

Tasman District Council  
Annual Report  
30 June 2011



"A community is more sustainable when all the threads pull together as one."

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## Directory

Tasman District Council is one of only six councils in New Zealand which have responsibility for both regional and territorial functions. Councils with this dual role are commonly known as “Unitary Authorities”.

District and regional responsibilities have been substantially integrated and are outlined in detail under Committees and Responsibilities.

Tasman District Council is the local government authority for this District. Its power is primarily derived from the Local Government Act 2002 and many other Acts and Statutory Regulations that are referred to throughout this document.

Council is responsible for ensuring that its various functions and activities are properly managed. It does this through a Chief Executive who is responsible for all Council staff.

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### *Golden Bay Office*

Street Address: 78 Commercial Street, Takaka 7110  
Postal Address: P O Box 74, Takaka 7142  
Telephone: 03 525 0020  
Fax: 03 525 9972

### *Murchison Office*

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**Membership of Council  
For the year ended 30 June 2011**

**Tasman Mayor**



Mayor Richard Kempthorne

**Moutere/Waimea Ward**



Cr Brian Ensor



Deputy Mayor, Cr Tim King



Cr Trevor Norriss

**Lakes/Murchison Ward**



Cr Stuart Bryant

**Golden Bay Ward**



Cr Martine Bouillir



Cr Noel Riley  
(Resigned July 2011)

**Motueka Ward**



Cr Barry Dowler



Cr Jack Inglis



Cr Eileen Wilkins

**Richmond Ward**



Cr Kit Maling



Cr Judene Edgar



Cr Glenys Glover



Cr Zane Mirfin



## Mayor's Introduction

Welcome to the 2010/2011 Annual Report. This report is the first one for the current Council term.

The Annual Report tells our residents and ratepayers whether we have delivered to them what we promised to and it is an important part of our accountability back to them.

The 2010/2011 year was, in some ways, one that many of us in New Zealand would like to put behind us, but one that we will struggle to forget. It has been one filled with tragedy and extreme difficulty for the people of Christchurch and other parts of Canterbury, as a result of the catastrophic earthquakes and for the families of the miners killed in the Pike River Mine disaster.

Tasman District has also faced its trials over the last year, notably the floods that impacted on Tapawera in May 2010 and Golden Bay, Murchison and Wangapeka in December 2010. Our communities are still recovering from these events and the impacts will continue to be felt through rates rises in the 2011/2012 year to undertake recovery work, replenish the general disaster fund and replace the James Road Bridge washed away during the Aorere River flooding.

I was extremely proud of how the people of our district pulled together and supported each other in an amazing way throughout the clean up and recovery from the events, and of the contribution our civil defence staff, other Council staff and many individuals in our community made to the Canterbury earthquake response and recovery.

The 2010/2011 year has again been extremely busy for Council. The key projects we have undertaken have included:

- Completing the Waimea Estuary Management Strategy with other partner agencies involved in the process
- Tasman Resource Management Plan (TRMP) – Part IV was notified in February 2010 and decisions on submissions were released 16 July 2011, while Parts V and VI (water and discharges) were made operative on 26 February 2011
- Notified Change 20 to the TRMP seeking to rezone land in Richmond East in August 2010 and Change 22 Mapua Ruby Bay in February 2011. Advanced planning work on Motueka West and Eastern Golden Bay/Takaka. Continued to mediate on appeals concerning Richmond West rezoning
- A 'State of the Environment' River Water Quality in Tasman District report was released in December 2010 and 'State of the Environment' Groundwater Quality Report, was released in October 2010
- Decks Reserve and Saltwater Baths carparks in Motueka were sealed
- In association with the Nelson Cycle Trails Trust construction is well underway of the Tasman Loop Cycleway (now called the Tasman Great Taste Trail), which is part of the New Zealand Cycleway
- Water supply pipeline renewals have been completed in Dovedale, and a new rising main has been installed from the pump station in Tapawera
- Completed the Takaka fire fighting water supply
- Undertaken consultation on the Takaka wastewater treatment plant
- The wastewater pipeline across Rabbit Island has been completed to improve capacity from Mapua/Ruby Bay. Design work on the pump station at Mapua Waterfront Park is underway
- Council worked with the Waimea Water Augmentation Committee on the proposed Lee Valley Dam
- Stormwater upgrades in Poole/High Streets, Motueka, have been undertaken
- Design of stormwater improvements in Patons Rock and Tasman township are underway
- Upgrade of the resource recovery centre in Richmond is well underway
- Council is working with Nelson City Council on a combined Waste Management and Minimisation Plan
- Council has continued work on investigating the options for flood control in the Lower Motueka Valley
- Tasman District Libraries purchased 17,211 new items for the libraries during the 2010/2011 year. At the end of June 2011 the libraries held 132,955 items. This achieves 79% of the current recommended standard for New Zealand libraries based on the population of Tasman District
- Budgets have been allocated towards the commissioning of the Four Winds sculpture for the Takaka Library, and the Kaka Beak sculpture for Motueka
- A draft Youth Strategy has been prepared, which will be finalised in 2011/2012
- Completed construction of the gymnasium at the ASB Aquatic Centre
- Completed further developments at Saxton Field and the Saxton Stadium, in conjunction with Nelson City Council.
- Completed the \$2.1 million upgrade of the Motueka Recreation Centre, which included the extension of the roller skating rink to make a multi-purpose sport arena; redevelopment and extension of the gymnasium facility and reception and office facilities; improvements to the access and facilities in the upstairs meeting/exercise area; and landscaping and carpark sealing outside the Centre.

All the above projects have been completed alongside Council's ongoing maintenance and renewal programmes.

During the year we have received a lot of assistance from a number of people in our community, whether it was comments and suggestions made in submissions or hands-on work on the ground, like that undertaken by our coastcare volunteers. I'd like to thank all of you who have had input into or contributed to the work the Council undertakes for our community. I would also like to acknowledge the tremendous contribution made by innumerable volunteers in our community in all aspects of life. Your contribution is invaluable.

I would like to pass on my personal thanks to my fellow councillors and to staff for their efforts during the year, as the work could not have happened without them. I would also like to pass on my personal thanks to our now departed Chief Executive, Paul Wylie, for his valuable contribution to the Council and Tasman community, and I wish him and his wife, Joyce, well for their future.

At the conclusion of the 2010/2011 year I consider we have achieved my aim of enhancing this beautiful region we live in and the well-being of our communities.

Richard Kempthorne  
Mayor

## Chief Executive Officer's Overview

It is my pleasure to present the 2010/2011 Annual Report.

As noted by the Mayor, 2010/2011 has had its challenges for Council, however, we had a robust plan in place for the year and have delivered well against the planned projects and activities, despite the challenges.

In financial terms, we have come through the year with a surplus of \$9.368 million (after adding vested assets of \$9.917m). Council has net assets (or equity) of \$1.086 billion.

Council is a critical business to the Tasman District, providing essential services that underpin the economic basis of the region, while at the same time undertaking activities that protect the environmental and cultural values of the District and providing community facilities and services that enhance the lifestyle of residents and the experiences of visitors to this area.

We have 17 settlement areas spread throughout our District and a large rural hinterland, all of which have infrastructure needs, such as basic services including roading, water and wastewater, and community infrastructure like sporting facilities and community halls. These services consume a large amount of Council's funding and time. Provision of these services in a manner that meets community needs at an affordable price is one of our biggest challenges.

Some of the highlights of the 2010/2011 year are outlined in the Mayor's report. Achieving them, while also coping with the recovery from the natural events which occurred during the year and the intervention of the amalgamation proposal with Nelson City, has been a challenge for Council staff.

The National Research Bureau undertook the annual survey of residents' satisfaction with the services and activities we provide. Overall we have achieved good levels of satisfaction, which were either equal to or above the national average for councils across New Zealand in all activities. The survey is also useful to highlight areas where we can improve to ensure we deliver the levels of services our ratepayers and residents want. Thank you to those who participated in the survey.

On behalf of Paul Wylie, who was Council's Chief Executive during the term that this Annual Report applies to, I would like to thank the Mayor and Councillors of Tasman District for the effort and commitment they have given to the Tasman community over the last year.

I consider it is important to also acknowledge the efforts of the staff, who are Council's greatest asset. They continue to work hard to deliver services and activities in the region for the benefit of ratepayers and residents. They are a team of enthusiastic professionals who are committed to doing a good job. I thank them for their efforts.

I would also like to thank the numerous members of our community and businesses for the contribution they make to the activities of Council and, therefore, to our wider community.

Dennis Bush-King  
Acting Chief Executive Officer

## **Tasman District Council Vision Statement**

*An interactive community living safely in the garden that is Tasman District*

*He rohe Whakaarotahie  
Noho ora ana I runga I te  
Whenua ataahua  
Ko te rohe o Tahimana*

## **Tasman District Council Mission Statement**

*To enhance community wellbeing and quality of life*

- |             |   |
|-------------|---|
| Objective 1 | To implement policies and financial management strategies that will yield competitive advantage to the people of Tasman District. |
| Objective 2 | To ensure sustainable management of natural and physical resources, and security of environmental standards.                      |
| Objective 3 | To sustainably manage infrastructural assets relating to Tasman District.   |
| Objective 4 | To enhance community development and the natural, cultural and recreational assets relating to Tasman District.                   |
| Objective 5 | To promote sustainable economic development in the Tasman District.   |



# Community Outcomes

## COMMUNITY OUTCOMES

### Background

Community outcomes are the vision or goals of the community. They reflect what the community sees as important for its well being and they help to build up a picture of the collective vision for the District's future – how members of the community would like Tasman District to look and feel in ten years and beyond. They are a guide to informed decision-making and provide a common understanding of what the community is seeking. The Council is not expected to achieve the outcomes on its own. The outcomes are community owned and are goals that the Council and other organisations can work towards. The Council links its activities back to the outcomes.

Eight community outcomes were developed following extensive community involvement in 2005, for inclusion in the 2006-2016 Ten Year Plan. The process to develop the community outcomes is outlined fully in the 2006-2019 Ten Year Plan<sup>1</sup>. Please refer to that document for details on the process should you require them.

The Council has decided not to amend the community outcomes for this 2009-2019 Ten Year Plan, as it considers the outcomes are still current and an adequate reflection of what the community wants. The Local Government Act 2002 requires the Council to facilitate a review of the outcomes with the community at least every six years. Therefore the community outcomes will be reviewed in 2011, prior to development of the 2012 Ten Year Plan.

Council's role in developing the outcomes was to:

- Facilitate a process that encouraged the community to identify outcomes for the future of the District in relation to the four dimensions of community well-being - environmental, social, economic, and cultural.
- Consider how it would promote the community outcomes when it prepared the Ten Year Plan. Council, as one of a range of agencies that is capable of promoting outcomes, needed to consider its role along with that of other agencies.
- Monitor the progress towards the achievement of community outcomes, together with other parties.

### Our Place, Our Future

Tasman District has undergone a period of huge population and economic growth in the past decade. This growth is likely to continue into the future, even though we are facing a period of economic recession in the first year or two of the Ten Year Plan, during which the rate of population and economic growth in the District is likely to slow. The growth is resulting in changes in land use, increasing development pressures, and increasing demand for new infrastructure, which increases the need for forward planning to ensure the future well-being of our region.

As a result of the consultation undertaken on the community outcomes and during the preparation of this Ten Year Plan, the Council has taken the view that it should plan to accommodate the population and economic growth expected in the District. It plans to do so in a manner that it considers is consistent with the community outcomes.

It is clear that councils will play a key role in creating the type of environment in which our communities can prosper. Tasman District Council will directly influence the planning process and associated land use, provide much of the core infrastructure on which our businesses and communities depend, assist in the creation of meaningful employment opportunities, provide social support, promote various transport options, and encourage community participation. Overall Council's responsibility will be to create an environment in which people will thrive and be able to enjoy the lifestyle available in this wonderful District.

### Reporting of progress towards achievement of outcomes

The Tasman District Council and Nelson and Marlborough District Councils, together with the Nelson-Marlborough District Health Board, Ministry of Social Development, Department of Labour and Nelson-Marlborough Institute of Technology and other partners have established a working party to develop a framework for monitoring Community outcomes. The working party has decided on 29 indicators and these have been independently peer reviewed. The Community Outcomes report for the Top of the South has been finished and was available from Council offices in October 2009.

