delivery. While these changes are not quantifiable at this time, within the life of this LTP an allowance will need to be made for any new requirements imposed upon Council by Government.</p>	<p>Changes that came into effect from RMA amendments have been reflected in our resource consent processes and application forms.</p>
District Plan 	<p>In addition State of Environment (SoE) and Plan Effectiveness Monitoring (PEM) will require establishment funding to enable necessary data to be acquired and reported. The review of the Wairarapa Combined District Plan (WCDP) will also involve substantial commitments of time and resources to carry out work.</p>	<p>Plan Effectiveness Monitoring will be undertaken as part of review work for the Wairarapa Combined District Plan.</p>
Spatial Plan 	<p>Continue work on the Spatial Plan.</p>	<p>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 version and resultant SW Spatial Plan. The COVID-19 Pandemic has impacted timing and planning. The approach is now for alignment between the Spatial Plan and LTP outcomes and engagement.</p>
Financial contributions 	<p>Implement development contributions to replace existing financial contributions.</p>	<p>Work has commenced on this and will continue in the 2019/20 year. Extent of further work on this will depend on the outcome of the Development Contributions Bill, and further decisions by Council to use development contributions.</p>

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	2018/19	2019/20	2019/20	COMMENT
		ACTUAL	TARGET	ACTUAL	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	89%	100%	92%	175 resource consent applications were processed this year including deemed permitted boundary activities. Of these 161 were completed within statutory timeframes (2019: 168/150)
	s.223* certificates issued within 10 working days	96%	100%	84%	56 Section 223 applications were received. All but 9 were processed within statutory timeframes (2019: 46/48)
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	96%	95%	96%	54 Section 224 applications were received. All but 2 were processed within statutory timeframes (2019: 48/50)
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"	89%	80%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 89%)
	The District Plan has a monitoring programme that provides information on the achievement of its outcomes (Anticipated Environmental Results) (AER's)	No	Yes	Yes	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.
<i>Land Information Memoranda</i> It is easy to purchase information on any property in the district	LIMs contained all relevant/ accurate information	100%	100%	100%	251 LIMs applications were received compared to 276 in 2019. These were all processed within statutory timelines.
	Non-urgent LIMs processed within 10 days	100%	100%	99%	251 non-urgent LIM applications were received and 250 were processed within 10 working days

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 2020 for Resource Management

2019 Annual Report \$,000		2019 Long Term Plan \$,000	2020 Long Term Plan \$,000	2020 Actual \$,000
Sources of operating funding				
479	General rates, Uniform Annual General charges, Rates penalties	478	471	488
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
242	Fees and charges	173	177	237
-	- Internal charges and overheads recovered	-	-	-
14	Local authorities fuel tax, fines, infringement fees, and other receipts	11	2	13
736	Total operating funding (A)	662	650	738
Applications of operating funding				
466	Payments to staff and suppliers	525	540	708
-	- Finance costs	-	-	-
107	Internal charges and overheads applied	102	103	131
-	- Other operating funding applications	-	-	-
574	Total applications of operating funding (B)	627	642	839
162	Surplus (deficit) of operating funding (A-B)	34	8	(101)
Sources of Capital funding				
-	- Subsidies and grants for capital expenditure	-	-	-
443	Development and financial contributions	362	380	377
-	- Increase (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
443	Total sources of capital funding (C)	362	380	377
Applications of capital funding				
Capital Expenditure				
-	- to meet additional demand	-	-	-
-	- to improve the level of service	-	-	-
-	- to replace existing assets	-	-	-
605	Increase (decrease) in reserves	397	388	275
-	- Increase (decrease) of investments	-	-	-
605	Total applications of capital funding (D)	397	388	275
(162)	Surplus (deficit) of capital funding (C-D)	(34)	(8)	101
-	Funding Balance ((A B)+(C-D))	-	-	-

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

Social ✓	Economic ✓	Environmental ✓	Cultural ✓
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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 Titoki 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, Te Waihinga Centre, 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, Otaura 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 2019/20 – Amenities

Project		Progress
Library and buildings 	Complete development of Waihinga Centre.	The Waihinga Centre including the playground has been completed.
Swimming Pool 	Complete pool upgrades.	Shade covers have been installed on all pools, Featherston pipe work upgrade has been completed including new solar heating pool covers. Greytown stand is currently being upgraded.
Swimming Pool 	Increase swimming pool hours	As a result of consultation, Council agreed to a two year pilot increasing swimming pool hours for the 2019/20 and 2020/21 seasons.
Public Toilets 	Continue to provide additional infrastructure for visitors in the district.	Two extra coastal toilets have been installed at White Rock and North Tora. A water fountain had been installed in Featherston and Martinborough playground with another to be installed on the Martinborough square for major events.
Library and buildings 	Reduce library fees.	As a result of consultation, Council agreed to a no fees policy for all libraries.

Community Buildings	Upgrade electrical system at Anzac Hall.	This work has been completed.
		
Parks and Reserves	Improvements at Featherston and Greytown playgrounds.	Improvements to Featherston playground began September 2020. Improvements to Greytown are not required.
		
Community Buildings	Work with the ANZAC Club and other funders to implement the development plan for the ANZAC hall.	This work is under action.
		
