

South Wairarapa District Council Annual Report Summary

For the year ended 30 June 2018

**Approved for issue by the Mayor and Chief Executive
24 October 2018**

South Wairarapa District Council

P.O. Box 6

MARTINBOROUGH

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

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E-mail: enquiries@swdc.govt.nz

DIRECTORY

COUNCIL

HER WORSHIP THE MAYOR

Vivien Napier

COUNCILLORS

Cr Paora Ammunson

Cr Lee Carter

Cr Pam Colenso

Cr Margaret Craig

Cr Dayle Harwood (until April 2018)

Cr Brian Jephson (Deputy Mayor)

Cr Pip Maynard

Cr Colin Olds

Cr Colin Wright

COMMUNITY BOARDS

FEATHERSTON

Robyn Ramsden (Chair from January 2018)

Claire Bleakley

Mark Shepherd

Brenda West (Chair until January 2018)

Cr Dayle Harwood (until April 2018)

Cr Colin Olds

GREYTOWN

Leigh Hay (Chair)

Mike Gray

Ann Rainford

Christine Stevenson

Cr Paora Ammunson

Cr. Margaret Craig

MARTINBOROUGH

Lisa Cornelissen (Chair)

Fiona Beattie

Victoria Read

Cr. Pam Colenso

Cr Pip Maynard

OFFICE LOCATIONS

MARTINBOROUGH

19 Kitchener Street

P O Box 6

Martinborough

Phone 306 9611 Fax 306 9373

e-mail enquiries@swdc.govt.nz

FEATHERSTON SERVICE CENTRE

The Library

Fitzherbert Street

Featherston

Phone 308 9030

e-mail featherston@swdc.govt.nz

GREYTOWN SERVICE CENTRE

Greytown Town Centre

Main Street

Greytown

Phone 304 9061

e-mail greytown@swdc.govt.nz

SENIOR STAFF

Chief Executive Officer

Paul Crimp

Group Manager Infrastructure and Services

Mark Allingham

Group Manager Planning and Environment

Murray Buchanan (until May 2018)

Russell O'Leary (from May 2018)

Group Manager Corporate Support

Jennie Mitchell

AUDITORS

Audit New Zealand

On behalf of the Auditor-General

John Whittal

BANKERS

Bank of New Zealand

Johan Otto

KEY LENDER

Local Government Funding Agency

INSURANCE BROKERS

Jardine Lloyd Thompson Ltd - Wellington

SOLICITORS

Gawith Burrige - Masterton

Jock Kershaw - Partner

MAYOR AND CHIEF EXECUTIVE'S REPORT

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

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

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

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

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

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

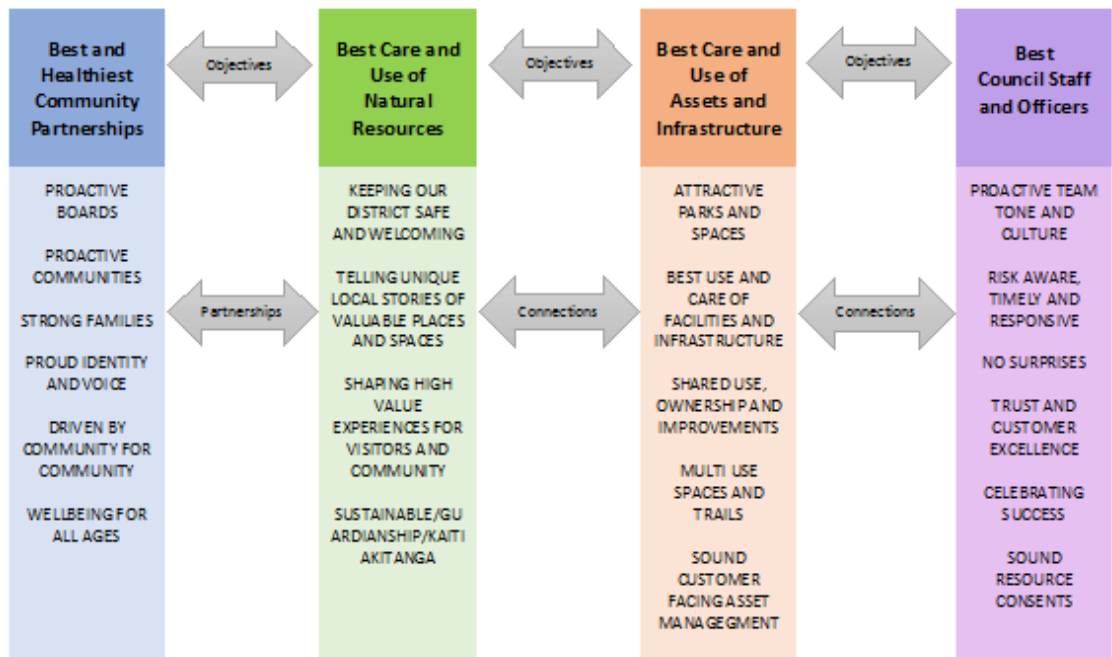
Our Mission is to be "future focused, growth oriented and exercise sound judgement"

Our Internal Values are:

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

Council developed the following outline of the strategic plan for the three years ahead.

These four pillars have formed the basis for decisions on what to include and what to exclude from the LTP.