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<sup>1</sup> Tasman District Council Long Term Council Community Plan 2009 Volume 1

<b>Community Wellbeing</b>	<b>Community Outcomes</b>	<b>Council Objectives</b>	<b>Council Groups of Activities</b>	<b>Council Activities</b>
<b>Environmental Wellbeing</b>	Our unique and special natural environment is bountiful, healthy, clean and protected.	To ensure sustainable management of natural and physical resources and security of environmental standards.	Environment and Planning	Environmental Education Advocacy and Operations Resource Information
	Our built urban and rural environments are functional, pleasant, safe, and sustainably managed.			Resource Policy Resource Consents and Compliance Regulatory Services Rivers & flood management
	Our transport and essential services are sufficient, efficient and sustainably managed.	To sustainably manage infrastructural assets relating to Tasman District.	Transportation  Sanitation, Drainage and water supply	Land Transportation Coastal Structures Aerodromes  Solid waste Wastewater Stormwater Water Supply
<b>Social and Cultural Wellbeing</b>	Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.	To enhance community development and the social, natural, cultural and recreational assets relating to Tasman District.	Cultural services and grants	Cultural services and community grants
	Our community understands regional history, heritage and culture.			
	Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services.		Recreation and leisure  Community support services	Community recreation Camping grounds Libraries Parks and Reserves  Community facilities Community housing
	Our participatory community contributes to District decision-making and development.			Governance
<b>Economic Wellbeing</b>	Our growing and sustainable economy provides opportunities for us all in the Tasman District	To implement policies and financial management strategies that advance and promote sustainable economic development in the Tasman District.	Council Enterprises	Forestry Property Council Controlled Organisations

(Source: Tasman District Council Long Term Council Community Plan 2009-2019, Volume 1)

## Tasman District Council

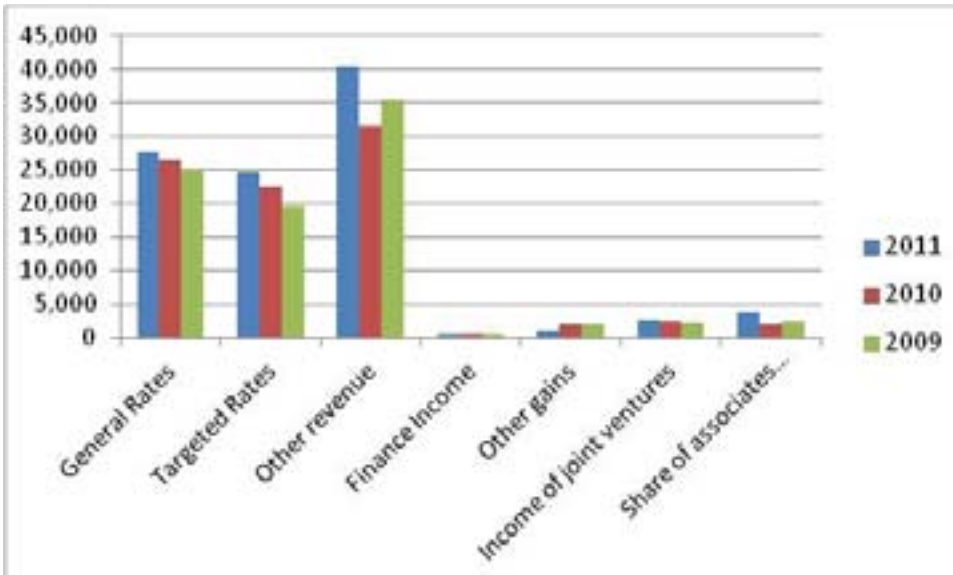
### Financial Highlights

#### Council's Five Year Financial Performance Summary

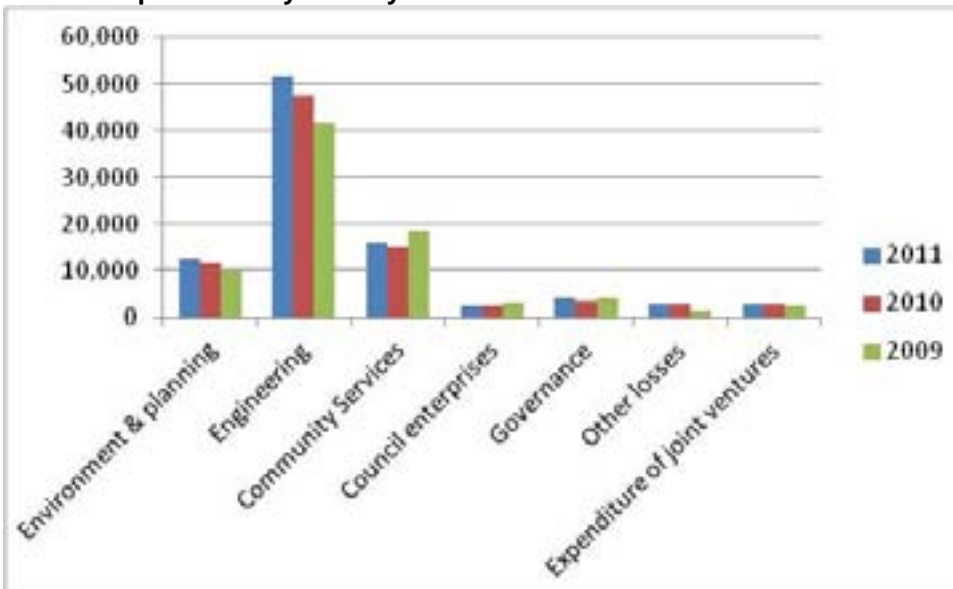
	2011 \$(000's)	2010 \$(000's)	2009 \$(000's)	2008 \$(000's)	2007 \$(000's)
District General Rates	27,835	26,421	25,082	23,698	22,339
Net Surplus	9,368	1,622	6,331	7,591	11,536
Working Capital	-44,381	-67,372	-7,634	-10,088	4,986
Public Debt	139,587	115,953	96,074	77,263	77,985
Current Ratio	0.36	0.20	0.71	0.57	1.24

Under NZ IFRS Council must disclose the actual loans repayable as current based on the expiry date of the loan facility. If the Council expects, and has the discretion, to refinance and roll over these loans, then it can classify the obligation as non-current. Council currently has three facility agreements in place (with sufficient limits) which we believe allow us to roll over those loans for those banks, at our discretion. However, we do not have a current facility in place with one other bank that we lend from and, therefore, any loans due for "roll over" next year under this facility must be shown as the current portion of term loans. This is the reason why our working capital for the 2011 and 2010 financial years are significantly different to previous years.

#### Source of Revenue



#### Council Expenditure by Activity



## Glossary of Terms

To further assist readers of these financial statements, the following definitions of other terms used in the document are set out below:

### Operating Costs

These expenses, which are included in the surplus or deficit, are the regular costs of providing ongoing services and include salaries, maintaining assets, depreciation and interest. The benefit of the cost is received entirely in the year of expenditure.

### Capital Expenditure

This expenditure relates to the purchase or creation of assets that are necessary to assist in the provision of services. They have useful lives in excess of one year and are therefore included in the Statement of Financial Position. Capital expenditure includes the creation of assets that did not previously exist, the improvement or enlargement of assets beyond their original size and capacity, or the replacement of assets/renewals.

### Cost of Services

The cost of services relate to the activity, not the organisational departments. The Local Government Act 2002 requires the annual report to be expressed by activity. The cost of the activity includes the direct and the indirect costs that have been allocated to the activity. Indirect costs include interest on public debt, cost of support services and depreciation allowances.

### Major Goals

These highlight specific significant outcomes of the activity and what is intended to be achieved. The objectives are, in some cases, encompassing more than just the current financial year but are considered important enough in terms of providing an overall picture to be included in the plan.

### Performance Targets

These are the measures that will be used to assess whether the performance has been achieved.

### Income

This includes fees and licences charged for Council's services and contributions towards services by outside parties.

### Infrastructural Assets

These are those public facilities which provide for the delivery of services and a sustained standard of living. They primarily comprise the Council's fixed utility systems including roads and footpaths, the water and wastewater reticulation systems, the stormwater system, bridges and culverts.

Infrastructural assets are deemed to have the following attributes:

- They are large networks constructed over several generations.
- They have long useful economic lives.
- They have a high initial cost and a value which is difficult to determine.
- They provide a benefit and/or a social service rather than a commercial service, ie the assets are used by, or for, the community as a whole, servicing all the District's residents and visitors.
- The assets are not usually capable of subdivision for ready disposal because of legal or other restrictions, and consequently are not readily disposable within the commercial market place.

### Depreciation

The decline in service potential of an asset spread over the useful life of the asset.

## The role of the Annual Report and Financial Statements

The Tasman District Council is required to produce an Annual Report each year to account for the money provided to it by ratepayers, financial institutions and other government agencies.

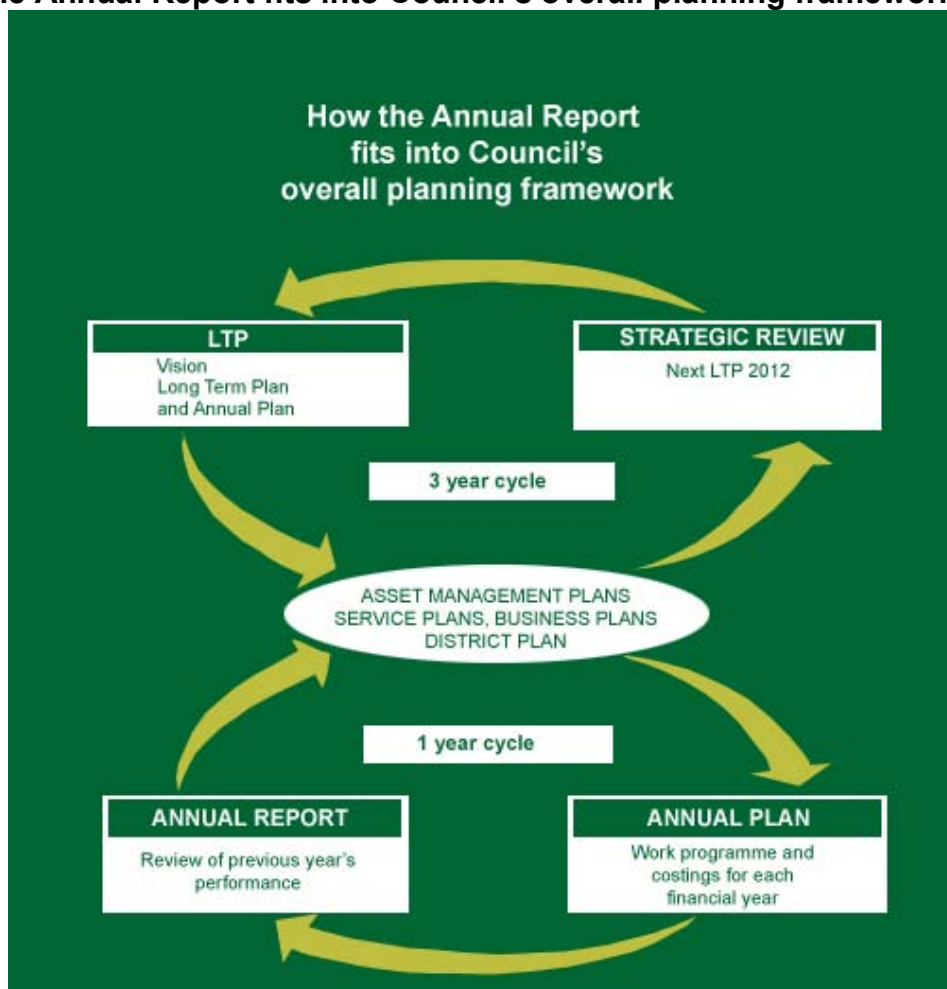
The Annual Report is also an important tool for showing how Tasman District Council's community goals are being achieved. This document, therefore, also represents an opportunity to provide interested parties with a range of additional information to give a more complete picture of the District's affairs.

The contents of this Annual Report will make reference to the District strategies and plans, including the 2009-2019 Long Term Council Community Plan, which was adopted by Council on 30 June 2009, after considerable consultation with ratepayers and interested others. Many of the ways in which this information is presented are governed by legislation and standard accounting practices. However, the Tasman District Council recognises that the readers of this report are from diverse backgrounds and steps have been taken to present the information in an accessible and understandable form.

The reports from the Mayor and Chief Executive Officer provide commentary on some of the year's key strategies, objectives, highlights and challenges. The Financial Statements and Statements of Service Performance look at the District affairs in greater detail.

The Tasman District Council thanks you for your interest in its activities and its leadership role in developing Tasman District.

## How the Annual Report fits into Council's overall planning framework



## Statement of Compliance and Responsibility

### Compliance

- 1 The Council and management of the Tasman District Council confirm that all the statutory requirements of the Local Government Act 2002 in relation to the Annual Report have been complied with.

### Responsibility

- 2 The Council and management of Tasman District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.
- 3 The Council and management of Tasman District Council accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.
- 4 In the opinion of the Council and management of Tasman District Council, the annual financial statements for the year ended 30 June 2011 fairly reflect the financial position, operations and service performance of Tasman District Council.



**R G Kempthorne**  
Mayor

**D Bush-King**  
Acting Chief Executive Officer

**M W Staite**  
Corporate Services Manager

**DATE: 27 October 2011**



**Independent Auditor's Report  
To the readers of Tasman District Council's Annual report  
For the year ended 30 June 2011**

The Auditor-General is the auditor of Tasman District Council (the District Council). The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, service performance information and compliance with the other requirements of schedule 10 of the Local Government Act 2002 that apply to the annual report of the District Council on her behalf.

We have audited:

- the financial statements of the District Council on pages 17 to 77, that comprise the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the service performance information of the District Council on pages 78 to 187; and
- the District Council's compliance with the other requirements of schedule 10 of the Local Government Act 2002 that apply to the annual report (other schedule 10 information).

**Opinion on the financial statements, service performance information and other schedule 10 information**

In our opinion:

- The financial statements of the District Council on pages 17 to 77:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the District Council's financial position as at 30 June 2011; and
    - the financial performance and cash flows for the year ended on that date.
- The service performance information of the District Council on pages 78 to 187:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the District Council's levels of service for the year ended 30 June 2011, including:
    - the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
    - the reasons for any significant variances between the actual service and the expected service.
- The District Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

Our audit was completed on 27 October 2011. This is the date at which our opinion is expressed.

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

**Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, service performance information and other schedule 10 information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, service performance information and other schedule 10 information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, service performance information and other schedule 10 information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, service performance information and other schedule 10 information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the District Council's financial statements, service performance

information and other schedule 10 information that fairly reflect the matters to which they relate. We consider internal control 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.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements and service performance information;
- determining the appropriateness of the reported service performance information within the Council's framework for reporting performance; and
- the overall presentation of the financial statements, service performance information and other schedule 10 information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, service performance information and other schedule 10 information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of the Council**

The Council is responsible for preparing:

- financial statements and service performance information that:
  - comply with generally accepted accounting practice in New Zealand;
  - fairly reflect the District Council's financial position, financial performance and cash flows;
  - fairly reflect its service performance, including achievements compared to its forecast; and
- other information required by schedule 10 of the Local Government Act 2002.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, service performance information and other schedule 10 information that are free from material misstatement, whether due to fraud or error.