Parks and Reserves	Investigate options to provide recycling bins alongside rubbish bins.	Estimates of the cost of providing recycling bins alongside rubbish bins has been undertaken. There is a substantial cost and the project will be considered in the 2021-2030 Long Term Plan.
		
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.	Council agreed to support Kuranui College gymnasium. A management contract for the facility will be negotiated with the school and Ministry of Education. Council decided to commission a district wide review of green spaces to inform future developments.
		

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	2018/19	2019/20	2019/20	COMMENT
		ACTUAL	TARGET	ACTUAL	
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	88%	90%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 88%)
Our playgrounds in parks and reserves are safe and enjoyed by the community	Ratepayers and residents are satisfied with Council playgrounds	78%	85%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 78%)
	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	92%	100%	88%	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 1131 tests conducted, 997 met the required standard. (2018: 92%) 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	73%	65%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 73%)
Provision of some low cost housing for the elderly (or in line with Council policy) in each town	Occupancy of pensioner housing	91%	94%	94%	Council provides 12 bedsits and 18 one bedroom units and 2 double bed sit units. From the total of 11,680 accommodation available days, 10,967 were used (2018/19: 91%). 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	71%	80%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 71%)
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	87%	87%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 87%)
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	26	>3 per library	49	Libraries delivered a range of literacy programmes to their communities in 2019/2020. COVID-19 interrupted some planned events, and saw libraries pivot to online channels. Many of the programmes were done in conjunction with or to extend other organisations' offerings. The Libraries delivered 49 programmes - 18 (Featherston), 3 (Greytown), 28 (Martinborough). Programmes are a mix of multi-week events (e.g., ECREad'n Summer Reading, Winter Warmers), one off events (ECREad'n Storytellers, Wet & Wild Activity Day, Pre-school Matriki Event), regularly scheduled multi-week programmes (School Holiday Crafts – during school holidays x4), long-running programmes (Facebook Elf on the Shelf - delivered daily for 24 days), or regularly scheduled events throughout the year (e.g., Wā Kōrero – every Tuesday during school terms).
	% of ratepayers and residents satisfied with libraries	90%	90%		The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20. (2019: 90%)

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 for Amenities

2019 Annual Report \$,000		2019 Long Term Plan \$,000	2020 Long Term Plan \$,000	2020 Actual \$,000
Sources of operating funding				
2,689	General rates, Uniform Annual General charges, Rates penalties	2,678	2,722	2,765
-	- Targeted rates	-	-	-
16	Subsidies and grants for operating purposes	-	-	43
100	Fees and charges	-	-	50
-	- Internal charges and overheads recovered	-	-	-
436	Local authorities fuel tax, fines, infringement fees, and other receipts	494	510	460
3,241	Total operating funding (A)	3,172	3,232	3,318
Applications of operating funding				
2,160	Payments to staff and suppliers	2,119	2,114	2,132
172	Finance costs	186	198	188
664	Internal charges and overheads applied	645	652	888
-	- Other operating funding applications	-	-	-
2,996	Total applications of operating funding (B)	2,950	2,965	3,208
246	Surplus (deficit) of operating funding (A-B)	222	267	110
Sources of Capital funding				
416	Subsidies and grants for capital expenditure	-	-	170
-	- Development and financial contributions	-	-	-
-	- Increase (decrease) in debt	(51)	(51)	-
-	- Gross proceeds from sale of assets	-	-	1,726
-	- Lump sum contributions	-	-	-
-	- Other dedicated capital funding	-	-	-
416	Total sources of capital funding (C)	(51)	(51)	1,896
Applications of capital funding				
Capital Expenditure				
-	- to meet additional demand	-	50	24
1,734	- to improve the level of service	-	-	627
321	- to replace existing assets	617	605	340
(1,393)	Increase (decrease) in reserves	(447)	(439)	1,015
-	- Increase (decrease) of investments	-	-	-
662	Total applications of capital funding (D)	171	215	2,006
(246)	Surplus (deficit) of capital funding (C-D)	(222)	(267)	(110)
-	Funding Balance ((A B)+(C-D))	-	-	-

Land Transport (Roading 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 51% by 2022/23.

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.

<p>Healthy Economically Secure People</p>	<p>Educated and knowledgeable people</p>	<p>Sustainable South Wairarapa</p>	<p>A place that is accessible and easy to get around</p>
<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

Community Wellbeing to Which the Activity Contributes

<p>Social</p>	<p>Economic</p>	<p>Environmental</p>	<p>Cultural</p>
<p>✓</p>	<p>✓</p>	<p>✓</p>	<p></p>

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	342	61	402
Unsealed	259	1	261
TOTAL	601	62	663
			<i>(Excludes SH)</i>
<i>Guard Rails (m)</i>	3,112	0	3,112
BRIDGES & MAJOR CULVERTS (No.)	RURAL	URBAN	TOTAL
Timber Bridges	12	-	12
Concrete Bridges	67	-	67
Armco/Twin pipes/concrete pipes	13	-	13
Box Culverts (span 2.5m)	48	-	48
TOTAL	140	-	140
STREET LIGHTS (No.)	RURAL	URBAN	TOTAL
Featherston	-	388	388
Greytown	-	301	301
Martinborough	-	315	315
Rural	39	-	39
TOTAL	39	1,004	1,043
KERB & CHANNEL (M)	RURAL	URBAN	TOTAL
Featherston	-	30,052	30,052
Greytown	-	23,211	23,211
Martinborough	-	29,099	29,099
TOTAL	-	82,362	82,362