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

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



OTHER SIGNIFICANT EVENTS

No to Amalgamation

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

Greytown Voted Most Beautiful Town

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

Commemorating the 75th Anniversary of the Featherston Incident

On 25 February 2018 the SWDC held an event in Featherston to mark the 75th anniversary of the WWII Featherston Camp Incident. A service was held at the Memorial Gardens in Featherston. The service included speeches from representatives of the Japanese Embassy, the Australian High Commission and a representative from the town of Cowra in Australia – which experienced a similar incident during WWII.

Free Swimming in SWDC Pools

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

Wairarapa Rail Services

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

Election of New Featherston Councillor

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

Building Consent Activity

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

COUNCIL PROJECTS

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

Martinborough Town Hall and Waihinga Centre

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

Diversion of Wastewater from Water Ways

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

Cape Palliser Road Seal Extension

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

Urban Growth

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

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

FINANCIAL PERFORMANCE

The financial results for the year are covered on pages 11 and 12 of this Summary Annual Report.

The statement of financial performance on page 11 shows a total surplus of \$7.43 million for the year ended 30 June 2018. Almost all of this surplus is required to fund capital expenditure e.g. grants and donations for Waihinga Centre construction \$1.35 million, Ministry of Health grant for

water supply \$0.2 million, New Zealand Transport Agency subsidy for roading capital expenditure \$1.9 million, vested assets \$1.5 million and development contributions transferred to reserves \$1.5 million.

NON-FINANCIAL PERFORMANCE

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

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



Viv Napier

Mayor



Paul Crimp

Chief Executive Officer



Independent Auditor's Report

To the readers of South Wairarapa District Council's summary of the annual report for the year ended 30 June 2018

The summary of the annual report was derived from the annual report of the South Wairarapa District Council (the District Council) for the year ended 30 June 2018.

The summary of the annual report comprises the following summary statements on pages 11 to 12, 14 to 16, and 19 to 21:

- the summary statement of financial position as at 30 June 2018;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended 30 June 2018;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary description used for the summary statement of service performance.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2018 in our auditor's report dated 24 October 2018.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out 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.

Other than in our capacity as auditor, we have no relationship with, or interests in the District Council.



John Whittal,
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand
24 October 2018

SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Table 1 provides a summary of the comparative financial performance for the Council for the 2017/18 and 2016/17 financial years.

TABLE 1	ACTUAL 2018 \$'000	BUDGET 2018 \$'000	ACTUAL 2017 \$'000
Operating revenue	25,351	20,522	19,868
Operating expenditure *	18,613	18,139	18,027
Other gains/(losses)	690	35	(24)
Net surplus/(deficit)	7,428	2,418	1,817
Increase/(decrease) in revaluation reserves	50,983	1	325
Total other comprehensive revenue and expense	50,983	1	325
Total comprehensive revenue and expense	58,411	2,419	2,142
*Operating expenditure includes Finance costs of:	579	626	736

SUMMARY STATEMENT OF CHANGES IN NET ASSETS/EQUITY

Table 2 details public equity, and the components of total equity.

TABLE 2	ACTUAL 2018 \$'000	BUDGET 2018 \$'000	ACTUAL 2017 \$'000
Equity at start of year	385,851	384,826	383,709
Total comprehensive revenue and expense	58,411	2,419	2,142
Equity at end of year	444,262	387,245	385,851
<i>Represented by:</i>			
Public equity	151,083	149,129	143,009
Restricted reserves and trust funds	22,725	18,843	23,371
Other Reserves	2	4	3
Asset revaluation reserve	270,451	219,269	219,468

SUMMARY STATEMENT OF FINANCIAL POSITION

Table 3 provides a summary for the Council's financial position as at 30 June 2018 compared with the financial position as at 30 June 2017.

TABLE 3	ACTUAL 2018 \$'000	BUDGET 2018 \$'000	ACTUAL 2017 \$'000
Current assets	17,558	10,115	16,383
Non-current assets	449,393	397,920	390,994
Total assets	466,951	408,035	407,377
Current liabilities	8,756	3,434	7,579
Non-current liabilities	13,934	17,356	13,947
Equity	444,261	387,245	385,851
Liabilities and equity	466,951	408,035	407,377

SUMMARY STATEMENT OF CASH FLOWS

The following table summarises how the Council generated and used cash during the respective financial periods.

TABLE 4	ACTUAL 2018 \$'000	BUDGET 2018 \$'000	ACTUAL 2017 \$'000
Net cash flow from operating activities	9,766	5,460	6,344
Net cash flow from investing activities	(12,079)	(13,580)	(9,572)
Net cash flow from financing activities	-	316	4,098
Net cash flow for the year	(2,313)	(7,805)	871

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.

INTERPRETATION OF SUMMARY FINANCIAL STATEMENTS

This Summary Report, which has been extracted from our 2017/18 Annual Report cannot be expected to provide as complete an understanding of the Council as provided by the full Annual Report.

Copies of the 2017/18 Annual Report are available at the Council Offices, 19 Kitchener St, Martinborough, or at Council libraries in Featherston, Greytown and Martinborough, or at www.swdc.govt.nz.

The full Annual Report was authorised for issue on 24 October 2018, Audit New Zealand issued their unmodified audit opinion on that date.