The Council's responsibilities arise from the Local Government Act 2002.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements, service performance information and compliance with the other schedule 10 information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, and in carrying out the audit of an amendment to the long-term council community plan (LTCCP), we have no relationship with or interests in the District Council.



S M Tobin  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand

## **Matters relating to the electronic presentation of the audited financial statements, non-financial performance information and the other requirements**

This audit report relates to the financial statements, non-financial performance information and the other requirements of Tasman District Council for the year ended 30 June 2011 included on Council's website. The Council is responsible for the maintenance and integrity of the website. We have not been engaged to report on the integrity of the website. We accept no responsibility for any changes that may have occurred to the financial statements, non-financial performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, non-financial performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, non-financial performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, non-financial performance information and the other requirements as well as the related audit report dated 27 October 2011 to confirm the information included in the audited financial statements, non-financial performance information and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

## **Financial Statements Introduction**

- 1 The **Statement of Comprehensive Income** (page 29) summarises all income received including that from rates, the significant activities and Council's associates and joint ventures.

From the total of this income is deducted the gross cost of services brought forward from the statements of cost of service, together with expenditure not related to any of the significant activities.

Comprehensive income also summarises the change in equity of the Council from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. Therefore, it also includes such items as revaluations of property, plant and equipment.

- 2 The **Statement of Financial Position** (page 30) shows the assets and liabilities of the Tasman District Council.
- 3 The **Statement of Cashflow** (page 31) summarises the cashflow for the year.
- 4 The **Statement of Changes in Equity** (page 32) provides a breakdown of the movements in total equity.
- 5 The individual **Statements of Cost of Service** of Council's significant activities (pages 78 - 187) record Council's objectives, targets and achievements for the year, together with the costs associated with the provision of each service.
- 6 The **Financial Statements** should be read in conjunction with the "Notes to the Financial Statements".

## **Relationship to the Ten Year Plan 2009 – 2019 (TYP)**

Efforts have been made to structure this annual report to follow as closely as possible the assumptions, objectives, policies, measures and statements format used in the TYP.

# Statement of Accounting Policies

## REPORTING ENTITY

Tasman District Council was formed in 1989 as a result of the Local Government Commission's Final Re-organisation Scheme. The resultant Tasman District Council is an amalgamation of the former Waimea County Council, Richmond Borough Council, Motueka Borough Council and Golden Bay County Council.

In 1992 Council assumed the responsibilities of the former Nelson Marlborough and West Coast Regional Councils within its boundaries to become a Unitary Authority.

Council's land area of jurisdiction covers 9,786 square kilometres with a normally resident population base of approximately 44,616 (2006 Census). Under our coastal jurisdiction, Council's area extends out to the 20 kilometre territorial waters boundary, covering 4,886 square kilometres.

Tasman District Council (TDC) is a unitary local authority governed by the Local Government Act 2002.

The primary objective of Tasman District Council is to provide goods or services for the community rather than making a financial return. Accordingly, Council has designated itself as a public benefit entity for the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of Council are for the period ended 30 June 2011. The financial statements were authorised for issue by Council on 27 October 2011.

## Basis of preparation

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The financial statements have been prepared on an historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

## *Changes in accounting policies*

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

## *Standards and interpretation issued and not yet adopted*

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council include:

NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. Council has not yet assessed the effect of the new standard and expects it will not be early adopted.

## Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture in accordance with NZ IAS 31 – Interests in Joint Ventures.

The entities disclosed below are treated as joint ventures.

#### **Nelson Regional Sewerage Business Unit.**

Based on the terms of an agreement between Tasman District Council and Nelson City Council that was signed during the 1993/1994 financial year, Council has a 50% interest in this entity. The most recent audited financial statements (June 2011) have been used to determine Council's interest.

#### **Nelson Tasman Combined Civil Defence Organisation.**

Council has a 50% interest in this entity. The most recent audited financial statements (June 2011) have been used to determine Council's interest.

#### **Associated Organisations**

Council accounts for an investment in an associate in the group financial statements using the equity method. An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise Council's share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment.

If Council's share of deficits of an associate equals or exceeds its interest in the associate, Council discontinues recognising its share of further deficits. After Council's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, Council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Council's share in the associates surplus of deficits resulting from unrealised gains on transactions between Council and its associates are eliminated.

Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

The entities disclosed below are treated as associates.

#### **i) Port Nelson Ltd**

Council was vested a 50% shareholding in this entity at the date of its inception (1 October 1988).

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value the most recent audited statement of financial position (June 2011) has been equity accounted.

#### **ii) Nelson Airport Ltd**

Council has a 50% shareholding in this Company which commenced trading on 1 April 1999.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value, the most recent audited statement of financial position (June 2011) has been equity accounted.

#### **iii) Tourism Nelson Tasman Ltd**

Council has a 50% shareholding in this Company.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value, the most recent audited statement of financial position (June 2011) has been equity accounted.

#### **iv) Tasman Bays Heritage Trust Inc**

The Tasman Bays Heritage Trust Inc commenced on 1 July 2000. Council has significant influence over the trust.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value the most recent audited statement of financial position (June 2011) has been equity accounted. Council has equity accounted for 50% of this entity.

#### **Revenue Recognition**

Revenue is recognised on an accrual basis and is measured at the fair value of consideration received or receivable.

The following particular policies apply:

- Rates are recognised on instalment notice and are set annually by a resolution from Council and relate to a financial year.
- Water billing revenue is recognised on an accrual basis with unread meters at year end accrued on an average usage basis.
- Council receives government grants from the New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. New Zealand Transport Agency revenue is recognised on entitlement when conditions pertaining to eligible expenditure are fulfilled.
- Development contributions and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service that gave rise to the charging of the contribution. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.
- Interest is recognised using the effective interest method.
- Dividends are recognised when the right to receive payment has been established.
- 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 Council are recognised as revenue when control over the asset is obtained.

- Government grants are recognised as revenue to the extent of eligibility for grants established by the grantor agency, or when the appropriate claims have been lodged.
- Infringements are recognised when the fine is issued.

## **Borrowing costs**

The Council and group has elected to defer the adoption of NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all 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 Council has no obligation to award on receipt of the grant application. Council recognises these grants as expenditure when a successful applicant has been notified.

## **Taxation**

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the entity can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

## **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, finance leases are recognised 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 surplus or deficit 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 Council 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 lease**

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.

### **Cash and cash equivalents**

Cash and cash equivalents includes cash-in-hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown in current liabilities in the statement of financial position.



## Trade and other receivables

Trade 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.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

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

## Inventories

Inventories are stated at the lower of cost, determined on a first-in first-out basis, and net realisable value.

## Works in Progress

Valuation is on the basis of cost of work completed at 30 June. It includes the cost of direct materials, direct labour and overheads.

## Financial Assets

Council classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets at fair value through comprehensive income. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of investments are recognised on trade-date, the date on which Council 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 Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the

Statement of Financial Position 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. Council 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 estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- Financial assets at fair value through surplus or deficit.  
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

Currently, Council holds interest rate swaps in this category.

- Loans and receivables  
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Council currently has trade and other receivables and other financial assets in this category.

- Held to maturity investments  
Held to maturity investments are assets with fixed or determinable payments and fixed maturities that TDC has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Council currently has other financial assets in this category.

- Financial assets at fair value through comprehensive income  
Financial assets at fair value through comprehensive income are those that are designated as fair value through comprehensive income or are not classified in any of the other categories above.

This category encompasses:

- Investments that Council intends to hold long-term but which may be realised before maturity; and
- Shareholdings that it holds for strategic purposes.

After initial recognition these investments are measured at their fair value.

Gain and losses are recognised directly in comprehensive income except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in comprehensive income will be removed from equity and recognised in surplus or deficit even though the asset has not been derecognised.

On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the surplus or deficit.

## Impairment of financial assets

At each Statement of Financial Position date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

### Loans and other Receivables

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer 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 (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that Council will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter

into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

### Quoted and unquoted equity investments

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, 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) is removed from equity and recognised in the surplus or deficit. Impairment losses recognised in the surplus or deficit on equity investments are not reversed through the surplus or deficit.

## Accounting for derivative financial instruments and hedging activities

Council uses derivative financial instrument to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit.

Council has elected not to hedge account for its interest rate swaps

Council's associate Port Nelson Limited has applied hedge accounting to its interest rate swaps.

Certain derivatives designates as hedged derivatives can either be:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- hedges of highly probable forecast transactions (cash flow hedge).

The full fair value of a hedge accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non-current.

#### Fair value hedge

The gain or loss from re-measuring the hedging instrument at fair value, along with the changes in the fair value on the hedged item attributable to the hedged risk, is recognised in the surplus or deficit. Fair value hedge accounting is only applied for hedging fixed interest risk on borrowings. If the hedge relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the surplus or deficit over the period to maturity.

#### Cash flow hedge

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recognised in the surplus or deficit as part of finance costs. If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised in other comprehensive income are reclassified into the surplus or deficit in the same period or periods during which the asset acquired or liability assumed affects the surplus or deficit. However, if it is expected that all or a portion of a loss recognised in other comprehensive income will not be recovered in one or more future periods, the amount that is not expected to be recovered is reclassified to the surplus or deficit.

When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the associated gains and losses that were recognised in other comprehensive income will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised, or revoked, or it no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective will remain separately recognised in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective is reclassified from equity to 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 principally 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 surplus or deficit.

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

Non-current 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

It is Council's intention to revalue all assets with the exception of vehicles, computers, plant, libraries and office equipment, no more than every three years.

Property, plant and equipment consist of:

**Operational Assets** - These include land, buildings, computers and office equipment, building improvements, library books, plant and equipment, forestry and motor vehicles.

**Restricted Assets** - Assets owned or vested in Council which cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

**Infrastructural Assets** - Infrastructural assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function, eg wastewater reticulation includes reticulation piping and wastewater pump stations.

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 Council and the cost of the item can be measured reliably.

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

#### Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### 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 Council and the cost of the item can be measured reliably.

Values included in respect of assets are as follows:

**Vested Assets** - Certain infrastructural assets and land have been vested in the Council as part of the subdivision consent process. Vested infrastructural assets have been valued by calculating the cost of providing identical quantities of infrastructural components.

#### i) Roads and Bridges

These have been categorised as urban/rural, sealed/metalled and valued at fair value using optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2010.

#### ii) Land under Roads

Land under roads has been valued at average land sales throughout the District by MWH New Zealand Ltd as at 1 July 2003. Under NZ IFRS Council has elected to use the fair value of land under roads as at 1 July 2003 as deemed cost. Land under roads is no longer revalued.

#### iii) Wastewater, Solid Waste, Water Supply, Stormwater, Ports and Wharves, and Airfields

Wastewater, solid waste, water supply, stormwater and port and wharves have been valued at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2009. From 1 July 2008 Council has ceased revaluing its airfield assets. These assets are now recorded at deemed cost, being the value at the point the decision was made to cease revaluing.

#### iv) River Protection Assets

River protection assets consist of stop banks, rock protection and riparian protection.

Stop bank assets were valued for inclusion in Council's financial statement at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2009.

### Depreciation

Depreciation is provided on a straight line basis on all assets at rates which will write off the cost (or valuation) of the assets to their estimated residual values, over their useful lives.

These assets have component lives that have been estimated as follows:

• Land	Not Depreciated
• Buildings (including fit out)	10 – 100 years
• Plant and Equipment	5 – 10 years
• Motor Vehicles	5 – 10 years
• Library Books	5 – 10 years

#### Infrastructure Assets

• Bridges	50 – 100 years
• Roads	2 – 80 years
• Formation	Not Depreciated
• Sub-base (sealed)	Not Depreciated
• Basecourse (sealed)	65 - 75 years
• Surfaces	2 - 50 years
• Car Parks - formation	Not Depreciated
• Car Parks –components	8 - 45 years
• Footpaths	5 - 50 years
• Pavement base(unsealed)	Not Depreciated
• Drainage	15 - 80 years
• Wastewater	
• Oxidation Ponds	Not Depreciated
• Treatment	9 -100 years
• Pipe	50 - 80 years
• Pump Stations	20 - 80 years
• Water	
• Wells and Pumps	10 - 80 years
• Pipes/Valves/Meters	15 - 80 years
• Stormwater	
• Channel/Detention Dams	Not Depreciated
• Pipe/Manhole/Sumps	80 - 120 years
• Ports and Wharves	7 - 100 years
• Airfields	10 - 80 years
• Refuse	15 - 100 years
• Rivers	
• Stop banks	Not Depreciated
• Rock Protection	Not Depreciated
• Willow Plantings	Not Depreciated
• Gabion Baskets	30 years
• Railway irons	50 years
• Outfalls	60 years

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

### Revaluation of Assets

With the exception of vested assets at the initial point of recognition, all valuations are carried out or reviewed by the Council's Engineering Manager or by independent qualified valuers and it is intended that valuations be carried out on a two-yearly cycle. The carrying values of revalued items are reviewed at each balance date to ensure that these values are not materially different to fair value. Where materially different, Council will revalue at an earlier point. Revaluations are carried out on an asset class basis. Forestry valuations are carried out annually.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to

an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

#### Library Books

This asset is recorded at the latest valuation conducted by Duke and Cooke Ltd, registered valuers, as at 30 June 1999.

During the 2002 income year Council ceased further revaluations and adopted deemed cost.

Donated books are assigned a value based on current replacement cost, less an allowance for age and condition. Additions are valued at cost less depreciation.