ASSET DESCRIPTION			
FOOTPATHS (M)	RURAL	URBAN	TOTAL
<i>Featherston</i>			
- Asphalt/seal	-	8,184	19,438
- Concrete	-	11,148	
- Metal	-	106	
<i>Greytown</i>			
- Asphalt/seal	-	9,975	19,108
- Concrete	-	8,899	
-metal	-	234	
<i>Martinborough</i>			
- Asphalt /seal	-	12,668	20,289
- Concrete	-	68,74	
- Metal	-	747	
TOTAL		58,835	58,835
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 2020.

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 (largely for road stability) is via a memorandum of understanding with FOREST360, formally Woodnet.

Projects for 2019/20 – Land Transport

Project		Progress
Joint Rooding Contract 	Establish a joint roading shared service model with Carterton District Council	Ruamahunga Roads, a joint shared roading contract with Carterton District Council has been setup and imbedded.
Pavements (Roads) 	Complete an annual reseals programme and re-metaling programme.	Works completed in C1241-01/2019 Ruamahanga Roads network maintenance 2019/2024
Structures 	Develop bridges works programme for 2020/21	Contract C1242 Tora Farm Settlement Rd bridge and Mangaterere valley road bridge major maintenance works was let and completed
Footpaths 	Renew and extend footpaths as per programme.	Works completed in C1241-01/2019 Ruamahanga Roads network maintenance 2019/2024. Target not achieved due to COVID-19 lockdown.
Footpaths 	Increase footpath maintenance as a result of consultation with ratepayers, using the infrastructure reserve to fund the additional expenditure.	An additional \$375k was allocated to footpath maintenance. A programme of work is continuing however not all budget was spent due to COVID-19 restrictions.
Pavements (Roads) 	Complete approximately 1km seal extensions.	Works completed in C1241-01/2019 Ruamahanga Roads network maintenance 2019/2024. Lake Ferry Road 0.42km White Rock Road 0.36 km
Cycling 	Implement a cycle strategy.	Delayed due to regional trail development being introduced.

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	2018/19	2019/20	2019/20	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%	94% urban 99% rural	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 November 2019. The next survey will be completed in the 2021/22 financial year
	Ratepayers and residents fairly/very satisfied with the roads	68%-	80%	No Result	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	92%	100%	77.6%	The total length of road resealed was 15,622 km which represents 3.88% of the sealed road network in terms of NZTA funding.
	The pavement condition index as measured by the NZTA pavement integrity index	97.8%	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 6	Yes	Increased by 2	There was 15 (2018/19: 13) crash including fatal, serious injury, and minor injury during the year. CAS data source
	The change in the number of fatalities and serious injury crashes on the local road network	Increased by 2	<7	Reduced by 3	There were 3 fatal or serious injury crashes during the year. (2018/19: 6)
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	62%	70%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was no carried out in 2019/20.
	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. No new footpaths installed.
	Footpath Condition rating 95% compliant with SWDC AMP Standard	N/A	95%	N/A	Footpath surveys carried out with the road condition audits every 2 years. A survey was completed in July 2018. The next survey is due November 2020.
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	91%	85%	96%	231 requests were received, (2019: 408)
	Meet annual plan footpath targets	Yes	Yes	No	Underspent on maintenance and renewals mainly due to COVID-19 lockdown.

NOTE:

- 49,740m out of total length of 68,800m (72.3%) of urban streets has a footpath on at least on side..
- Smooth travel exposure (STE) is percentage of travel undertaken on roads with a roughness less than 150 NAASRA (National Association of Stats Roading Authorities) counts. NAASRA counts are a measure of road roughness (reflecting smoothness of road) i.e. the higher the count the rougher the road. Compared to other Councils' roads in New Zealand, South Wairarapa District Council's roads smoothness standard is very high. It is difficult to improve smooth travel exposure further but roads will be maintained to current level with \pm 5% variation.
- \pm 10% variation for reseals is to take into consideration location and site conditions of work.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 for Land Transport (Roading and Footpaths)