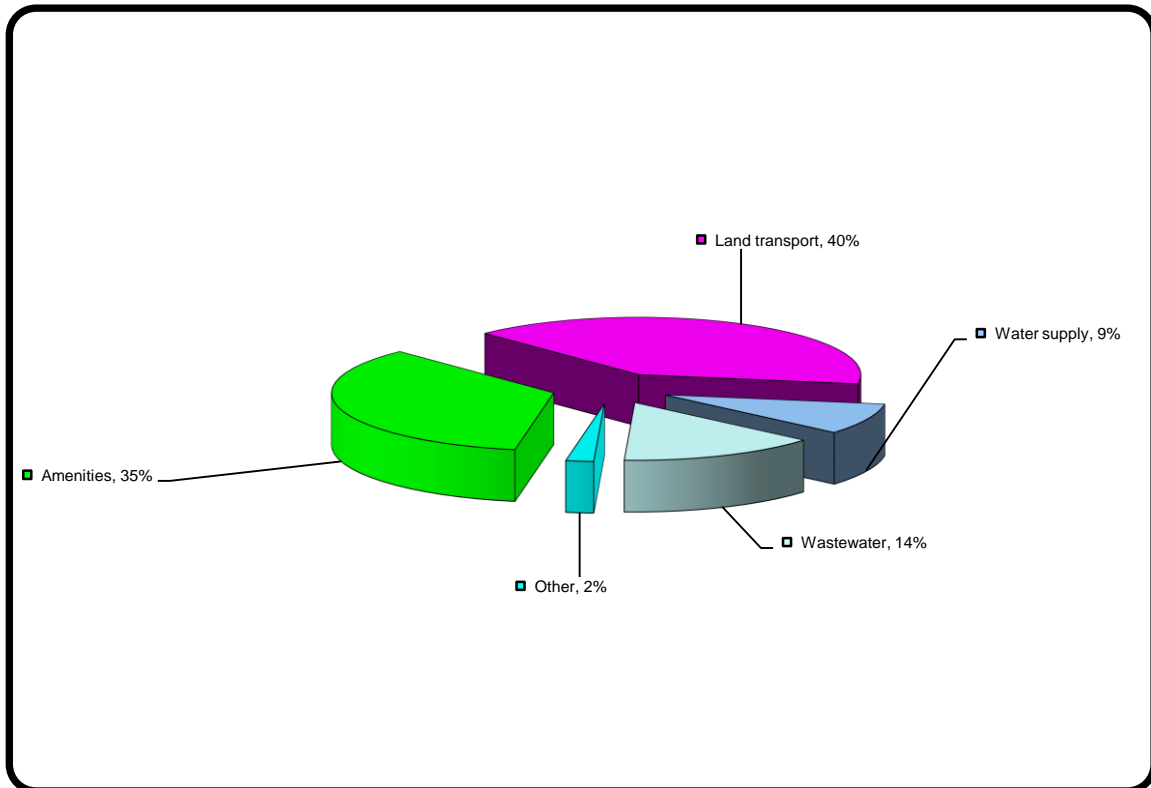
South Wairarapa District Council (SWDC) is a public benefit entity for financial reporting purposes. The full financial statements have been prepared in accordance with New Zealand Generally

Accepted Accounting Practice (GAAP) and comply with Tier 2 PBE accounting standards, as appropriate for public benefit entities.

This summary report has been prepared in accordance with PBE FRS – 43. This summary report covers the period 1 July 2017 to 30 June 2018.

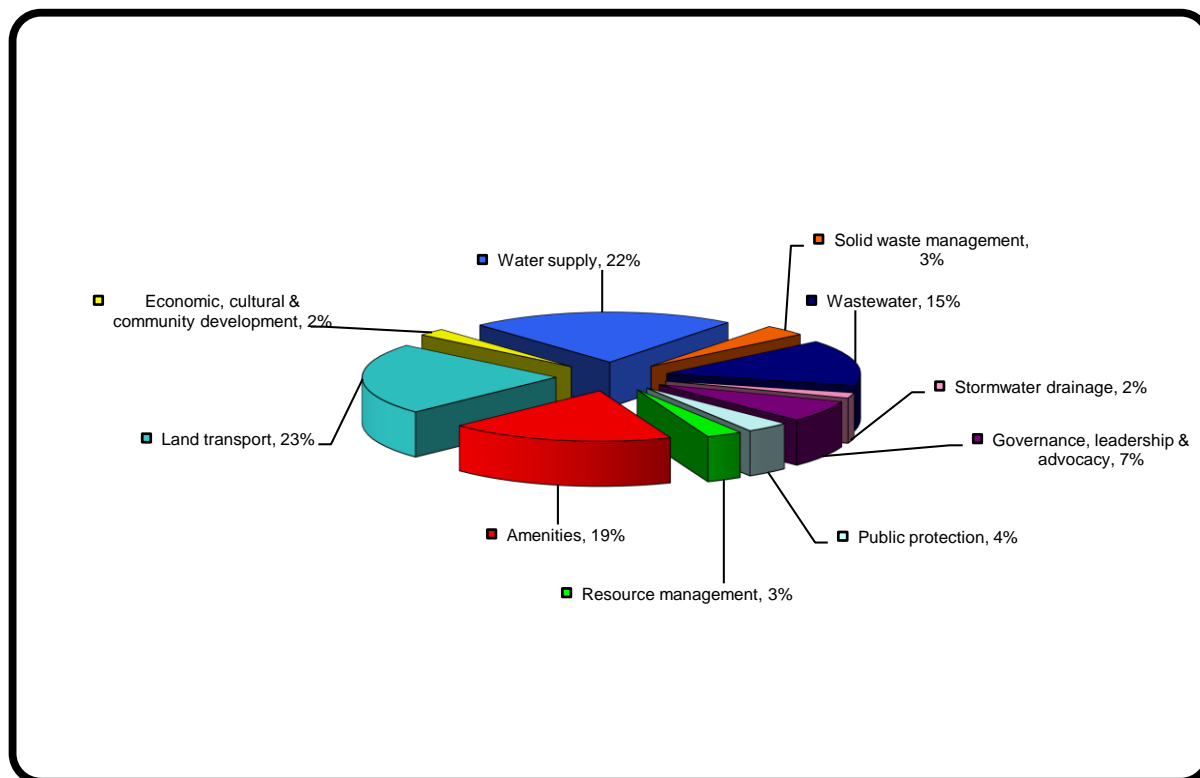
CAPITAL EXPENDITURE

Total capital expenditure for the 2017/18 year was \$9,448,000. Breakdown per activity is as displayed in the following graph:



TOTAL RATES COLLECTED

The total rates collected for the 2017/18 year was \$13,567,000. Breakdown per activity is as displayed in the following graph:



STATEMENT OF CONTINGENCIES

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

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

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

No contingent rents have been recognised during the period.

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

RELATED PARTY TRANSACTIONS

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

All payments were made on a cash basis and no payments were delayed. No interest was charged and there are no outstanding balances as at 30 June 2018 (2017: Nil).

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

Below is a summary of remuneration to councillors and key personnel:

TABLE 5	30 JUNE 2018 \$	30 JUNE 2017 \$
Councillors		
Remuneration	236,943	236,655
Full-time equivalent members	10	10
Senior Management Team, including Chief Executive		
Remuneration	640,588	546,087
Full-time equivalent	4	3
Total key management personnel compensation	877,531	782,742

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

Key management personnel include the Mayor, councillors, Chief Executive, a Group Manager Infrastructure and Services, a Group Manager Planning and Environment and a Group Manager Corporate Support.

EVENTS AFTER BALANCE DATE

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

There are no other significant events after balance date.

EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

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

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE

- Fees and licence revenue ahead of budget as building consent, LIMs, landfill revenue well ahead of forecast.
- Grants and subsidy revenue ahead of budget as pledges and grants were called in for the Waihinga Centre Project that were budgeted in the 2015/16 year.
- Development activity in the district is ahead of forecast, resulting in development and financial contributions revenue being ahead of budget.
- Land transport output was higher than forecast due to emergency works following storm events on the Palliser special purpose road.
- There was no budget for vested assets, however a number of assets vested in Council as a result of subdivisions during the period covered by these financial statements.
- A significant portion of the funds received over budget are to cover capital expenditure or for reserves for future use e.g. capital contributions based on subdivision activity.

STATEMENT OF MOVEMENTS IN NET ASSETS/EQUITY

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

STATEMENT OF FINANCIAL POSITION

- Cash & cash equivalents higher than budget following revenue being higher than forecast plus loans drawn down slightly ahead of expenditure.
- Property, plant and equipment and Asset revaluation reserve higher than forecast due to revaluation in infrastructure assets amounts being higher than expected.
- Restricted reserves higher than forecast due to increased development activity in the district, resulting in financial contributions revenue being ahead of budget.

STATEMENT OF CASHFLOWS

The notes below are for the 2017/2018 year.

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

UPDATE ON KEY ISSUES FROM THE LTP

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

UPDATE ON KEY ISSUES FROM THE ANNUAL PLAN	
KEY ISSUES	PROGRESS
Roading in the district is vital, not only for car traffic which is the predominant means of transport for most residents and visitors, but also commercial traffic which is essential to service major industrial enterprises, particularly farming, horticulture and the wine industry.	The roading programme was completed as planned. This programme is agreed with NZTA and is subject to significant oversight, NZTA need to be assured that their contribution is being well spent. The reseals programme is managed to ensure that only those sections of road that require sealing are sealed. This targeted approach is the most efficient method of ensuring the network is maintained to the highest standard affordable. A significant amount of work was carried out on the Cape Palliser "special purpose road". As this section of our network abuts the sea, it is important to carry out as much preventative maintenance as possible.
In December 2017, residents of the Wairarapa voted against the proposed amalgamation of the three Wairarapa Councils. Council will continue to work with other Councils in developing shared services in a number of areas to achieve synergies and savings where possible.	South Wairarapa has worked with the other Wairarapa Councils on a number of initiatives, including electricity pricing, insurance cover, solid waste, roading contracts, and solid waste where a combined contract was signed resulting in significant savings.
Council continues to work towards alternative effluent disposal systems such as discharge to land for the wastewater systems in the three towns. Discharges need to meet GWRC's discharge standards.	The 2017/18 year has seen excellent progress with developing the new wastewater systems for Greytown and Martinborough after 35 year wastewater consents were obtained for both towns in the 2015/16 year. We are working with Wellington Regional Council responding to queries raised with regard to the resource consent application for Featherston wastewater. A 35-year consent has been requested.
Waihinga Centre	The Martinborough Town Hall strengthening and Waihinga Centre upgrade was approved in February 2016. The Building consent was issued in April 2017 and building commenced in May 2017. Construction is expected to be completed in late 2018.

SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS

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

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

OPPORTUNITIES FOR MAORI TO CONTRIBUTE

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

- a) Advise on tangata whenua and Maori interests in the Council's major areas of activity.
- b) Establish a method of consultation, which involves tangata whenua, on all matters relating to the district's resources, and involving the district's planning processes.
- c) Advise on consultation processes with Maori in the district and assist in the development of consultation networks throughout the district.
- d) Promote the development of processes within Council, which develop policy, processes and guidelines, based on the Treaty of Waitangi principles of participation, partnership and active protection.