Library books are depreciated on a straight-line basis over the following estimated life:

Adult and technical books	10 years
Children's books	5 years
CDs and Talking books	2 years

#### Furniture and Fittings

Furniture and fittings were recorded at valuation. The latest valuation was conducted by Duke and Cooke Ltd, registered valuers as at 31 October 2000, using the assessed market value in situ. Furniture and fittings are not revalued and are now treated as deemed cost. Additions are recorded at cost.

#### Land and Buildings

At fair value as determined by market-based evidence by an independent valuer. The most recent valuation was performed by QV Valuations and the valuation is effective 30 June 2010.

#### Heritage Assets

Heritage assets comprise Council assets that are subject to an Historic Places protection order and are identified as such in the Resource Management Plan.

Heritage assets were identified and introduced at 30 June 2002 at a fair market value as determined by QV Valuations, registered valuers. The fair market values have been adopted as deemed cost. Subsequent additions are at cost or independently determined fair market value which is adopted as deemed cost.

## 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 by Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

#### Easements

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

#### Amortisation

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

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

Computer software 3 years 33%

## Forestry Assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silvicultural costs and takes into consideration environmental, operational, and market restrictions.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs are recognised in the surplus or deficit.

The costs to maintain the forestry assets are included in the surplus or deficit when incurred.

## Investment property

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 its cost, including transaction costs.

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

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

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

### **Impairment of property, plant, and equipment and intangible assets**

Intangible assets that have an indefinite useful life, or are 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 indicators of impairment at each balance date. When there is an indicator of impairment, the asset's 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 service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the Council or group would, if deprived of the asset, replace its remaining service potential. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

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 surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

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 surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill), the reversal of an impairment loss is recognised in the surplus or deficit.

### **Properties intended for Resale/Investment Properties**

Properties that fall within the accounting definition of investment properties are revalued annually at net current value by an independent registered valuer. The result of the revaluation is credited or debited to the surplus or deficit. There is no depreciation on investment properties.

Properties intended for resale are valued at the lower of cost or net realisable value.

### **Employee Entitlements**

#### ***Short-term benefits***

Employee benefits that Council expects to be settled within 12 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, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Council 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 earned 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 Council anticipates it will be used by staff to cover those future absences.

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

#### ***Long-term benefits***

##### ***Long service leave and retirement leave***

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

##### ***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.



## **Superannuation schemes**

### *Defined contribution schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

## **Provisions**

Council 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 an interest expense and is included in "finance costs".

## **Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

## **Financial guarantee contracts**

A financial guarantee contract is a contract that requires Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Council will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if Council assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

## **Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective-interest method.

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

## **Equity**

Equity is the community's interest as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves. The components of equity are:

- Accumulated Funds
- Restricted Reserves and Council Created Reserves
- Asset Revaluation Reserve

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 Council.

## **Restricted and Council created reserves**

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or third party. Council created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

## **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.

## Contract Retentions

Certain contracts entitle Council to retain amounts to ensure the performance of contract obligations. These retentions are recognised as a liability and are then used to remedy contract performance or paid to the contractor at the end of the retention period.

## Overheads

Indirect overheads have been apportioned on an activity basis, using labour cost of full-time staff employed in those specific output areas.

Indirect costs not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

## Budget Figures

The budget figures are those approved by the Council at the beginning of the year, after a period of consultation with the public as part of the Annual Plan process. The budget figures are those approved by the Council in its 2010/2011 Annual Plan. The budget figures are consistent with the accounting policies adopted by the Council for the preparation of the financial statements at the time the budget was prepared.

## Statement of Cash Flows

**Cash and cash equivalents** means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests, as part of its day-to-day cash management.

**Operating activities** include cash received from all income sources and record the cash payments made for the supply of goods and services.

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

**Financing activities** comprise the change in equity and debt capital structure of the Council.

## Cost of Service Statements

The Cost of Service Statements report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

**Council** has derived the cost of service for each significant activity 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 specific 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 Council 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 costs

As operator of the Eves Valley and Murchison landfills, the Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure. The landfill post-closure provision is recognised in accordance with NZ IFRS 37 Provisions, Contingent Liabilities and Contingent Assets. This provision is calculated on the basis of discounting closure and post-closure costs into present-day value.

The calculations assume no change in the legislative requirements for closure and post-closure treatment.

### 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 Council 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 minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- 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 Council could be over- or under-estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk Council'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 TDC's asset management planning activities, which gives TDC further assurance over its useful life estimates.

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

### **Critical judgement in applying Council's accounting policies**

Management have exercised the following critical judgement in applying the Council's accounting policies for the period ended 30 June 2011.

#### **Classification of property**

Council 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. These properties are accounted for as property, plant and equipment.

**Tasman District Council**  
**Statement of Comprehensive Income**  
**For the Year ended 30 June 2011**

June 10 Actual \$(000's)		Notes	June 11 Actual \$(000's)	June 11 Budget \$(000's)	% of Budget
	<b>Income</b>				
26,421	General Rates	1	27,835	27,713	100%
22,524	Targeted Rates	1	24,646	24,892	99%
31,674	Other revenue	2	40,532	31,867	127%
541	Finance Income	7	457	371	123%
1,976	Other gains	3	1,005	565	178%
2,424	Income of joint ventures	19	2,610	800	326%
1,881	Share of associates surplus/deficit	18	3,926	2,201	178%
87,441	<b>Total Operating Income</b>		101,011	88,409	114%
	<b>Expenditure</b>				
	Operating Costs of Activities				
11,769	Environment & Planning		12,344	12,947	95%
47,582	Engineering		51,682	49,002	105%
15,186	Community Services		15,698	17,525	90%
2,405	Council Enterprises		2,347	2,775	85%
3,463	Governance		3,995	3,768	106%
2,756	Other losses	3	2,666	-	-
2,658	Expenditure of joint ventures	19	2,911	-	-
85,819	<b>Total Expenditure</b>	4	91,643	86,017	107%
1,622	<b>Surplus before Taxation</b>		9,368	2,392	392%
-	Tax expense	8	-	-	-
1,622	<b>Net Surplus</b>	34	9,368	2,392	392%
	<b>Other comprehensive Income</b>				
15,615	Gain/(loss) on asset revaluations	24	1,838	30,674	6%
	Asset Impairment Loss	24	(650)	-	-
-	Gain on hedging reserves		-	292	-
-	Equity Adjustment Port Nelson	18	516	-	-
15,615	<b>Total other comprehensive Income</b>		1,704	30,966	6%
17,237	<b>Total comprehensive Income</b>		11,072	33,358	33%

**Comment:**

Other revenue includes assets vested in Council. Vested assets for the year were \$6,330,000 higher than expected. This is mainly due to the Old Coastal Highway, Ruby Bay at a value of \$5.4m being vested in Council. Vested assets are a non-cash item.

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

**Tasman District Council**  
**Statement of Financial Position**  
**As at 30 June 2011**

June 10 Actual \$(000's)		Notes	June 11 Actual \$(000's)	June 11 Budget \$(000's)
	<b>CURRENT ASSETS</b>			
731	Cash and cash equivalents	9	5,813	3,907
11,169	Trade and other receivables	10	14,431	4,968
-	Derivative Financial Instruments	11	-	2,167
4,708	Other financial assets	12	4,614	6,033
-	Non current assets held for resale	13	-	-
16,608			24,858	17,075
	<b>CURRENT LIABILITIES</b>			
14,334	Trade and other payables	20	15,591	14,014
1,415	Employee Benefit Liabilities	22	1,654	1,482
706	Derivative Financial Instruments	11	2,317	-
67,525	Current portion of borrowings *	23	49,677	9,452
83,980			69,239	24,948
(67,372)	<b>WORKING CAPITAL</b>		(44,381)	(7,873)
	<b>NON CURRENT ASSETS</b>			
81,400	Investments in associates	18	83,438	82,054
1,994	Other financial assets	12	1,984	804
814	Computer Software	15	941	566
118	Trade & other receivables	10	95	143
17,804	Forestry Assets	16	18,740	17,084
1,790	Investment property	17	1,730	1,801
1,088,440	Property, plant and equipment	14	1,115,042	1,164,218
1,192,360			1,221,970	1,266,670
	<b>NON CURRENT LIABILITIES</b>			
48,428	Term borrowings	23	89,910	132,552
617	Employee benefit liabilities	22	630	627
553	Provisions	21	587	522
49,598			91,127	133,701
1,075,390	<b>TOTAL NET ASSETS</b>		1,086,462	1,125,096
	<b>EQUITY</b>			
477,433	Accumulated equity	25	487,952	486,575
12,450	Reserve funds	26	13,055	8,643
-	Hedging Reserve		-	292
585,507	Revaluation reserves	24	585,455	629,586
1,075,390	<b>TOTAL EQUITY</b>		1,086,462	1,125,096

**Comment:**

\* = Under NZ IFRS Council must disclose the actual loans repayable during the above periods even if the loans may be "rolled over". However, if the entity expects, and has the discretion, to refinance and roll over these loans, then it can classify the obligation as non-current. Council currently has three facility agreements in place (with sufficient limits) which we believe allow us to roll over those loans for those banks, at our discretion. However, we do not have a current facility in place with one other bank that we lend from and, therefore, any loans due for "roll over" next year under this facility must be shown as the current portion of term loans.

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

**Tasman District Council  
Statement of Cashflows  
For the Year ended 30 June 2011**

June 10 Actual \$(000's)		Notes	June 11 Actual \$(000's)	June 11 Budget \$(000's)
	<b>Cashflow From Operating Activities</b>			
	Cash was Provided From:			
29,920	Fees and charges		32,885	28,139
48,886	Rates revenue		52,477	52,605
2,236	Dividends received		2,114	2,201
489	Interest received		505	371
-	Net GST received		-	425
81,531			87,981	83,741
	Cash was Disbursed To:			
(58,678)	Payments to suppliers & employees		(60,941)	(59,938)
(7,154)	Interest paid		(7,897)	(8,366)
(45)	Net GST paid		(452)	-
(65,877)			(69,290)	(68,304)
<b>15,654</b>	<b>Net Cashflow From Operating</b>	27	<b>18,691</b>	<b>15,437</b>
	<b>Cashflow From Investing Activities</b>			
	Cash was Provided From:			
160	Proceeds from sale of assets		1,492	-
-	Proceeds from sale of investments		104	-
160			1,596	-
	Cash was Disbursed To:			
(36,285)	Purchase of assets		(38,911)	(40,648)
(283)	Purchase of investments		-	(1,360)
(36,568)			(38,911)	(42,008)
<b>(36,408)</b>	<b>Net Cashflow From Investing</b>		<b>(37,315)</b>	<b>(42,008)</b>
	<b>Cashflow From Financing Activities</b>			
	Cash was Provided From:			
25,621	Loans raised		30,671	33,105
	Cash was Disbursed To:			
(5,742)	Loan principal repayments		(6,965)	(7,608)
<b>19,879</b>	<b>Net Cashflow From Financing</b>		<b>23,706</b>	<b>25,497</b>
<b>(875)</b>	<b>Total Net Cashflows</b>		<b>5,082</b>	<b>(1,074)</b>
1,606	<b>Opening Cash Held</b>		731	4,981
<b>731</b>	<b>Closing Cash Balance</b>		<b>5,813</b>	<b>3,907</b>
	<b>Represented By:</b>			
731	Cash and cash equivalents		5,813	3,907
<b>731</b>			<b>5,813</b>	<b>3,907</b>

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

**Tasman District Council  
Statement of Changes in Equity  
For the Year ended 30 June 2011**

June 10 Actual \$(000's)		Notes	June 11 Actual \$(000's)	June 11 Budget \$(000's)
1,058,153	<b>Equity at the start of the year</b>		1,075,390	1,091,738
17,237	Total comprehensive income		11,072	33,358
1,075,390	<b>Equity at the end of the year</b>		1,086,462	1,125,096

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

**Tasman District Council  
Statement of Commitments  
As at 30 June 2011**

**Contractual Commitments**

These are commitments for which a formal contract has been entered at 30 June 2011.

<b>2009/10 \$(000's)</b>		<b>2010/11 \$(000's)</b>
602	Stormwater	570
12,495	Road Maintenance	13,709
1,898	Refuse Operations	4,123
3,299	Water Supply Maintenance	2,905
3,322	Wastewater Reticulation Maintenance	1,364
1,184	River Maintenance	733
136	Ports and Wharves	-
309	Parks and Reserves Programmed Maintenance	472
-	ASB Bank Aquatic Centre	1,241
<u>1,602</u>	Parks and Reserves	<u>3,359</u>
<u>24,847</u>		<u>28,476</u>

**Operating leases as lessee**

Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows:

**Non Cancellable Operating Lease Commitments**

<b>2009/10 \$(000's)</b>		<b>2010/11 \$(000's)</b>
31	No later than one year	44
30	Later than one year, not later than two years	39
<u>50</u>	Later than two years, not later than five years	<u>29</u>
<u>111</u>		<u>112</u>



**Statement of Contingent Assets and Liabilities  
As at 30 June 2011**

**a) Guarantees**

Council has agreed to act as guarantor for the following loan:

<b>2009/10</b>		<b>2010/11</b>
<b>\$</b>		<b>\$</b>
<u>20,000</u>	Motueka Promotions Association	<u>20,000</u>
<u>20,000</u>		<u>20,000</u>

This is in the form of a guarantee for the loan to Westpac. The probability of liability is considered remote and hence no estimate of possible liability has been made. The value of guarantees disclosed as contingent liabilities reflects Council's assessment of the undiscounted portion of financial guarantees that are not recognised in the statement of financial position.

**b) Other Contingent Liabilities**

Council has contingent liabilities of \$Nil (30 June 2010 \$10,000). Council has no contingent claims against other parties (30 June 2010 Nil).