2019 Annual Report \$,000		2019 Long Term Plan \$,000	2020 Long Term Plan \$,000	2020 Actual \$,000
Sources of operating funding				
3,412	General rates, Uniform Annual General charges, Rates penalties	3,400	3,526	3,427
	- Targeted rates	-	-	-
1,446	Subsidies and grants for operating purposes	2,454	2,273	1,956
	- Fees and charges	-	-	-
	- Internal charges and overheads recovered	-	-	-
209	Local authorities fuel tax, fines, infringement fees, and other receipts	196	211	192
5,068	Total operating funding (A)	6,051	6,011	5,575
Applications of operating funding				
2,394	Payments to staff and suppliers	2,447	2,504	3,081
45	Finance costs	45	45	46
698	Internal charges and overheads applied	670	681	903
	- Other operating funding applications	-	-	-
3,137	Total applications of operating funding (B)	3,162	3,230	4,029
1,931	Surplus (deficit) of operating funding (A-B)	2,889	2,781	1,546
Sources of Capital funding				
880	Subsidies and grants for capital expenditure	-	-	1,215
	- Development and financial contributions	-	-	-
	- Increase (decrease) in debt	(119)	(119)	-
	- Gross proceeds from sale of assets	-	-	-
430	Lump sum contributions	242	254	468
	- Other dedicated capital funding	-	-	-
1,310	Total sources of capital funding (C)	122	134	1,682
Applications of capital funding				
Capital Expenditure				
	- to meet additional demand	-	-	-
223	- to improve the level of service	237	216	10
1,611	- to replace existing assets	1,918	1,761	1,996
1,407	Increase (decrease) in reserves	856	938	1,223
	- Increase (decrease) of investments	-	-	-
3,241	Total applications of capital funding (D)	3,011	2,915	3,228
(1,931)	Surplus (deficit) of capital funding (C-D)	(2,889)	(2,781)	(1,546)
-	Funding Balance ((A B)+(C-D))	-	-	-

Water Supply

Description

Provision of our water supply and management of the network was contracted to Wellington Water Ltd (WWL) on 1st October 2019.

The LTP summarises the Council's long-term strategic and management 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 three public water supply systems – Greytown (for Greytown and Featherston), Martinborough, and Pirinoa with around 4,063 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 is abstracted from three bores sited next to the Waiohine River. A fourth bore is being constructed to increase the quantity of water available to meet peak demand. The bore water is pumped up to the Featherston/Greytown water treatment plant (WTP) for treatment using ultra-violet light and Chlorine.

Water from the plant supplies both Greytown and Featherston. A 7.9km 300mm PVC pipe supplies water from the plant across the Tauherenikau River to the Boar Bush reservoir which has a capacity of around 450,000 litres.

The treatment plant also feeds the Greytown reservoir located at the plant, which holds around 450,000 litres. The reservoir supplies Greytown via a 7km gravity trunk main.

Work is underway at the treatment plant to provide around 8,000,000 litres additional treated water storage to supply both Featherston and Greytown.

Featherston – Boar Bush Gully Catchment

This source is available as an emergency supply only.

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 to the Boar Bush reservoir.

Featherston – Tait's Creek Intake Weir

This source is available as an emergency supply only. In December 2018 this asset was damaged in a storm event and is not currently in use.

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 Boar Bush. 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.

Greytown Well

Groundwater is abstracted from a single bore along Kuratawhiti Street outside the Memorial Baths. The water is treated using ultra-violet light and Chlorine, and feeds directly into the Greytown network.

The existing resource consent allows a total abstraction of 60 litres per second.

Martinborough – Ruamahanga Wells

Groundwater is abstracted from four bores nearby the Ruamahanga River, approximately 2.5km south east of Martinborough and approximately 650m from the older terraces upon which Martinborough township is located.

The water is treated using ultra-violet light and Chlorine, before being supplied into the network. Four reservoirs are located at the far end of the network each with a capacity of around 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 the bores). As part of the agreement with the landowner, Council provides him water at up to 20 litres per second.

The groundwater has relatively high concentrations of manganese and other minerals. Manganese reacts with Chlorine causing discoloured water. A manganese removal plant is being constructed to provide a more resilient water supply and fully use all the bores without discolouration of the water.

Martinborough – Huangarua

This source is available for emergency supply only.

A channel intake is located adjacent to the Huangarua River approximately 200 m north of Hinekura Road. The diverted water flows approximately 50 m into a well and can be pumped 1 km to the Martinborough reservoirs if needed.

Pirinoa

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

The water is from a shallow bore and is treated using filtration and ozone treatment followed by ultraviolet and chlorine disinfection. The treated water is pumped about 900m to the network.

Rural water supply (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)

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 water race.

Greytown – Waiohine River (Moroa Water Race)

A diversion channel located adjacent to the Waiohine River diverts water from the Waiohine River, for stock watering purposes.

Within the defined water district there is approximately 225 km of open water race.

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	70km 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 reticulation network 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's reticulation network 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's reticulation network 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 meet 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

Community Wellbeing to Which the Activity Contributes

Social	Economic	Environmental	Cultural
✓	✓	✓	

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 an emergency supply only.
- Greytown and Featherston – Ground water bores.
- Greytown – Groundwater bore.
- Martinborough - Ruamahanga bores.
- Martinborough – Huangarua. This source is an emergency supply only.
- Pirinoa – Pirinoa bore. 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 2019/20 – Water Supply

Project		Progress
Water Supply 	Ultra-violet treatment plant installation at Memorial Park, Greytown)	Installed in a temporary arrangement prior to completion of permanent works in 2020/21.
Water Supply 	Implement additional bore to supply Featherston and Greytown.	In progress. First bore site was dry, however alternative site successful. Headworks to be completed before the end of 2020.
Water Supply 	Increase storage at Featherston-Greytown WTP to enable 2 days water supply in case of break.	Work has been delayed due for the requirement for further investigations and COVID-19. This is expected to be completed 2020-21 financial year.
Water Supply 	Removal of manganese from Martinborough water supply.	A manganese reduction plant is being installed in Martinborough. This project is almost complete with new telemetry being installed. Project will be complete and plant fully operational November 2020.
Water Supply 	Implement any changes required by new drinking water legislation.	Work continues to ensure compliance with current and new standards and requirements.
Reduce Water Loss 	Implement leak detection and pipe replacements and renewals to reduce water loss from our water supply system.	Leak survey carried out along SH2 through Featherston in May 2020. A plan has put in place to survey the entire district in 20/21
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 drinking water standards could cause health problems for users. Wellington Water is working to achieve fully compliant systems for the district.