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

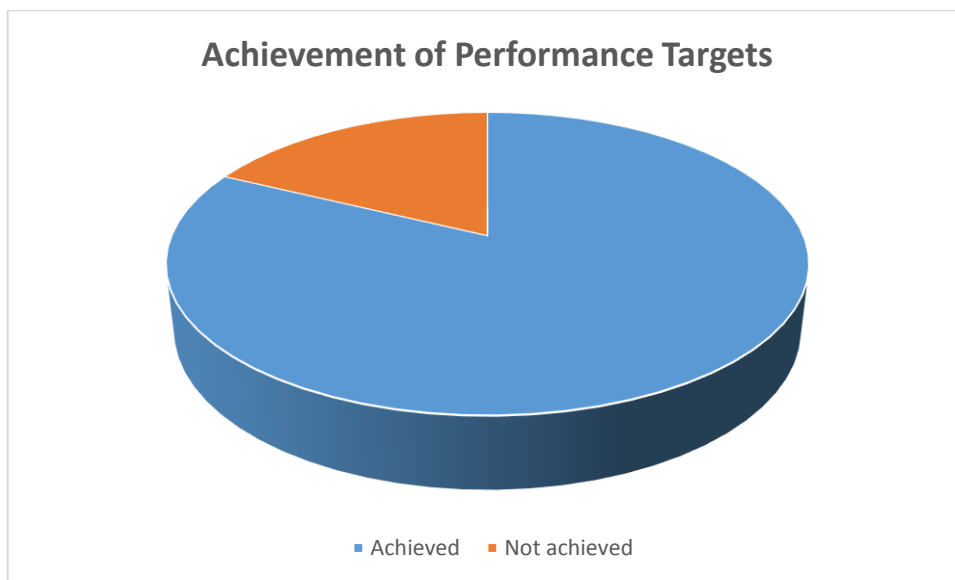
Public participation at Council and community board meetings is another forum whereby Maori can have input into matters Council is considering.

SUMMARY STATEMENT OF SERVICE PERFORMANCE

We measure our non-financial performance each year using a set of indicators that are set out in the Long Term Plan (LTP). The results present a high level view of our non-financial performance.

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

The graph below shows the proportion of performance targets achieved. In addition to the 82% of targets achieved, a further 10% were within 5% of achieving the target.



The non-financial measures include a number of ratepayer satisfaction measures for which we contract an external company to complete a survey on our behalf. Of the 105 non-financial measures, 32 related to the ratepayer satisfaction survey questions. As the survey was not completed this year, these measures have been excluded from our calculations.

Along with these ratepayer responses, we set targets for how quickly we will respond to ratepayer requests for service such as fixing a wastewater blockage or attending to a flooding incident. Some of the measures could be considered to be 'stretch targets' which have intentionally been set at a high level. Others require some assistance from ratepayers to achieve, e.g. a target to reduce the average water consumption per day per resident or a goal to reduce the volume of waste going to landfill.

These performance indicators cover all areas of Council's work. Those targets we did not manage to achieve in the 2018 year give us an opportunity for renewed focus and improvement in the coming year.

DEPARTMENT OF INTERNAL AFFAIRS (DIA) PERFORMANCE MEASURES

Below is a summary of the results of the DIA performance measures for the year.

DEPARTMENT OF INTERNAL AFFAIRS PERFORMANCE MEASURES			
WATER SUPPLY MEASURES	TARGET	ACHIEVED	NOT ACHIEVED
Average consumption of drinking water per day per resident	<400Lt	440Lt	
Compliance with resource consent conditions/water permit conditions	95%	100%	
Water supply systems comply with Ministry of Health Bacteriological Drinking Water Standards guidelines 2008	Yes		MBA: No GTN: No FTN: No
Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards guidelines 2008	Yes		MBA: No GTN: No FTN: No
Fire hydrants tested annually that meet NZ Fire Service Code of Practice	20%		29%
The % of real water loss from the local authority's networked reticulation system identified by establishing and measuring night flow	<20%		MBA: 30% GTN: 42% FTN: 54%
The total number of complaints received by the local authority about drinking water taste per 1000 connections	<15%	0	
The total number of complaints received by the local authority about drinking water odour per 1000 connections	<15%	0	
The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	<15%	2.49	
The total number of complaints received by the local authority about continuity of supply per 1000 connections	<15%	4.49	
The total number of complaints received by the local authority about drinking water clarity per 1000 connections	<15%	1.99	
The local authority's response to any of these issues (expressed per 1000 connections to the local authority's network).	No target set	0	
Total of all water complaints per 1,000 connections	No target set	8.97	
Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	<1 Hr	69% Median time 0.85 hrs	
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.	< 8 Hrs	71% Median time 3.52 hrs	
Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	< 2 working days	77% Median time 0.77 days	
Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm	< 5 working days	81% Median time 1.08 days	

DEPARTMENT OF INTERNAL AFFAIRS PERFORMANCE MEASURES			
WASTEWATER MEASURES	TARGET	ACHIEVED	NOT ACHIEVED
Number of blockages per 1000 connections	<10		11.55
Number of dry weather wastewater overflows per 1000 connections	<10	0.72	
Attendance time: from notification to arrival on site	< 1 Hr	65% Median time: 0.78 hrs	
Resolution time: from notification to resolution of fault	< 4 Hrs	67% Median time: 1.95 hrs	
% of resource consent conditions complied with to mainly complying or better*	90%	97%	
No. of abatement notices	<2	0	
No. of infringement notices	0	0	
No. of enforcement notices	0	0	
No. of convictions	0	0	
No. of complaints per 1000 connections received about sewage odour	< 15	0.9 (4)	
No. of complaints per 1000 connections received about sewage system faults	< 15	2.93 (12)	
No. of complaints per 1000 connections received about sewage system blockages	< 15	11.71 (48)	
No. of complaints per 1000 connections received about the response to issues with wastewater	< 15	0	
Proportion of urgent wastewater service requests responded to within 6 hours of notification	95%	89% (59/66)	