Six active claims have been lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2011. These claims relate to weather tightness issues of homes in the Tasman district and name Tasman District Council as well as other parties. It is not certain whether all of these claims are valid. Council is unable to assess its exposure to the claims lodged with the WHRS and has not allowed for any contingent liabilities relating to this. Riskpool from 1 July 2009 is no longer providing coverage for leaky homes. Council has provided for nil contingent liability claims in 2011 (2010: One contingent claim of \$10,000).

Council has signalled that they will become a signatory to the Government's leaky homes package, which may expose Council to up to 25% of any settlement costs.

The Council is also exposed to potential future claims which have not yet been advised until the statutory limitation period expires. The amount of potential future claims is not able to be reliably measured and is therefore unquantifiable. Claims must be made within 10 years of construction or alteration of the dwelling in order for the claim to be eligible under the Weathertight Homes Resolution Services (WHRS) Act 2006, but other statutory limitation periods could also affect claims. RiskPool provides public liability and professional indemnity insurance for its members. The Council is a member of RiskPool. The Trust Deed of RiskPool provides that, if there is a shortfall (whereby claims exceed contributions of members and reinsurance recoveries) in any fund year, then the Board may make a call on members for that fund year. The Council received a notice during July 2010 for a call for additional contributions due to the "leaky building" issue. This notice also highlighted that it is possible that further calls could be made in the future. A liability will be recognised for the future calls when there is more certainty over the amount of the calls.

Council is aware of two claims brought against Council. One is yet to proceed to trial and it is too early to estimate the outcome and effect on Council. The second claim relates to an Environment Court ruling against Council, however no decision on costs has been made. Council's maximum exposure to this second claim is approximately \$580,000.

**c) Other Contingent Assets**

A Council-owned building in Takaka was destroyed by fire in October 2010. Council has accrued for the insurance proceeds from the indemnity value of this building. Council will receive an additional \$145,300 from its insurance policy if this building is re-built.

There was major flood damage to the Aorere River in Golden Bay in December 2010. Council can receive a 60% subsidy from the Ministry of Civil Defence and Emergency Management on qualifying expenditure related to this event.

**d) Associates Contingent Liabilities and Contingent Assets**

Port Nelson has an obligation to Stage 3 property owners to provide technical advice, where requested, and to consider providing financial assistance for mitigation works (50 percent of costs). These properties are in the residential zone adjacent to the Port which was affected by the Noise Variation within the Nelson City Resource Management Plan which was notified with effect on 14 July 2008. The decision on whether to provide financial assistance will be based on a recommendation made to Port Nelson by the Port Noise Liaison Committee. Port Nelson cannot currently quantify the cost of this obligation at 30 June 2011.

Council controls 50% in Tasman Bays Heritage Trust via its ability to appoint the Trustees. The Trust has no contingent liabilities (2010 - The Trust has a potential liability that is equal to the conservation expenditure, plus the forfeiture of the asset). Contingent asset - The Trust has received a Feathered Cloak, Musical Instruments and a Diary but amounts cannot be reliably measured at this point (2010 - nil).

**Tasman District Council  
Notes to the Financial Statements  
For the year ended 30 June 2011**

<b>2009/10 Note 1</b>	<b>2010/11</b>
<b>\$(000's) RATES REVENUE</b>	<b>\$(000's)</b>
26,421 <b>General Rates</b>	27,835
<b>Targeted rates attributable to activities</b>	
279 Environmental education, advocacy and operations	322
6 Land Transportation	6
1,970 Stormwater	2,346
1,749 Solid Waste	1,809
4,994 Water	5,860
7,907 Wastewater	8,283
3,030 Community Facilities	3,241
130 Coastal Structures	132
312 Governance	334
<u>2,147 Rivers</u>	<u>2,313</u>
<u>22,524</u>	<u>24,646</u>
<u>48,945</u>	<u>52,481</u>
<b>49,083 Total rates revenue</b>	<b>52,620</b>
<u>(138) Rates remissions</u>	<u>(139)</u>
<u>48,945 Rates revenue net of remissions</u>	<u>52,481</u>

Rates revenue is shown net of rates remissions. TDC's rates remission policy allows TDC to remit rates on condition of a ratepayer's extreme financial hardship, land used for sport, and land protected for historical or cultural purposes.

In accordance with 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 Council's rates remission policy.

<b>2009/10 Note 2</b>		<b>2010/11</b>
<b>\$(000's) OTHER REVENUE</b>		<b>\$(000's)</b>
7,461	NZ Transport Agency government grants	7,763
136	Rental income from investment properties	136
95	Infringements & fines	81
240	Government subsidies	662
341	Petrol tax	345
2	Dividend income	-
2,257	Development contributions	2,899
1,751	Reserve Financial Contributions	1,779
1,755	Forestry Harvesting Income	427
4,687	Sales	4,943
4,130	Vested Assets	9,917
3,196	Application Fees	2,868
3,287	Sundry Fees & Recoveries	3,810
2,334	Other	4,902
<u>31,674</u>		<u>40,532</u>

There are no unfulfilled conditions and other contingencies attached to government grants recognised

<b>2009/10</b>	<b>Note 3</b>	<b>2010/11</b>
<b>\$(000's)</b>	<b>OTHER GAINS</b>	<b>\$(000's)</b>
144	Gain on disposal of property plant and equipment	68
1,742	Gain on changes in fair value of forestry assets	937
90	Gain on changes in fair value of investment property	-
<u>1,976</u>		<u>1,005</u>

<b>2009/10</b>	<b>OTHER LOSSES</b>	<b>2010/11</b>
<b>\$(000's)</b>		<b>\$(000's)</b>
	Loss on changes in fair value of investment property	(60)
(2,581)	Unrealised loss on Interest Rate Derivatives	(1,610)
(175)	Loss on disposal/impairment of property plant and equipment	(996)
<u>(2,756)</u>		<u>(2,666)</u>

<b>2009/10 Note 4</b>	<b>2010/11</b>
<b>\$(000's) EXPENDITURE</b>	<b>\$(000's)</b>
6,496 Finance Costs	7,372
13,804 Employee Benefit Expenses	14,815
17,136 Depreciation	17,702
42,969 Other Expenses	46,177
2,756 Other Losses	2,666
2,658 Expenditure of joint venture	2,911
<u>85,819</u>	<u>91,643</u>

<b>2009/10 Note 5</b>	<b>2010/11</b>
<b>\$(000's) EMPLOYEE BENEFIT EXPENSES</b>	<b>\$(000's)</b>
13,097 Salary & Wages	14,095
511 Defined Contribution plan employer contributions	578
196 Increase/(Decrease) in employee benefit liabilities	142
<u>13,804</u>	<u>14,815</u>

<b>2009/10 Note 6</b>	<b>2010/11</b>
<b>\$(000's) OTHER EXPENSES</b>	<b>\$(000's)</b>
23 Bad debts written off	1
10 Movement in Bad Debts Provision	116
95 Audit fees - Annual Report	95
0 Audit fees - Other	3
10 Donations	11
228 Minimum lease payments under operating leases	226
8,289 Consultants	8,407
19,578 Contractors/Maintenance	20,763
14,735 Other Expenses	16,555
<u>42,969</u>	<u>46,177</u>

<b>2009/10 Note 7</b>	<b>2010/11</b>
<b>\$(000's) FINANCE COSTS</b>	<b>\$(000's)</b>
<b>Interest expense</b>	
6,565 Interest on bank borrowings	7,444
<u>(70) Provisions: discount unwinding</u>	<u>(72)</u>
<u>6,495 Total finance costs</u>	<u>7,372</u>

<b>\$(000's) FINANCE INCOME</b>	<b>\$(000's)</b>
<b>Interest Income</b>	
<u>541 Interest income for financial assets not at fair value through surplus or deficit</u>	<u>457</u>
<u>541 Total finance costs</u>	<u>457</u>

<b>2009/10 Note 8</b>	<b>2010/11</b>
<b>\$(000's) TAX</b>	<b>\$(000's)</b>
<b>Relationship between tax expense &amp; accounting profit</b>	
1,622 Net surplus	9,368
487 Prima facie tax at 30%	2,810
(622) Non deductible expenditure	(2,960)
135 Tax loss not recognised	134
<u>- Deferred tax adjustment</u>	<u>16</u>
<u>(0) Tax expense</u>	<u>0</u>

<b>Components of tax expense</b>	
- Current tax expense	-
- Adjustments to current tax in prior years	-
- Deferred tax expense	-
<u>- Income tax expense</u>	<u>-</u>
<u>-</u>	<u>-</u>

<b>Deferred tax assets/(liabilities)</b>	<b>Property, plant &amp; equipment</b>	<b>Tax losses</b>	<b>Total</b>
Balance at 1 July 2009	(533)	533	-
Charged to surplus or deficit	-	-	-
Charged to comprehensive income	-	-	-
Balance at 1 July 2010	<u>(533)</u>	<u>533</u>	<u>-</u>
Charged to surplus or deficit	95	(95)	-
Charged to comprehensive income	-	-	-
Balance at 1 July 2011	<u>(438)</u>	<u>438</u>	<u>-</u>

A deferred tax asset has not been recognised in relation to unused tax losses of \$6,301,022 (2010: \$2,773,963) with a tax effect at 28% of \$1,764,286 (2010: \$776,710) which are available to carry forward.

<b>2009/10 Note 9</b>	<b>2010/11</b>
<b>\$(000's) CASH AND CASH EQUIVALENTS</b>	<b>\$(000's)</b>
731 Cash at bank and in hand	5,813
<u>-</u> Short term deposits maturing three months or less from date of acquisition	<u>-</u>
<u>731</u> Total cash and cash equivalents	<u>5,813</u>
Disclosed as:	
731 Cash and Cash Equivalents	5,813
<u>-</u> Bank overdrafts	<u>-</u>
<u>731</u>	<u>5,813</u>

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

<b>2009/10 Note 10</b>	<b>2010/11</b>
<b>\$(000's) TRADE &amp; OTHER RECEIVABLES</b>	<b>\$(000's)</b>
1,398 Rates receivables	1,402
9,865 Other receivables	11,158
283 Prepayments	2,373
<u>118</u> Term Receivables (At fair value)	<u>95</u>
<u>11,665</u>	<u>15,028</u>
<u>(378)</u> Less provision for doubtful debts	<u>(502)</u>
<u><u>11,287</u></u>	<u><u>14,526</u></u>
Comprising	
11,169 Current portion	14,431
<u>118</u> Non Current	<u>95</u>
<u><u>11,287</u></u> Total Trade & Other Receivables	<u><u>14,526</u></u>

The carrying amount of trade and other receivables approximates their fair value.

There is no concentration of credit risk with respect to receivables.

TDC does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating ) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The status of other receivables as at 30 June 2011 and 2010 are detailed as below:

	<b>2011</b>		
	<b>Gross</b>	<b>Impairment</b>	<b>Net</b>
	<b>\$(000's)</b>	<b>\$(000's)</b>	<b>\$(000's)</b>
Current	6,432	-	6,432
30-60 days	281	-	281
61-90 days	251	-	251
90+days	4,194	(502)	3,692
	<u>11,158</u>	<u>(502)</u>	<u>10,656</u>
	<b>2010</b>		
	<b>Gross</b>	<b>Impairment</b>	<b>Net</b>
	<b>\$(000's)</b>	<b>\$(000's)</b>	<b>\$(000's)</b>
Current	7,904	-	7,904
30-60 days	521	-	521
61-90 days	58	-	58
90+days	1,382	(378)	1,004
	<u>9,865</u>	<u>(378)</u>	<u>9,487</u>

Movements in the provision for impairment of receivables is as follows:

2009/10 \$(000's)	2010/11 \$(000's)
380 At 1 July	378
11 Additional provisions made during the year	124
(13) Recoverables written off during period	-
378 At 30 June	502

2009/10 Note 11 \$(000's) DERIVATIVE FINANCIAL INSTRUMENTS	2010/11 \$(000's)
(706) Interest Rate Swaps	(2,317)
(706) Total derivative financial instruments	(2,317)

**Fair Value**

The fair values of interest rate swaps have been determined using a discounted cash flows valuation technique based on quoted market prices. This valuation has been performed by Bancorp Treasury Services Limited - independent valuers.

**Interest Rate Swaps**

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$106.78m (2010: \$63.78m.) At 30 June 2011, the fixed interest rates of cash flow hedge interest rate swaps varied from 3.41% to 5.895% .

Unrealised gains and losses recognised on interest rate swap contracts as at 30 June 2011 are released to the surplus or deficit as interest is paid on the underlying debt.



## 2009/10 Note 12

2010/11

**\$(000's) OTHER FINANCIAL ASSETS****\$(000's)****Current Portion***Loans and receivables*

178	Current portion of community loans	176
-----	------------------------------------	-----

*Held to maturity*

2,083	Disaster funds	2,012
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834	Self Insurance Fund	851
-----	---------------------	-----

1,613	Other short term deposits with maturities of 4-12 months	1,575
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<u>4,708</u>	<b>Total Current Portion</b>	<u>4,614</u>
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**Non-current portion***Loans and receivables*

606	Community Loans	528
-----	-----------------	-----

1,029	Loans to Related Parties	1,111
-------	--------------------------	-------

*Fair value through comprehensive income*

82	Shares - NZ LG Insurance	65
----	--------------------------	----

*Held to maturity*

277	Monies administered for organisations	280
-----	---------------------------------------	-----

<u>1,994</u>		<u>1,984</u>
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The fair value of the shares in the New Zealand Local Government Insurance Corporation Limited have been determined by calculating Tasman District Council's share of total equity based on shares held.

There were no impairment provisions for other financial assets.

The total value of other financial assets that can only be used for a specific purpose is \$3,143,000 (2010: \$3,194,000).