Statement of Service Performance – Water Supply

WATER SUPPLY: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2018/19	2019/20	2019/20	COMMENT
		ACTUAL	TARGET	ACTUAL	
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority.	487 Lt	<400Lt	558 Lt	Year end is tracking significantly above target. This may be due to leakage and possible COVID-19 related changes in consumption patterns in Q4, as well as the ongoing treatment plant upgrade work in Greytown that has altered overnight flow characteristics pending completion of critical upgrade work.
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%	
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 GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	MBA: No GTN: No FTN: No	<p>FTN: Waiohine Water Treatment Plant improvements to power, control and data capture systems are required to ensure no data loss to meet Drinking Water Standards NZ (DWSNZ) compliance requirements – this work is in progress. Q2 was incorrectly reported as compliant, this has been edited for Q4 reporting.</p> <p>GTN: Greytown Water Treatment Plant/Memorial Park Bore; Ultraviolet was installed in December 2019, but awaiting validation documentation in order to obtain Regional Public health (RPH) approval as achieving log 3 removal. Improvements to address bore start up turbidity spikes (inability to run to waste), power, control and data capture systems and addition of filtration (required to achieve log 4 treatment barrier) to meet Drinking Water Standards NZ (DWSNZ) compliance requirements – this work is in progress. Q2 was incorrectly reported as compliant, this has been edited for Q4 reporting.</p> <p>MTB: Ruamahanga Water Treatment Plant: Infrequent data loss due to unreliable equipment and power brown outs. A control system upgrade is in progress (included with Manganese Removal Plant installation). Q2 was incorrectly reported as compliant, this has been edited for Q4 reporting.</p> <p>Pirinoa Water Treatment Plant Water Safety Plan is not complete, pending for 20/21.</p>
	Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards guidelines 2008	MBA: No GTN: No FTN: No BA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	MBA: No GTN: No FTN: No	<p>FTN: Waiohine Water Treatment Plant improvements to power, control and data capture systems are required to ensure no data loss to meet Drinking Water Standards NZ (DWSNZ) compliance requirements – this work is in progress.</p> <p>GTN: Greytown Water Treatment Plant/Memorial Park Bore; Ultraviolet was installed in December 2019, but awaiting validation documentation in order to obtain Regional Public health (RPH) approval as achieving log 3 removal. Improvements to address bore start up turbidity spikes (inability to run to waste), power, control and data capture systems and addition of filtration (required to achieve log 4 treatment barrier) to meet Drinking Water Standards NZ (DWSNZ) compliance requirements – this work is in progress.</p> <p>MTB: Ruamahanga Water Treatment Plant: Infrequent data loss due to unreliable equipment and power brown outs. A control system upgrade is in progress (included with Manganese Removal Plant installation).</p> <p>Pirinoa Water Treatment Plant Water Safety Plan is not complete, pending for 20/21.</p>
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	28%	20%	20%	
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: 13% GTN: 39% FTN: 9%	<30%	49%	<p>Nightly flows are monitored using flowmeters from the treatment plants and reservoirs. These flows are compared to treated water flows to estimate real water losses. Limited data was available for Featherston due to (lightning) damage to the telemetry system. The Greytown leakage will be overestimated due to operation of a bypass valve to maintain a minimum flow from Memorial Park to ensure adequate treatment capacity was maintained. This estimate includes internal domestic leakage and any irrigation/night-time commercial usage)</p>

WATER SUPPLY: MEASURING SERVICE DELIVERY PERFORMANCE (CONTINUED)

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2018/19 ACTUAL	2019/20 TARGET	2019/20 ACTUAL	COMMENT
Customer satisfaction	The total number of complaints received by the local authority about drinking water taste per 1000 connections	0	<14	0	0 complaints received (2019: 0)
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	0	<14	0	0 complaints received (2019: 0)
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	5.66	<14	22.15	90 complaints received (2019: 23)
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	6.65	<14	12.80	52 complaints received (2019: 27)
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	5.66	<14	20.92	23 complaints received (2019: 23)
	Total of all water complaints per 1,000 connections	17.97	<70	55.87	This measure is the accumulated complaints for the above measures recorded in the system. For 2020 year was 227, which is 55.87 per 1000 connections. (2019: 73 and 17.97) 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	69%	75%		The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20.
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	77% Median time 0.25 hrs	80%	78% Median time 1.26hrs	** Refer to Disclosure Note on page 127 for clarification.
	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	88% Median time 1.6 hrs	90%	70% Median time 12.47 hrs	** Refer to Disclosure Note on page 127 for clarification.
	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	71% Median time 0.91 days	80%	49% Median time 0.97 days	** Refer to Disclosure Note on page 127 for clarification.
	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	87% Median time 1.54 days	90%	66% Median time 2.49 days	** Refer to Disclosure Note on page 127 for clarification.