DEPARTMENT OF INTERNAL AFFAIRS PERFORMANCE MEASURES			
STORMWATER MEASURES	TARGET	ACHIEVED	NOT ACHIEVED
% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	95%	100%	
No. of flooding events	0	0	
No. of habitable floors affected per flooding event per 1000 properties connected	0	0	
No. of abatement notices	0	0	
No. of infringement notices	0	0	
No. of enforcement notices	0	0	
No. of convictions	0	0	
Median Response time to flooding events(Notification to personnel reaching site in hrs)	3	0	
No. of complaints about stormwater per 1000 properties connected	0	0	

DEPARTMENT OF INTERNAL AFFAIRS PERFORMANCE MEASURES			
ROAD SAFETY MEASURES	TARGET	ACHIEVED	NOT ACHIEVED
The change in the number of fatalities and serious injury crashes on the local road network	<7	Reduced by 7	
Using the RAMM measurement system, average smooth travel exposure on urban roads to be 85% and rural roads 95% with maximum variation of 5%	95%	97%	
5% of sealed roads are resealed each year subject to availability of NZTA subsidy	100%	100%	
Footpath Condition rating 95% compliant with SWDC AMP Standard	95%		87%
The % of customer service requests relating to roads and footpaths responded to within 48 hours	95%		67%

PROJECTS FOR 2017/18

GOVERNANCE/LEADERSHIP/ ADVOCACY

The following table provides an update on projects undertaken for the 2017/18 year for Governance/Leadership/Advocacy.

GOVERNANCE/LEADERSHIP/ADVOCACY PROJECTS	
PROJECT	COMMENT
Completion of the Annual Report for 2016/17.	This was achieved with Council adopting the Annual Report on 25 October 2017 and the Audit Opinion issued on that date.
Continuation of the regional governance review.	Work continued by the Local Government Commission on the options for Wairarapa. We continued to be involved providing input where requested. This process was led by the Commission. In May 2017 the Commission recommended the three current Wairarapa district councils be amalgamated into one entity. A poll of ratepayers was held in late 2017 and the outcome was that ratepayers did not favour amalgamation. The poll was binding, so there will continue to be three Councils to cover the Wairarapa region.
Review policies as they fall due.	Policies are presented to the Audit and Risk working party before being presented to Council. Where relevant, policies are also presented to the community boards for their input.
Advocate for public transport to meet community's need.	SWDC continued to work closely with GWRC to ensure our public's needs were given due consideration and contributed to the Public Transport Working Group consisting of the three Wairarapa councils and GWRC. Council also lobbied central government to support funding requests from GWRC to improve the rail service between the Wairarapa and Wellington.
Review Combined Wairarapa District Plan.	Discussions continue in regard to the required data collection that is needed to assess plan effectiveness.
Oversee redevelopment of the Martinborough Town Hall/Waihinga Centre	Work continued on this project which is due for completion in late 2018.

PUBLIC PROTECTION

The following table provides an update on projects undertaken for the 2017/18 year for Public Protection.

PUBLIC PROTECTION PROJECTS	
PROJECT	COMMENT
Monitor the performance of and commence review of the Council's bylaws with Masterton and Carterton District Councils.	A review of the joint Consolidated Bylaws for Council and Masterton District Council was been agreed and commenced in October 2017. Carterton District Council also decided to join this process. Review work is underway with relevant matters being assessed.
Accelerate project to scan existing building consent files along with all new building consents.	A fulltime person continues to complete the scanning project and input new building consents at lodgement into the electronic database. The scanning of back files has progressed in accord with the timetable for this works (3 years). New applications that come into Council along with associated files are also being scanned in.
Continue development and establishment of electronic building consent processing through the Goshift programme where appropriate.	Council has progressed electronic consent processing with all consents now being managed and processed electronically. Applicants are also able to lodge building consents electronically.
Implement the Local Alcohol Policy (LAP). Monitor the performance of the DLC and Council processes under the Act and LAP.	The Local Alcohol Policy was approved by ARLA on 1 August 2018 and will come into effect on 1 November 2018. Council will implement alongside the other two Wairarapa Councils.
Review regulatory policy documents by due dates.	All policies due for review have been considered and re-adopted by Council.
Consider and implement new regime for earthquake prone buildings in accord with legislative requirements.	Work commenced to manage properties under the new legislation, and the majority of EPB buildings have been identified within the district.
Implement health and safety requirements in line with the Health and Safety Act.	Work continues to implement health and safety act requirements lead by the health and safety working group and senior leadership team.

ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

The following table provides an update on projects undertaken for the 2017/18 year for Economic, Cultural and Community Development Projects.

ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT PROJECTS	
PROJECT	COMMENT
Continued involvement with economic development both regionally and locally through the Wellington Regional Strategy, Wellington Regional Economic Development Agency, Destination Wairarapa and other agencies and local business groups.	This was achieved through the Destination Wairarapa grant supporting tourism marketing for South Wairarapa and positions held on joint Economic Development working party and Wellington Regional Investment Plan Steering Group.
Continued support for South Wairarapa Safer Community Trust.	This was achieved through an annual grant to SWSCT.
Supported cultural organisations.	This was achieved through annual grants in line with the SWDC Grants Policy.
Continue to administer the Creative Communities scheme under contract with Creative NZ.	Creative Communities Scheme administered, 23 applications were processed, with 17 of those granted full or partial funding.
Continued support for the Wairarapa Water Use Project.	Council continued to keep a watching brief on this project and had a number of presentations from the Wairarapa Water group during the year, Council continues to provide "in principle" support. Funds have been allocated in the 2018/19 financial year to continue to support this project.
Continue support for expansion of Greytown Sport and Leisure.	Some discussions took place with a view to replicating the Greytown Sport and Leisure model in Featherston and Martinborough. However there seemed to be little appetite from the community to replicate the concept or model in the other two towns.

RESOURCE MANAGEMENT

The following table provides an update on projects undertaken for the 2017/18 year for Resource Management Projects.

RESOURCE MANAGEMENT PROJECTS	
PROJECT	COMMENT
Establish a monitoring and reporting/plan effectiveness strategy for the WCDP and then commence implementation with MDC and CDC.	Plan effectiveness, monitoring and evaluation has commenced as part of the plan review process for refinement of the WCDP.
Continue to improve the functionality of the District Plan and undertake Council initiated Plan changes where necessary, in response to the findings in SoE Reports and plan effectiveness reviews.	Work was completed during the year for a plan change add a structure plan to the Greytown Development Area. This was adopted by Council and the decision publicly notified in August 2018.
Respond to changes to the Resource Management Act 1991 by Government to ensure compliance with statutory requirements.	Changes that came into effect from RMA amendments have been reflected in our resource consent processes and application forms.
Review those parts of the WCDP to ensure compliance with the National Policy Statement for urban capacity, and undertake necessary updates already identified, including earthquake hazard controls, flood hazard controls, notable tree schedules and signage.	Investigation and updating of the notable trees schedule for South Wairarapa was progressed during the year. The other matters will form part of the review of the WCDP to be undertaken in 2020/21.
Complete urban development review for Martinborough including a structure plan and plan change.	The Martinborough South Growth Area has been identified for future urban growth and landowner consultation and feedback has commenced. An options report will be presented to Council in December 2018.
Continue to provide an approach that meets the Council's legislative requirements while facilitating investment in buildings and businesses within the district.	We continue to take a helpful and outcome based approach to users of Council's services. Our approach responds to our current legislative and district plan requirements, whilst being facilitative for new development proposals for the district, plus being responsive to potential adverse impacts to the adjoining environment.
Review residential water race maintenance.	Council engaged Eastern Consulting to undertake a water race review. This work is in progress and will be completed in the 2018/19 year.

AMENITIES

The following table provides an update on projects undertaken for the 2017/18 year for Amenities Projects.

AMENITIES PROJECTS	
PROJECT	COMMENT
Continue the new cemetery development at Featherston.	On-going – initial shelter belt trees planted on western boundary; location of future driveway established and arcade trees planted.
Carry out Waihinga Centre Project.	Work has continued on the strengthening of the Martinborough Town Hall and construction of the Waihinga Centre. This project was approved by Council in January 2017, with construction expected to be completed in late 2018.
Programme works from the coastal reserves development plans.	New toilets and a camper dump station were installed at Ngawi and a new toilet at North Tora.
Establish Soldiers Memorial Park Development Plan.	This project is user driven. No Council action in 2017/18.
Development Plan for Youth focused facility in Greytown.	A final location has been selected (Pierce St), amenities for park scoped and indicative pricing sought.
Development Plan for Card Reserve.	A user group has been established.
Connect Libraries to Ultra-Fast Broadband (UFB).	MBIE announced additional rollouts of UFB to rural areas during the year. All three South Wairarapa towns are to have fibre installed for UFB with the Greytown installation scheduled for completion in the second half of 2020, Featherston in the second half of 2021, and Martinborough in the second half of 2022.
Cemetery database on-going development.	Progress has been made with this project. Data needs further checking and updating before being made available online.
Greytown Cemetery driveway.	Stage 1 completed.
Complete Boer War Memorial – plinth, steps and lighting by ANZAC day.	Plinth and steps completed and lighting in process of being completed.
External access to card Reserve Stadium Toilet.	Completed during 2017/18.
Refurbish Featherston train mosaic.	This work is in progress.
Carpark at Whatarangi.	Completed during 2017/18.
Review use of Glyphosphate.	Completed. Monitoring of alternatives and the status of glyphosate continues.
Investigate new tourism infrastructure fund and apply if appropriate.	Application completed by deadline early in 2017/18 financial year.
Remove trees from Card Reserve, Featherston	Boundary trees beside artificial surface have been removed. Remainder of trees to be removed during summer months of 2018/19.
Implement free swimming at all three pools.	Implemented for 2017/18 swimming season.

LAND TRANSPORT (ROADING AND FOOTPATHS)

The following table provides an update on projects undertaken for the 2017/18 year for Land Transport Projects.