The loan to related parties is at a nil interest rate. (2010: Nil). The loan to related parties is still being treated as a non-current asset. The loan is due on 30 June 2012. However, the terms and conditions of the repayment are still being negotiated and the loan is unlikely to be repaid on the due date.

Interest rates receivable on community loans range from nil to 7.97%, with an average rate of 5.94% (2010: 5.56%)

## 2009/10 Note 13

2010/11

**\$(000's) PROPERTY HELD FOR RESALE****\$(000's)**

-	Buildings	-
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-	Land	-
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<u>-</u>		<u>-</u>
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**Note 14 Property, plant and equipment**

<b>2011</b>	<b>Cost / Revaluation 1 July 2010 \$(000's)</b>	<b>Acc Depn &amp; Impairment 1 July 2010 \$(000's)</b>	<b>*NBV 1 July 2010 \$(000's)</b>	<b>Current Year Additions \$(000's)</b>	<b>Current Year Disposal \$(000's)</b>	<b>Current Year Impairment \$(000's)</b>	<b>Current Year Depreciation \$(000's)</b>	<b>Revaluation Surplus \$(000's)</b>	<b>Cost / Revaluation 30 June 2011 \$(000's)</b>	<b>Acc Depn &amp; Impairment 30 June 2011 \$(000's)</b>	<b>*NBV 30 June 2011 \$(000's)</b>
<b>Fixed Assets</b>											
Land	116,827	-	116,827	592	(1,424)	-	-	-	115,995	-	115,995
Buildings	53,410	-	53,410	4,562	(257)	-	(2,921)	-	57,712	(2,918)	54,794
Furniture and Fitting	2,673	(2,019)	654	135	-	-	(221)	-	2,808	(2,240)	568
Motor Vehicles	2,868	(2,300)	568	181	-	-	(187)	-	3,049	(2,487)	562
Plant	2,176	(1,077)	1,099	286	-	-	(140)	-	2,462	(1,217)	1,245
Office Equipment	5,040	(4,439)	601	335	-	-	(241)	4	5,379	(4,680)	699
Library Books	4,894	(3,896)	998	306	-	-	(257)	-	5,200	(4,153)	1,047
Heritage Assets	1,814	(282)	1,532	-	-	-	(36)	-	1,814	(318)	1,496
Finance Lease	58	(43)	15	-	-	-	(4)	-	58	(47)	11
	189,760	(14,056)	175,704	6,397	(1,681)	-	(4,007)	4	194,477	(18,060)	176,417
<b>Infrastructural Assets</b>											
Roading	447,962	(1,378)	446,584	15,664	-	-	(5,861)	-	463,626	(7,239)	456,387
Bridges	65,130	(314)	64,816	420	(126)	-	(1,274)	-	65,416	(1,580)	63,836
Land Under Roads	63,691	-	63,691	1,361	-	-	-	-	65,052	-	65,052
Stormwater	95,318	(1,047)	94,271	3,093	(313)	-	(1,076)	-	98,094	(2,119)	95,975
Wastewater	100,053	(2,356)	97,697	8,332	(185)	-	(2,565)	2,155	109,563	(4,129)	105,434
Refuse	4,608	(145)	4,463	2,684	-	-	(181)	-	7,292	(326)	6,966
Water	90,765	(2,246)	88,519	5,846	(115)	-	(2,326)	-	96,472	(4,548)	91,924
Rivers	38,728	(20)	38,708	1,215	-	(650)	(20)	-	39,293	(40)	39,253
Ports & Wharves	13,169	(284)	12,885	203	-	-	(319)	-	13,372	(603)	12,769
Aerodromes	1,317	(215)	1,102	-	-	-	(73)	-	1,317	(288)	1,029
	920,741	(8,005)	912,736	38,818	(739)	(650)	(13,695)	2,155	959,497	(20,872)	938,625
<b>Total</b>											
Fixed Assets	189,760	(14,056)	175,704	6,397	(1,681)	-	(4,007)	4	194,477	(18,060)	176,417
Infrastructure Assets	920,741	(8,005)	912,736	38,818	(739)	(650)	(13,695)	2,155	959,497	(20,872)	938,625
	1,110,501	(22,061)	1,088,440	45,215	(2,420)	(650)	(17,702)	2,159	1,153,974	(38,932)	1,115,042

\* NBV - Net Book value

Included in current year additions is work in progress of \$8,667,000. These assets have not been depreciated.

2010	Cost / Revaluation 1 July 2009 \$(000's)	Acc Depn & Impairment 1 July 2009 \$(000's)	*NBV 1 July 2009 \$(000's)	Current Year Additions \$(000's)	Current Year Disposal \$(000's)	Current Year Impairment \$(000's)	Current Year Depreciation \$(000's)	Revaluation Surplus \$(000's)	Cost / Revaluation 30 June 2010 \$(000's)	Acc Depn & Impairment 30 June 2010 \$(000's)	*NBV 30 June 2010 \$(000's)
<b>Fixed Assets</b>											
Land	109,890	-	109,890	1,101	(21)	-	-	5,857	116,827	-	116,827
Buildings	49,091	(2,593)	46,498	5,625	(93)	-	(2,676)	4,053	53,410	-	53,410
Furniture and Fittings	2,276	(1,780)	496	397	-	-	(239)	-	2,673	(2,019)	654
Motor Vehicles	2,780	(2,113)	667	88	-	-	(187)	-	2,868	(2,300)	568
Plant	2,060	(948)	1,112	116	-	-	(129)	-	2,176	(1,077)	1,099
Office Equipment	4,749	(4,231)	518	291	-	-	(208)	-	5,040	(4,439)	601
Library Books	4,630	(3,660)	970	264	-	-	(236)	-	4,894	(3,896)	998
Heritage Assets	1,814	(246)	1,568	-	-	-	(36)	-	1,814	(282)	1,532
Finance Lease	58	(39)	19	-	-	-	(4)	-	58	(43)	15
	177,348	(15,610)	161,738	7,882	(114)	-	(3,715)	9,910	189,760	(14,056)	175,704
<b>Infrastructural Assets</b>											
Roading	442,815	(5,680)	437,135	9,987	-	-	(6,057)	5,519	447,962	(1,378)	446,584
Bridges	69,557	(1,162)	68,395	383	-	-	(1,193)	(2,769)	65,130	(314)	64,816
Land Under Roads	62,973	-	62,973	718	-	-	-	-	63,691	-	63,691
Stormwater	91,080	-	91,080	4,286	-	(48)	(1,047)	-	95,318	(1,047)	94,271
Wastewater	90,815	-	90,815	10,510	-	(180)	(2,356)	(1,092)	100,053	(2,356)	97,697
Refuse	3,905	-	3,905	703	-	-	(145)	-	4,608	(145)	4,463
Water	84,028	-	84,028	4,040	-	(74)	(2,246)	2,771	90,765	(2,246)	88,519
Rivers	38,064	-	38,064	664	-	-	(20)	-	38,728	(20)	38,708
Ports & Wharves	11,977	-	11,977	1,192	-	-	(284)	-	13,169	(284)	12,885
Aerodromes	1,333	(142)	1,191	0	(16)	-	(73)	-	1,317	(215)	1,102
	896,547	(6,984)	889,563	32,483	(16)	(302)	(13,421)	4,429	920,741	(8,005)	912,736
<b>Total</b>											
Fixed Assets	177,348	(15,610)	161,738	7,882	(114)	-	(3,715)	9,910	189,760	(14,056)	175,704
Infrastructure Assets	896,547	(6,984)	889,563	32,483	(16)	(302)	(13,421)	4,429	920,741	(8,005)	912,736
	1,073,895	(22,594)	1,051,301	40,365	(130)	(302)	(17,136)	14,339	1,110,501	(22,061)	1,088,440

\* NBV - Net Book value

Included in current year additions is work in progress of \$9,705,000. These assets have not been depreciated.

Land revaluation includes the remediated land at Mapua which previously had a nil value.

The water revaluation movement relates to an adjustment to the value of the Champion Road reservoir. It was incorrectly valued last year due to having an incorrect volume.

## Valuation

### Land (operational, restricted, and infrastructural)

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the “unencumbered” land value where there is a designation against the land or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely.

The most recent valuation was performed by GR Butterworth SPINZ, ANZIV of QV Valuations Limited, and the valuation is effective as at 30 June 2010.

### Buildings (operational and restricted)

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the reproduction cost of the specific assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

### Infrastructural asset classes: Roads & bridges, wastewater, solid waste, water supply, stormwater, ports and wharves, and river protection assets.

Roads & bridges, wastewater, solid waste, water supply, stormwater, ports and wharves, and river protection infrastructural assets are valued using the depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected 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 Council could be over- or under-estimating the annual depreciation charge recognised as an expense in the statement of comprehensive income. To minimise this risk, 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 asset management planning activities, which provides further assurance over useful life estimates.

Roads and bridges have been valued at fair value using optimised depreciated replacement cost by MWH New Zealand Ltd as at 31 March 2010.

Wastewater, solid waste, water supply, stormwater, ports and wharves, and river protection assets have been valued at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2009.

### Land under roads

Land under roads has been valued at average land sales throughout the District by MWH New Zealand Ltd as at 1 July 2003. Under NZ IFRS Council has elected to use the fair value of land under roads as at 1 July 2003 as deemed cost. Land under roads is no longer revalued.

### Library collections

This asset is recorded at the latest valuation conducted by Duke and Cooke Ltd, registered valuers, as at 30 June 1999. During the 2002 income year Council ceased further revaluations and adopted deemed cost.

### Airfields

From 1 July 2008 Council has ceased revaluing its airfield assets. These assets are now recorded at deemed cost, being the value at the point the decision was made to cease revaluing.

## Impairment

Council river assets were damaged during the December 2010 flood and Council has assessed that about 30% of Council's rockwork for the Aorere River has been lost. This equates to \$650,000 worth of rockwork which has been lost and an impairment loss for the \$650,000 has been included in Other Comprehensive Income – Gain/(loss) on asset revaluations in the Statement of Comprehensive Income. Impairment losses of \$650,000 have been recognised. (2010: \$302,000).

<b>Note 15</b>				
<b>COMPUTER SOFTWARE</b>				
	<b>2009/10</b>		<b>Amortisation</b>	<b>2010/11</b>
	<b>\$(000's)</b>	<b>Additions</b>	<b>charge</b>	<b>\$(000's)</b>
<b>Computer Software</b>				
Cost	1,993	409		2,402
Accumulated amortisation and impairment	(1,179)		(282)	(1,461)
Carrying amount	814	409	(282)	941

<b>Computer Software</b>				
	<b>2008/09</b>		<b>Amortisation</b>	<b>2009/10</b>
	<b>\$(000's)</b>	<b>Additions</b>	<b>charge</b>	<b>\$(000's)</b>
<b>Computer Software</b>				
Cost	1,486	507		1,993
Accumulated amortisation and impairment	(920)		(259)	(1,179)
Carrying amount	566	507	(259)	814

## Note 16

### FORESTRY ASSETS

<b>2009/10</b>		<b>2010/11</b>
<b>\$(000's)</b>		<b>\$(000's)</b>
16,134	Balance at 1 July	17,804
720	Gains/(losses) arising from changes in fair value attributable to log price changes	770
620	Gains/(losses) arising from changes in fair value attributable to stocked area due to harvesting, replanting and forest maturity	4,426
-	Gains/(losses) arising from changes in fair value attributable to tending and harvest management costs	(4,260)
330	Gains/(losses) arising from changes in tax rate	-
<u>17,804</u>		<u>18,740</u>

TDC owns 2,478 hectares of planted pinus radiata forest, which are at varying stages of maturity ranging from 1 to 32 years. TDC also owns 222 hectares of planted Douglas Fir, and 33 hectares of planted Cupressus Species trees.

Harvesting was centred at Rabbit Island and Eves Valley forests. Total harvested volume during the period was 4,338 tonnes. (2010 19,679 tonnes harvested at Rabbit Island forest)

Independent registered valuers PF Olsen and Company Ltd have valued forestry assets as at 30 June 2011. The following valuation assumptions have been adopted in determining the fair value of forestry assets:

A post-tax discount rate of 7% has been used in discounting the present value of expected post-tax cash flows. (2010: A post-tax discount rate of 7% was used)

Notional land rental costs have been included for freehold land

The forests have been valued on a going concern basis and only includes the value of the existing crops on a single rotation basis

All costs and revenues are expressed in current dollar terms.

Log prices represent the average for the last 12 quarters to 30 June 2011

TDC also owns a small stand of timber through its share of the Nelson Regional Sewerage Business Unit joint venture. The movement in the value of this stand is included.

#### Financial risk management strategies

TDC is exposed to financial risks arising from changes in timber prices. TDC is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices. TDC reviews its outlook for timber prices regularly in considering the need for active financial risk management.

#### Sensitivity of Value to Changes in Log Prices and Discount Rate

Discount Rate	+10%	Price Base	-10%
6%	26.372	21.277	16.169
7%	23.238	<b>18.740</b>	14.240
8%	20.607	16.611	12.611

The above table show the effect on the tree crop value of varying both the discount rate and log prices. The value of the tree crop at TDC is relatively sensitive to changes in the discount rate and is also highly sensitive to changes which impact directly on stumpage (net revenue from harvesting). Thus any adjustments to harvest costs and log prices have an amplified effect on tree crop value.

**2009/10 Note 17****2010/11****\$(000's) INVESTMENT PROPERTY****\$(000's)**

1,700	Balance at 1 July	1,790
90	Gain/(Loss) on changes in fair value of investment property	(60)
<u>1,790</u>	Balance at 30 June	<u>1,730</u>

TDC's investment property is valued annually at fair value effective 30 June based on open market evidence. The valuation was performed by Duke and Cooke Ltd, registered valuers. Duke & Cooke Ltd are an experienced valuer with extensive market knowledge in the types and location of investment properties owned by Council. The fair value of investment property has been determined using the capitalisation of net income and discounted cash flow methods. These methods are based upon assumptions including future rental income, anticipated maintenance costs, and appropriate discount rates.