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 2020 for Water Supply

2019 Annual Report \$,000		2019 Long Term Plan \$,000	2020 Long Term Plan \$,000	2020 Actual \$,000
Sources of operating funding				
-	General rates, Uniform Annual General charges, Rates penalties	-	-	-
2,257	Targeted rates	2,333	2,419	2,461
-	Subsidies and grants for operating purposes	-	-	-
15	Fees and charges	9	9	12
-	Internal charges and overheads recovered	-	-	-
75	Local authorities fuel tax, fines, infringement fees, and other receipts	74	79	64
2,347	Total operating funding (A)	2,416	2,507	2,537
Applications of operating funding				
1,492	Payments to staff and suppliers	1,253	1,288	1,641
123	Finance costs	126	130	119
361	Internal charges and overheads applied	345	350	468
-	Other operating funding applications	-	-	-
1,976	Total applications of operating funding (B)	1,724	1,768	2,229
371	Surplus (deficit) of operating funding (A-B)	692	739	308
Sources of Capital funding				
-	Subsidies and grants for capital expenditure	-	-	-
237	Development and financial contributions	169	188	119
-	Increase (decrease) in debt	56	(108)	1,500
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
237	Total sources of capital funding (C)	225	81	1,619
Applications of capital funding				
Capital Expenditure				
19	- to meet additional demand	-	-	25
104	- to improve the level of service	161	126	2,689
291	- to replace existing assets	640	342	1,240
194	Increase (decrease) in reserves	116	352	(2,027)
-	Increase (decrease) of investments	-	-	-
609	Total applications of capital funding (D)	917	820	1,927
(371)	Surplus (deficit) of capital funding (C-D)	(692)	(739)	(308)
-	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, Hinakura 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 and not on a 100km speed limit road.

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.

Healthy Economically Secure People	Vibrant and strong communities	Sustainable South Wairarapa
•By providing services which help to protect the health of the community	•By providing services which help to protect the safety of the community	•By providing services in a sustainably managed way

Community Wellbeing to Which the Activity Contributes

Social	Economic	Environmental	Cultural
✓	✓	✓	

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.
- 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 Pirinoa recycling centres.

Projects for 2019/20 – 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 collections per year	Hard Waste Collection has been withdrawn due to health and safety issues.
Transfer Station 	Upgrade transfer stations in accordance with resource consent.	Minor work was completed this year, new netting at Martinborough has been installed but further work is planned in conjunction with the implementation of the resource consent.

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	2018/19 ACTUAL	2019/20 TARGET	2019/20 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	Reduced by 6.6%	Decreasing by 2.5% from prior year	Reduced by 12%	Refuse measured by weight for the 2018/19 reporting period was 1,825 tonnes (2018/19: 2,078 tonnes). This has resulted in an decrease of 203 tonnes in comparison to last year's totals.. Recycling tonnages increased by 4.8% at 1,283 tonnes compared with 1,224 tonnes the previous year.
	% of ratepayers and residents satisfied with the level of service	71%	75%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20.

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 for Solid Waste Management

2019 Annual Report		2019 Long Term Plan	2020 Long Term Plan	2020 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
454	General rates, Uniform Annual General charges, Rates penalties	1,171	1,183	454
711	Targeted rates	-	-	721
12	Subsidies and grants for operating purposes	-	-	-
304	Fees and charges	233	238	260
-	Internal charges and overheads recovered	-	-	-
138	Local authorities fuel tax, fines, infringement fees, and other receipts	154	161	123
1,619	Total operating funding (A)	1,558	1,582	1,557
Applications of operating funding				
1,529	Payments to staff and suppliers	1,406	1,412	1,547
-	Finance costs	0	6	0
152	Internal charges and overheads applied	144	147	184
-	Other operating funding applications	-	-	-
1,681	Total applications of operating funding (B)	1,551	1,565	1,732
(62)	Surplus (deficit) of operating funding (A-B)	7	17	(175)
Sources of Capital funding				
28	Subsidies and grants for capital expenditure	-	-	37
-	Development and financial contributions	-	-	-
-	Increase (decrease) in debt	-	119	-
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
28	Total sources of capital funding (C)	-	119	37
Applications of capital funding				
Capital Expenditure				
5	- to meet additional demand	-	-	9
28	- to improve the level of service	261	125	237
-	- to replace existing assets	75	-	29
-				
(67)	Increase (decrease) in reserves	(329)	11	(412)
-	Increase (decrease) of investments	-	-	-
(34)	Total applications of capital funding (D)	7	136	(137)
62	Surplus (deficit) of capital funding (C-D)	(7)	(17)	175
-	Funding Balance ((A B)+(C-D))	-	-	-

Wastewater (Sewerage)

Description

Provision of our wastewater and management of the network was contracted to Wellington Water Ltd (WWL) on 1st October 2019.

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

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 private lateral connections through the Council 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.