LAND TRANSPORT PROJECTS	
PROJECT	COMMENT
Implement Cycle Strategy and develop work plan.	Cycle strategy is being implemented in conjunction with NZTA and neighbouring Councils.
Complete an annual reseals programme and re-metaling programme.	Reseals completed under contract C1218 Reseal and Roadmarking. Re-metaling completed under the Road maintenance contract.
Complete the bridge inspection programme and develop works programme for 2018/19 from the results.	Calibre Consultants completed Engineers Bridge inspection, routine inspections completed under the Road maintenance contract.
Renew footpaths as per community board programme.	Year 3 of a 3-year programme completed under joint SWDC CDC footpath contract.
Complete 1km seal extensions.	Shooting Butts Road completed 0.8km in line with budget.
Investigate options for rural residential footpaths.	Continued to focus on higher use urban footpaths.
Stabilise Ushers Hill, White Rock Road.	Memorandum of Understanding has been drawn up by GWRC legal team and signed by all affected parties, to keep stock off the land for 7 years to allow stabilisation works and planting to commence.
Lime path on North Road, Greytown.	Land acquisition has delayed this project. Plan to complete during 2018/19 year.
Review parking.	Commenced discussions with the other Wairarapa District Councils regarding review of district bylaws incorporating parking.
Complete speed limit review submission to NZTA.	Review submitted, but NZTA deferred acceptance due to Government mandate on speed limits. Working with NZTA and neighbouring councils to have a joint cohesive rollout.
Review speed bumps.	There has been consultation with Cotter Street Residents and Greytown Community Board re speed safety issues.
Review provision on bike racks.	Bike racks installed in Martinborough.
Review footpath, seal extension and resealing strategy for consideration in the LTP.	Updated in Asset Management Plan (AMP) which was tabled as part of the LTP 2018-28 preparation.
Replace all street lighting with LED bulbs in conjunction with NZTA.	LED upgrade was substantially completed to take advantage of NZTA enhanced subsidy of 85%.
Agreed after public consultation to redirect some funding for roading rehabilitation work to improve footpaths and road crossings.	Funding was redirected to emergency works due to storm event of 13 July 2017.

WATER SUPPLY

The following table provides an update on projects undertaken for the 2017/18 year for Water Supply Projects.

WATER SUPPLY PROJECTS	
PROJECT	COMMENT
Complete the Featherston supply project.	Stage 1 is complete and three new bore pumps are now feeding the water to the UV disinfection plant installed in an extended building adjacent to the UF plant. This plant has been operating since May 2017.
Implement outstanding water rates penalty.	The rates resolution was amended to allow for penalties to be added to overdue water rates and this was implemented this financial year.
Carry out asset condition review.	The condition review of existing assets is progressing with the operations team using existing contractor observations and new connections to guide renewals.
Implement Cryptosporidium testing.	This testing was completed during the year.

SOLID WASTE MANAGEMENT

The following table provides an update on projects undertaken for the 2017/18 year for Solid Waste Management Projects.

SOLID WASTE MANAGEMENT PROJECTS	
PROJECT	COMMENT
Continue to work with Carterton and Masterton District Councils on solid waste management issues and solutions.	New joint contract started in July 2017 with incumbent contractor covering all three Councils.
Work at a regional and sub-regional level towards the outcome of the Waste Management and Minimisation Plan as required under the Waste Minimisation Act 2008.	On-going work with Wairarapa Councils with the Environment and Sustainability Advisor and regional waste planning.
Provide at least two hard waste (inorganic non-recyclable items weighing less than 15kg and able to be lifted by one person) collections per year.	Completed, hard waste collections carried out: 7-11 August 2017 7-11 May 2018
Implement new solid waste contract.	New joint contract started in July 2017 with incumbent contractor covering all three Councils.
Carry out all actions listed for SWDC under the Regional Waste Management Plan.	The Wairarapa councils have continued to work together, including collaboration through a shared Environment and Sustainability Advisor. Changes in the service for waste minimisation will be e-waste collection at the transfer station in October 2018 and wheelie bin recycling in June 2019.
Improve/Renew Martinborough Transfer Station fencing.	The transfer station netting was replaced during 2017/18.

WASTEWATER (SEWERAGE)

The following table provides an update on projects undertaken for the 2017/18 year for Wastewater Projects.

WASTEWATER PROJECTS	
PROJECT	COMMENT
Continued programme of wastewater reticulation repairs and renewals.	This work deferred to allow the implementation of the accelerated discharge to land programme, unless identified as critical, such as the wastewater main in Waite Street, Featherston, with potential to reduce infiltration by 25%.
Gain consent for Featherston wastewater implementation.	The Featherston consent was lodged in February 2017 and Council is working with the Regional Council to progress the application.
Divert flow from Papawai Stream (Greytown).	Consent commenced, design of land discharge started with construction due to commence in early 2019.
Install ultra-violet disinfection for the Greytown effluent discharge and apply for land irrigation consents.	The UV installation will be started in September 2018 and discharge to land planned for Greytown in early 2019.
Carry out asset condition review.	The review of existing assets was progressed this year with a review of existing contractor observations and connections.
Implement stage 1 wastewater plan, approximately 24% to land at Greytown site.	Work to discharge approximately 24% of the annual flow to land at Greytown site will be completed in early 2019.
Agreed after consultation to defer some cyclical maintenance to accelerate the disposal of wastewater to land project.	Cyclical maintenance work was deferred as agreed.

STORM WATER DRAINAGE

The following table provides an update on projects undertaken for the 2017/18 year for Stormwater Drainage Projects.

STORM WATER PROJECTS	
PROJECT	COMMENT
Continued renewal and upgrading of stormwater drains.	A planned stormwater drain was due to be upgraded in May in conjunction with a building extension. Delays for this building have meant this work is now planned for 2018/19.
Review Dublin Street West drain and arrange appropriate works.	Completed.
Urban kerbing and drainage reviewed and implemented.	Work commenced during 2017/18 will be completed in the first quarter of 2018/19.