Note 18 INVESTMENT IN ASSOCIATES	2009/10 Opening Book Value (\$000's)	2010/11 Share of Comprehensive Income (\$000's)	2010/11 Dividend Received (\$000's)	2010/11 Movement in Reserves (\$000's)	2010/11 Closing Book Value (\$000's)
Port Nelson Ltd	66,968	3,813	(2,100)	(304)	68,377
Nelson Airport Ltd	6,123	631	-	-	6,754
Tourism Tasman Nelson Ltd	6	14	-	-	20
Tasman Bays Heritage Trust Inc	8,303	(16)	-	-	8,287
	81,400	4,442	(2,100)	(304)	83,438

Note 18 INVESTMENT IN ASSOCIATES	2008/09 Opening Book Value (\$000's)	2009/10 Share of Surplus (\$000's)	2009/10 Dividend Received (\$000's)	2009/10 Movement in Reserves (\$000's)	2009/10 Closing Book Value (\$000's)
Port Nelson Ltd	66,905	1,726	(2,050)	387	66,968
Nelson Airport Ltd	6,238	45	(160)	-	6,123
Tourism Tasman Nelson Ltd	-	6	-	-	6
Tasman Bays Heritage Trust Inc	7,311	104	-	888	8,303
	80,454	1,881	(2,210)	1,275	81,400

In accordance with NZ IAS 28, Council discloses on an aggregate basis its share of the following in regard to its associates.

**2009/10****2010/11****\$(000's)****\$(000's)**

24	Capital Commitments	1,683
121	Contingent Assets	-
5,922	Operating Surpluses (before tax)	5,907
-	- Other Comprehensive Income	516
4,053	Tax expense attributed to the operating surplus	1,981

## Differences in Accounting Policies

With the exception of the policy noted below all policies adopted by Council's associates are consistent with the policies adopted by Council.

### Assets

Council applies depreciation on a straight line whereas Nelson Airport Ltd has adopted the following policy in regard to certain classes of assets

- Furniture, fittings and floor coverings	Diminishing values
- Vehicles	Diminishing values
- Parking Meters	Diminishing values
- Equipment	Diminishing values

The effect of these differences in accounting policy are not significant in Council's Financial Statements

Under NZ IAS 28 Investments in Associates, the investors financial statements shall be prepared using uniform accounting policies for like transactions and events in similar circumstances. In prior years, TDC revalued its airport assets, while Nelson Airport Ltd did not. In line with Council's policy to report assets at their most current revaluation, the runway, taxiways, and apron at Nelson Airport Ltd had been brought into TDC's financial statements at a valuation which had been prepared as at 30 June 2006. Nelson Airport Ltd has not reported this revaluation in their financial statements. Council's portion of this increase in value was recorded in the Asset Revaluation Reserve (Note 24) and resulted in an increase to the revaluation reserve of \$3,001,000. That was the first time the assets had been revalued under IFRS rules.

As neither Nelson Airport Ltd or Nelson City Council revalue their airport assets Council has decided to change its accounting policy for the airport assets class. Council will no longer revalue airport assets, and these assets have been recognised at deemed cost from 1 July 2008.

It is important that readers note the very high level of the tax expense attributed to the operating expenses. This has resulted as a consequence of the 2010 Government Budget which removed the traditional ability to claim depreciation (against taxable income) on buildings with a useful life of 50 plus years. Under the International Financial Reporting Standards adopted by New Zealand (NZ-IFRS) the accounting treatment of this change requires a full provision be made now of the effect of this on the buildings owned by the company at balance date for the rest of their estimated life. That provision for future effect, which is recorded as a non current liability in the Balance Sheet, needs to be taken into account when assessing company value at any time.

### List of Associates

<b>Name of Entity:</b>	<b>i) Port Nelson Ltd</b>	<b>iii) Tourism Nelson Tasman Ltd</b>
Principal Activity:	Port Operator	Tourism Promotion
Ownership:	50% (2010 50%)	50% (2010 50%)
Owner:	Nelson City Council and Tasman District Council	Nelson City Council and Tasman District Council
Control:	Self administered	Self administered
Balance Date:	30 June	30 June
<b>Name of Entity:</b>	<b>ii) Nelson Airport Ltd</b>	<b>iv) Tasman Bays Heritage Trust Inc</b>
Principal Activity:	Airport Operator	Museum Operator.
Ownership:	50% (2010 50%)	50% (2010 50%)
Owner:	Nelson City Council and Tasman District Council	Nelson City Council and Tasman District Council
Control:	Self administered	Self administered
Balance Date:	30 June	30 June



## Performance Measures

### i) Port Nelson Ltd

	Target	2011	2010	2009	Target Met?
Lost Time Injury Frequency Rate *	<1.5	3.9	2.8	3.9	No
Debt Equity Ratio	<66.7%	28.4%	27.1%	31.1%	Yes
Dividend (includes 2005 Dividend Reserve)	\$4.2m	\$4.2m	\$4.1m	\$4.0m	Yes
Cargo Throughput (Cargo tonnes)	2.67m	2.71m	2.75m	2.78m	Yes
Shipping Tonnes (Gross tonnes)	7.9m	7.8m	8.2m	8.3m	No
Ships Visits	808	849	841	922	Yes
Revenue	\$36.0m	38.3m	38.0m	38.0m	Yes
Return on average Shareholders Funds**	6.0%	4.9%	2.6%	3.7%	No
Return on Funds Employed	9.0%	7.3%	7.2%	6.1%	No
Capital Expenditure	<\$3.7m	\$9.0m	\$3.2m	\$8.5m	No
Incidents Leading to Pollution of Harbour	NIL	NIL	NIL	1	Yes
Compliance With All Resource Consent Conditions	FULL	FULL	FULL	FULL	Yes
Compliance with NZ Maritime Safety Standards	FULL	FULL	FULL	FULL	Yes

\* Lost Time Injury Frequency Rate=  $\frac{\text{Lost Time Injuries}}{\text{Hours Worked in Period}} \times 100,000$

\*\* The Return on Average Shareholder Funds is based on Net Surplus earnings figure prior to Other Comprehensive Income.

**ii) Nelson Airport Ltd**

<b>Target Measure</b>	<b>Actual Performance</b>
To pass all Civil Aviation certification audits at a satisfactory standard	All Audits were passed with no findings. The continuous improvement model was achieved.
To achieve Financial Performance Targets as represented in annual plan.	Income and Expenditure targets were met.
To hold regular meetings of the Nelson Airport Noise Environment Advisory Committee and provide this Committee with the appropriate monitoring information.	Regular meetings of the Nelson Airport Noise Environment Advisory Committee have been held and appropriate monitoring information has been recorded and provided.
To ensure the Company complies with all Employment related legislation.	The company continues to monitor employment legislation and reviews its contracts accordingly. No breaches have been identified.
To ensure long term airport development requirements are identified as much as possible and advise shareholders of such plans and that an implementation timetable is developed.	A 5 year projection of major development and maintenance expectations has been provided to shareholders.
To continue to support the expansion of the aviation service industry in Nelson through the Nelson Aviation Cluster and the Top of the South Aviation Strategy (TOTS).	Full participation in TOTS opportunity identification and Strategic planning is continuing.
To complete a long term development plan for the airport by April 2011.	Draft Plan released May 2011 for consultation.
To take positive steps to record and reduce our carbon footprint.	Nelson Airport Ltd measures and records carbon emissions utilising Carbon Conscious structure and has made positive steps in a number of areas towards reducing carbon emissions.
To redesign terminal traffic access in a manner that takes account of and reduces both security and safety issues by October 2010	A long term strategy and plan for terminal access has been developed and stages towards implementation have been identified.
To complete the company's Strategic Plan by September 2010	The development of the company's Strategic Plan has been delayed to allow recognition of and integration with the Long Term Development Plan to be taken into consideration.

**iii) Tourism Nelson Tasman Ltd**

<b>Target Measure</b>	<b>Actual Performance</b>
To increase the total economic value and total spend the region derives from tourism at a rate which at least matches the region's other economic driver industries	There has been no updated data available for growth, visitor expenditure and GDP for the 2010/2011 financial year. Visitor expenditure data reflects spend in Nelson Tasman Region for the 2008 calendar year. Net GDP data reflects tourism's contribution for the March 2009 year. Zero growth and decline in GDP growth reflects data collected between the 2008-2009 calendar year. Total economic value of tourism to the Nelson Tasman region shows zero growth with \$349.5million visitor expenditure (2010: \$349.5m) and net GDP\$128m (2010: GDP\$128m). The other four driver industries all measured a decline in GDP growth over the same period. No updated data available for total visitor expenditure in the Nelson Tasman region for the 2010/2011 year. Data was last reported in 2006 showing visitor expenditure of \$301.6million.
To increase the tourism sector investment in destination marketing by 3% annually.	Total tourism sector direct investment in Nelson Tasman Tourism programmes for 2010 increased from \$386k to \$396k, an increase of 2.5%. A good result in a challenging environment. The increase is mainly due to the improved communication and profile the organisation has re-established with industry, in-house production of the 2011-2012 Nelson Tasman Trade & Convention Planner, and increased membership of the Convention and International marketing groups
To provide strategic direction to the region's tourism sector, working towards an agreed vision and goals.	A revision of Nelson Tasman Tourism Strategy was deferred in the prior year to 2010/2011. The process to update and rewrite the regional tourism strategy will commence in October 2011. Regional industry update workshops were held in Motueka, Murchison and Golden Bay in October 2010 to provide operators with recent tourism trends. Since December 2010, five industry and community updates have been delivered to share national and international visitor trends and visits to over 115 operators

	<p>conducted by the CEO and new marketing team to introduce themselves and learn about each business. On 25 March 2011 a meeting with the Joint Shareholders Committee was held to present an overview with a 6-month report. In May 2011 a meeting was held with Tasman District Council to present Nelson Tasman Tourism's 6-month update report from July to December 2010. Three presentations were made to the Economic Development Committee of Nelson City Council during February to June 2011. The main purpose of the meetings was to provide a Rugby World Cup 2011 update with marketing and media activities. These meetings exclude the annual process for submissions during Councils annual planning process.</p>																
<p>To improve the region's extreme tourism seasonality pattern.</p>	<p>The annual Nelson Spring campaign was run in 2010. It continues to gain traction with 67.7% of survey participants indicating they will travel to the Nelson Tasman region over the next twelve months. Results also indicate although the campaign is run in the Spring, the exposure to target audiences lasts much longer than the Spring month period.</p> <p>A significant amount of resource was invested into the incentive, association and convention market during the financial year. This has resulted in strong growth during the April, May and June 2011 months compared to previous year in 2010.</p> <table border="1"> <thead> <tr> <th>Indicator</th> <th>April</th> <th>May</th> <th>June</th> </tr> </thead> <tbody> <tr> <td>Total Guest Nights</td> <td>0.5%</td> <td>4.9%</td> <td>18.2%</td> </tr> <tr> <td>International</td> <td>1.1%</td> <td>9.4%</td> <td>14.7%</td> </tr> <tr> <td>Domestic</td> <td>0.1%</td> <td>2.2%</td> <td>20.0%</td> </tr> </tbody> </table> <p>In support of off-season tourism growth, Nelson Tasman Tourism made a submission on the Conference Centre &amp; Performing Arts Centre in May 2011. As a result of collective business and industry support, the Nelson City Council and a private sector company, Rutherford Holdings, have committed significant capital investment in the convention sector.</p>	Indicator	April	May	June	Total Guest Nights	0.5%	4.9%	18.2%	International	1.1%	9.4%	14.7%	Domestic	0.1%	2.2%	20.0%
Indicator	April	May	June														
Total Guest Nights	0.5%	4.9%	18.2%														
International	1.1%	9.4%	14.7%														
Domestic	0.1%	2.2%	20.0%														
<p>To ensure that Nelson Tasman region is a leader in adopting environmentally sustainable tourism practices.</p>	<p>Nelson Tasman Tourism is a member of the sustainability forum, which brings together diverse stakeholders to discuss sustainability issues. We are active participants in regional meetings exploring how we can take advantage of positioning the region as a sustainable destination. We also encourage tourism businesses to adopt sustainable environmentally friendly best practice in daily operations, and support the nationally recognisable Qualmark Enviro Award accreditation process.</p> <p>Nelson Tasman Tourism acknowledges through their newsletters sustainable awards received by tourism businesses in the Nelson Tasman region.</p>																
<p>To improve the reputation of Nelson Tasman as a visitor friendly destination.</p>	<p>No tourism questions were included in the 2011(2010: no results) ratepayers surveys carried out by Nelson City Council and Tasman District Council.</p>																
<p>To take account of the priorities of Tangata Whenua in tourism issues and to encourage their involvement in the industry.</p>	<p>CEO has established contact with local Iwi and been welcomed on as tangata whenua from Ngati Apa, Tuwharetoa.</p>																
<p>To provide comprehensive and objective information that meets visitors' expectations.</p>	<p>No bi-annual Mystery Shopper Survey undertaken in this financial year, scheduled 2012. (2010 Mystery Shopper Survey completed March 2010. Nelson and Golden Bay i-SITES met the 100% pure welcome criteria).</p> <p>No bi-annual official Visitor Information Qualmark assessment undertaken in this financial year, scheduled 2012. (2010: Nelson i-SITE and Golden Bay i-SITE achieved a Qualmark Enviro Bronze rating).</p>																