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 private lateral connections through Council mains to primary and secondary ponds.

The Greytown oxidation 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 progressively move the treated wastewater discharge to disposal to land. Council has installed new pumps for the UV disinfection plant and irrigation to a new irrigation system to 30 hectares of land when soil moisture levels allow. This land irrigation has been operating since May 2019. The discharge to land will be increased in stages in future years.

Martinborough - Urban

Martinborough operates entirely as a gravity drainage system.

Sewage flows by gravity from individual private lateral connections through the Council mains to a single oxidation 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. When soil and wind conditions permit, the treated wastewater is irrigated to an adjacent 6 hectares of land. That disposal commenced in November 2017. Further land has been purchased and the discharge to land will be increased in stages in future years.

A few households in Martinborough are still operating on septic tanks and are not connected to the Council 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 network is a mix of earthenware, asbestos-cement, fibrolite, reinforced concrete and uPVC and 1.8km of polyethylene which replaced original pipes 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 as the modern approved material.

The Greytown network 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 network (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 collection, treatment and 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.

Community Outcomes to Which the Activity Contributes

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

Healthy Economically Secure People	Sustainable South Wairarapa
•By ensuring that adequate public systems are provided, at an affordable cost	•By ensuring that all of the reticulated systems operate as efficiently as possible; that the conditions are complied with

Community Wellbeing to Which the Activity Contributes

Social	Economic	Environmental	Cultural
✓	✓	✓	

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 pans connected in total.

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 2019/20 – Wastewater

Project		Progress
Wastewater 	Continue inflow and infiltration investigations and targeted 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.	The 2017 consent application has been withdrawn and Wellington Water has commenced a process to develop an option for the disposal of treated waste water from Featherston WWTP.
Wastewater 	Upgrade the wastewater network as needed to facilitate future development.	Papawai Road project has been delayed with work due to commence mid 2021.
Wastewater 	Continue to develop wastewater treatment systems to meet the requirements of the new resource consents including irrigation to land in all three towns.	A programme of continual improvement of treatment plants is in place.
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.

Statement of Service Performance - Wastewater

WASTEWATER: MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	2018/19	2019/20	2019/20	COMMENT
		ACTUAL	TARGET	ACTUAL	
Council provides wastewater services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	10.69	<10	10.68	
	Ratepayers and residents satisfaction with wastewater services	57%	57%	No result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in the 2019/20 year.
	Number of dry weather wastewater overflows per 1000 connections	0	<10	2.61	** Refer to Disclosure Note on page 127 for clarification.
	Attendance time: from notification to arrival on site < 1 hour	40% Median time: 1.07 hrs	75%	44% Median time 0.83 hrs	** Refer to Disclosure Note on page 127 for clarification.
	Resolution time: from notification to resolution of fault < 4 hours	38% Median time: 10.3 hrs	80%	89% Median time 55.97hrs	** Refer to Disclosure Note on page 127 for clarification.
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%	100%	
	No. of abatement notices	0	<2	0	
	No. of infringement notices	0	0	0	
	No. of enforcement notices	0	0	0	
	No. of convictions	0	0	0	
	No. of complaints per 1000 connections received about wastewater odour	0.95 (4)	< 15	0.72 (3)	
	No. of complaints per 1000 connections received about wastewater system faults	2.38 (10)	< 15	0.24 (1)	
	No. of complaints per 1000 connections received about wastewater system blockages	6.65 (28)	< 15	10.68 (45)	
	No. of complaints per 1000 connections received about the response to issues with wastewater	0 (0)	< 15	0	
Proportion of urgent wastewater service requests responded to within 6 hours of notification	69% (31/45)	95%	72%		

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 2020 for Wastewater

2019 Annual Report		2019 Long Term Plan	2020 Long Term Plan	2020 Actual
\$,000		\$,000	\$,000	\$,000
Sources of operating funding				
-	General rates, Uniform Annual General charges, Rates penalties	-	-	-
2,032	Targeted rates	2,054	2,333	2,208
	Subsidies and grants for operating purposes	-	-	-
19	Fees and charges	-	-	16
-	Internal charges and overheads recovered	-	-	-
297	Local authorities fuel tax, fines, infringement fees, and other receipts	331	356	302
2,348	Total operating funding (A)	2,384	2,689	2,526
Applications of operating funding				
807	Payments to staff and suppliers	730	751	1,040
500	Finance costs	558	610	509
374	Internal charges and overheads applied	294	298	407
-	Other operating funding applications	-	-	-
1,681	Total applications of operating funding (B)	1,582	1,658	1,956
667	Surplus (deficit) of operating funding (A-B)	802	1,031	571
Sources of Capital funding				
-	Subsidies and grants for capital expenditure	-	-	-
365	Development and financial contributions	264	292	153
2,400	Increase (decrease) in debt	438	(257)	500
-	Gross proceeds from sale of assets	-	-	-
-	Lump sum contributions	-	-	-
-	Other dedicated capital funding	-	-	-
2,765	Total sources of capital funding (C)	702	34	653
Applications of capital funding				
-	Capital Expenditure			
0	- to meet additional demand	588	-	1,081
4,280	- to improve the level of service	1,175	504	-
776	- to replace existing assets	511	315	124
(1,624)	Increase (decrease) in reserves	(769)	247	19
-	Increase (decrease) of investments	-	-	-
3,432	Total applications of capital funding (D)	1,505	1,065	1,224
(667)	Surplus (deficit) of capital funding (C-D)	(802)	(1,031)	(571)
0	Funding Balance ((A B)+(C-D))	-	-	-

Stormwater Drainage

Description

Provision of our wastewater and management of the network was contracted to Wellington Water Ltd (WWL) on 1st October 2019.

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

Community Wellbeing to Which the Activity Contributes

Social	Economic	Environmental	Cultural
✓	✓	✓	

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 2019/20 - 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	2018/19	2019/20	2019/20	COMMENT
		ACTUAL	TARGET	ACTUAL	
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	48%	59%	No Result	The National Research Bureau (NRB) Customer Satisfaction survey was not carried out in 2019/20.
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	100%	95%	100%	
	No. of flooding events	0	0	0	
	No. of habitable floors affected per flooding event per 1000 properties connected	0	0	0	There were no habitable floors flooded in SWDC. The calculations are per 1000 connections. There are no connections to the SWDC Stormwater network so the calculation cannot be performed.
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	No result	

South Wairarapa District Council Funding Impact Statement for Year Ended 30 June 2020 for Stormwater Drainage

2019 Annual Report	2019 Long Term Plan	2020 Long Term Plan	2020 Actual
\$,000	\$,000	\$,000	\$,000
Sources of operating funding			
199	198	249	208
General rates, Uniform Annual General charges, Rates penalties			
-	-	-	-
Target rates			
-	-	-	-
Subsidies and grants for operating purposes			
-	-	-	-
Fees and charges			
-	-	-	-
Internal charges and overheads recovered			
7	6	7	6
Local authorities fuel tax, fines, infringement fees, and other receipts			
206	205	255	214
Total operating funding (A)			
Applications of operating funding			
34	51	52	124
Payments to staff and suppliers			
8	5	5	7
Finance costs			
-	65	66	95
Internal charges and overheads applied			
-	-	-	-
Other operating funding applications			
42	121	123	226
Total applications of operating funding (B)			
164	84	132	(13)
Surplus (deficit) of operating funding (A-B)			
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			
-	55	56	25
- to replace existing assets			
164	29	76	(38)
Increase (decrease) in reserves			
-	-	-	-
Increase (decrease) of investments			
164	84	132	(13)
Total applications of capital funding (D)			
(164)	(84)	(132)	13
Surplus (deficit) of capital funding (C-D)			
Funding Balance ((A B)+(C-D))			
-	-	-	-

Disclosure Note

WWL are contracted to provision and manage SWDC three waters networks, being Water Supply (drinking water), Wastewater (sewerage), and Stormwater.

Non-financial performance measures are audited on an annual basis. These include a number of compulsory measures set by the Department of Internal Affairs (DIA). AuditNZ were unable to verify some of these measures to their satisfaction resulting in a modified audit opinion.

This has affected a number of measures for SWDC as outlined below.

These notes relate to the Service Performance Tables on pages 108 to 120 and are marked with a double asterisk (**).

1. System and Adequacy of Dry Weather Overflows

Issue

The original methodology Wellington Water Limited (WWL) applied to generate results did not follow DIA guidelines. A methodology has now been implemented taking on-board the DIA guidelines. WWL are confident the numbers reported using the new methodology fairly represent the number of overflow events. The criteria applied to determine the number of events included a multi-word search which did not rely on identifying the word “blockages” in isolation. Removing events that included the word blockages from the current results would result in under-reporting of these events. The target is zero for this measure and regardless of the finer details of the methodology, the number of events would result in hundreds of events.

Remedial Action

WWL will review and improve the methodology to improve the accuracy and reliability of results. This will include:

- Staff training to ensure wide understanding of the definition of a dry-weather overflow as “wastewater spilling to the surface”
- Updating field crew job requirements to include a mandatory step of confirming the overflow event by taking a photograph of the job site

2. Fault Response Times

a. Attendance times

Issue

WWL records for attendance were insufficient to enable results, particularly in Quarter 1, to be verified. By applying E-Road geo-spatial data we can confirm 75% of attendance by matching the presence of one of our vehicles to address in the service request records.

Remedial Action

Better recording and reporting of performance will be achieved through a number of activities as part of a wider programme of improvements and development of a more robust performance framework. Specific activities will include:

- Staff training for field crews and their supervisor
- Continuing to match vehicle attendance using the E-Road data

b. Resolution times

Issue

WWL could not independently verify fault resolution response times. Our proposed method of corroborating the data by matching timesheets to job sheets did not support sufficient data being available or able to be matched.

Remedial Action

Internal system and/or manual controls will be built into the service request workflow to enable results to be certified. In practise this means implementing checking procedures to certify all urgent service requests on a daily basis and non-urgent service requests will be checked on a sample basis as part of a wider internal audit programme. Remedial action will include:

- Design and implement procedures for manual checking of results for all urgent service requests on a daily basis
- Design and implement an internal audit programme including routine quality assurance checks for all non-urgent service requests
- Conduct staff training for supervisors

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