<p>To ensure that all publications and web site information meet the needs of users and reach target audiences.</p>	<p>The 2011 Official Visitor Guide was distributed to an agreed plan. Regional (advertisers and on request), national (through Jasons distribution 680 locations, all i-SITES), and international distribution (Tourism New Zealand offices, NZ Embassies, wholesalers and inbound offices on request).</p> <p>Visitor Guide print run 90,000 (2010:110,000) Budget: \$21,000 (2010: \$20,000), Revenue: \$26,201 (2010: \$22,555)</p> <p>Due to a change in website hosting, comparative statistical data is not available for the 2009 and 2010 financial year. The website has seen a 166% increase in number of listings on www.nelsonnz.com.</p> <p>Current listings 630 (2010: 236 listings).</p> <p>The increase in number of listings is due to the launch of a new website on 1 April, which offers free listings to all Nelson Tasman tourism businesses in order to increase content on www.NelsonNZ.com. This is a reflection of the ongoing evolution of the on-line environment and has impacted on our ability to generate income for the current financial year.</p> <p>Budget: \$40,767, (2010: \$30,000), Revenue: \$1,208 (2010: \$19,414)</p>
<p>Revenue from visitor information services meets or exceeds agreed targets.</p>	<p>Budget: \$673,857 (2010: \$601,069), Revenue \$713,160 (2010: \$639,927) Revenue has exceeded target by \$39,303</p>
<p>To operate within the budgets agreed with the shareholders.</p>	<p>Statement of Comprehensive Income shows a profit of \$26,906 (2010: \$16,703) against a budgeted profit of \$33,289 (2010: \$3,318)</p>
<p>The Company complies with all legislative requirements.</p>	<p>All known requirements met (2010: all requirements met)</p>
<p>The company operates as an environmentally responsible and sustainable business.</p>	<p>The company continues to operate as an environmentally responsible and sustainable business by ensuring energy efficiency is maintained with regular servicing and maintenance of equipment, air conditioning and lighting. Waste minimisation is enhanced with recycling of brochures, bokashi buckets for food waste and environmentally certified cleaning products. A review with the purpose of simplifying our sustainability action plan will be undertaken in 2011/2012 financial year.</p>
<p>To be a good employer.</p>	<p>The company met all legislative requirements of relevant employment legislation (2010: relevant employment legislation met)</p> <p>A staff satisfaction survey was completed in July 2011, with 84% of staff rating the company above average as an employer. (2010: 81%)</p>

iv) Tasman Bays Heritage Trust Inc

**Performance Measures**

The 2010/11 Strategic Plan contained 18 Objectives/KPIs.

Performance Target	Result
To consolidate our partnership with Te Tai Ao Komiti in a second term of a Memorandum of Understanding	The Trust and Te Tai Ao Komiti have addressed the collection policy as it relates to Taonga Maori and several objects have been received with liaison between Te Tai Ao Komiti and Nelson Provincial Museum.
To restructure the Nelson Provincial Museum educational programme for Nelson-Tasman schools, in line with the NZ curriculum	The new educational programme commenced in July 2010 with core funding from the Ministry of Education. The Trust is considering future options from 2013.
To resolve the board strategy for the safe and secure long-term storage of Nelson Provincial Museum collection assets	The Trust received an independent expert opinion from OCTA Associates on the options for the long-term storage of the Nelson Provincial Museum collection. The Trust adopted the recommendation that extending and upgrading the Isel Park facility is the preferred option due to the 'high ground' location and investment at this site.
To develop funding models that will enable the Trust to enhance the delivery of specialised services	The Trust continues to attract sponsor funding for special exhibitions but charitable funding of core services continues to present obstacles, due to the belief that the Council stakeholders bear responsibility for this.
To continue to negotiate with the joint stakeholders the forward terms of the interest-free Council loans	The Trust has secured an assurance from the two Council stakeholders that neither one will call in the loans that fall due on 30 June 2012. The Trust is seeking agreement to transfer the debt to equity. While Tasman District Council has stated that it will most likely seek repayment over a long term, Nelson City Council has indicated that it is considering repayment versus equity.
Increase public awareness of the care, display and management of Museum collections	Each month we highlight a specific image from our Photographic Collection in the enews. In the foyer of the Research Facility we have a slide show which covers the range of work undertaken by our collections staff. Public kiosks are planned for both Museum venues which will greatly increase public access and visibility of the Collections and the Research Facility.
Based on the review and within existing resources assess the public access to the Isel Park Research Facility	A major research study was undertaken and a full written report was presented to the TBHT Board. On the basis of that research changes were made to the opening hours at Isel Park Research Facility to give a greater certainty to prospective users and longer blocks of available research time. A number of changes have been implemented which have improved conditions for the Collection, for visitors and for staff.
Continue the relocation of the forgiveness of the Photographic Collection	By the end of June 24,016 plates had been digitised and re-housed and of those more than 2,000 had their images added to the on-line collection resources. Ongoing funding of this nationally significant project has been achieved through the NZ Lottery Grants Board and a generous donor.
Continue with the identification and reduction of risk factors associated with the Collections	Based on reports from Opus and the Fire Safety Board a number of improvements were recommended related to the security of the building and the safety of staff and the Collections. A significant number of these have been achieved in the past year with financial assistance from organisations such as Network Tasman Trust. Some other changes have more significant financial implications. Any major changes will be determined as part of planning associated with the next phase of the Feasibility Study commissioned from OCTA and financed by Nelson City Council. This report has been completed and tabled at Board and Council level. The next step involves submissions related to the LTCCP of 2012.
Develop procedures related to collection, storage and preservation of digital heritage items such as images, video and audio files using examples such as the Crete oral histories and Nunns musical instruments as case studies	This is work in progress. A number of digitally-born items have been added to the Collection and the policies that support such items have been the subject of staff review and discussion. Guidance is being sought from national organisations involved in the same processes.

<p>Based on visitor research seek to add or modify elements of the permanent exhibition in order to maintain a strong interest amongst local visitors</p>	<p>In the past year the changeover of light sensitive paper and fabric has continued. Improvements have been made to the lighting in the Cave, new projectors have greatly enhanced the slide show displays of early residents and iwi Maori, and significant improvements have been made to the godwit migration story module. Visitor surveys continue to show strong support for the quality of the exhibition. A new case has been installed in which some very significant new acquisitions have been displayed. Notably a small CF Goldie painting, superb portraits of an early Riwaka family and an original diary written by Dr Lidbetter who travelled to New Zealand on the Lord Auckland in 1841-42. Each of these has gained significant local media interest.</p>
<p>Deliver a forward programme including both internally produced and externally sourced exhibitions that seeks to meet the needs and interests of a broad audience</p>	<p>The exhibition schedule has included a good mix of themes and exhibition styles. These range from small loan exhibitions such as the multimedia rich Future Foods display, small in-house displays such as the HATS exhibition created by Education staff, to major internally curated exhibitions such as Port Nelson Haven Ahoy! which was built and installed by our own staff with significant local sponsorship support. In addition we staged Treaty2U from Te Papa, a locally produced YMCA exhibition and an exhibition based on the research of a local teacher about NZ soldiers in Crete during WWII.</p>
<p>Prepare a report on the logistics and finances for touring exhibitions, e.g. Butterflies and Appo Hocton</p>	<p>This report has been completed. Essentially the small exhibitions that we create in-house can be toured successfully but if we want to continue with this we will need to invest in a more substantial substrate for text panels. It is clear that decisions about making exhibitions available to other venues needs to be made early in the planning process. If this were ever intended to become a major revenue source significant additional staff resources would need to be available. There are only a very small number of museums creating exhibitions for touring to other venues.</p>
<p>Provide education opportunities to regional school students to support their NZ Curriculum studies based on our exhibitions and resources. A target of at least 5,000 students</p>	<p>A total of 7,544 students attended booked education programmes in the past year and brought with them an additional 1,639 accompanying adults. In all this represents 21% of our total visitor numbers. By far the bulk of the students are from regional schools. For the Port Nelson Haven Ahoy! exhibition it is estimated that an astonishing one in three primary aged children attended the programmes run by education staff which included an innovative and highly successful drama programme. This year 25 different programmes were available for schools including a number delivered bilingually and biculturally which has been greatly appreciated by schools.</p>
<p>Seek financial support to continue the development of education resources that enhance the exhibition programmes and meet National curriculum needs</p>	<p>We were fortunate to secure a major grant from the Community Organisation Grants Scheme of the Lottery Board which effectively paid the majority of education costs associated with the highly successful Port Nelson Haven Ahoy! exhibition. In essence this has made up for the lower grant received from the Ministry of Education for our LEOTC contract.</p>
<p>Continue to strategically digitise the collection by digitising objects used in exhibitions, publications and reproductions as well as participation in collaborative projects such as The Prow</p>	<p>The Glass Plate Negative Project has been reported elsewhere. Not only does it improve the quality of care we are able to give this nationally significant collection it has also meant that an increasing number of images are available for on-line research. The Port Nelson Haven Ahoy! exhibition saw 200 Collection objects on display all of which were researched and digitised so that they could become part of the on-line resource available through the Vernon Collection Management System that the Board invested in several years ago. Our Museum was a partner in the Nelson PhotoNews digitisation project which was successfully completed this year and is now available to be researched on-line.</p>
<p>Continue the development of a monthly email newsletter and measure its effect on driving visitation by regional visitors</p>	<p>The monthly email newsletter is now sent to over 2,000 addresses each month. The number of people withdrawing from the subscription is very low and the feedback is very positive. Evidence of the success of the newsletter may be judged by the fact that lectures and events can be fully subscribed by promotion through this means alone.</p>

Continue to expand the digital content on the museum website, enhance information on visitor programmes and create links to regional institutions where our Museum has a specific collection presence	As reported above the digital content is expanding at a significant rate. The storage of the data is something that creates its own challenges. Even a few years ago the prospect of storing 15 terabytes of data would have been almost inconceivable outside of a major commercial business or research organisation. It is now common for up to a thousand individuals a month to access our Nelson Provincial Museum website and this can be expected to grow significantly in the next few years as our material becomes recognised for its intrinsic value
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**Note 19**

**INTEREST IN JOINT VENTURE**

Council has a 50% interest in the Nelson Regional Sewerage Business Unit (NRSBU) and Nelson Tasman Combined Civil Defence Organisation (NTCCDO)

**Financial performance**

	2010/11 \$(000's)		
	NRSBU	NTCCDO	TOTAL
Net Income	2,495	115	2,610
Net Expenditure	2,717	194	2,911
Net surplus/(deficit)	<u>(222)</u>	<u>(79)</u>	<u>(301)</u>
Includes:			
Depreciation	<u>793</u>	<u>17</u>	<u>810</u>

## Financial Position

The Council's share of assets and liabilities proportionately consolidated is:	2010/11 \$(000's)		
	NRSBU	NTCCDO	TOTAL
<b>Current Assets</b>			
Cash at Bank	47	47	94
Receivables	164	-	164
	<u>211</u>	<u>47</u>	<u>258</u>
<b>Non Current Assets</b>			
Infrastructure-Wastewater	22,906	-	22,906
Forestry	-	-	-
Freehold Land	1,085	-	1,085
Buildings	115	-	115
Motor Vehicles	-	25	25
Plant & Equipment	11	18	29
Office Furniture and Equipment	-	54	54
	<u>24,117</u>	<u>97</u>	<u>24,214</u>
<b>Current Liabilities</b>			
Trade Creditors	1,658	1	1,659
Current Portion of Term Loans	-	-	-
	<u>1,658</u>	<u>1</u>	<u>1,659</u>
<b>Non Current Liabilities</b>			
Term Loans	6,500	-	6,500
	<u>16,170</u>	<u>143</u>	<u>16,313</u>
Net Assets contributed by the Joint Venture			

Comparative figures for 2009/10 are as follows:

Financial performance	2009/10 \$(000's)		
	NRSBU	NTCCDO	TOTAL
Net Income	2,308	116	2,424
Net Expenditure	<u>2,463</u>	<u>195</u>	<u>2,658</u>
Net surplus/(deficit)	<u>(155)</u>	<u>(79)</u>	<u>(234)</u>
Includes:			
Depreciation	<u>678</u>	<u>20</u>	<u>698</u>



## Financial Position

	2009/10 \$(000's)		
	NRSBU	NTCCDO	TOTAL
The Council's share of assets and liabilities proportionately consolidated is:			
<b>Current Assets</b>			
Cash at Bank	249	44	293
Receivables	53	-	53
	302	44	346
<b>Non Current Assets</b>			
Infrastructure-Wastewater	18,219		18,219
Forestry	39	-	39
Freehold Land	1,085	-	1,085
Buildings	119	-	119
Motor Vehicles	-	14	14
Plant & Equipment	14	16	30
Office Furniture and Equipment	-	13	13
	19,476	43	19,519
<b>Current Liabilities</b>			
Trade Creditors	1,125	1	1,126
Current Portion of Term Loans	500	-	500
	1,625	1	1,626
<b>Non Current Liabilities</b>			
Term Loans	4,500	-	4,500
Net Assets contributed by the Joint Venture	13,653	86	13,739

2009/10 Note 20		2010/11
\$(000's)	TRADE AND OTHER PAYABLE	\$(000's)
9,777	Trade creditors	8,578
2,097	Sundry accruals	2,892
862	Sundry deposits	1,480
1,598	Other	2,641
<u>14,334</u>		<u>15,591</u>
Comprising:		
14,334	Current	15,591
-	Non-current	-
<u>14,334</u>	Total trade and other payables	<u>15,591</u>

2009/10 Note 21		2010/11
\$(000's) PROVISIONS		\$(000's)
Term		Term
522	Opening Balance	553
0	Change in provision	-
31	Unwinding of discount	34
<u>553</u>		<u>587</u>

#### Provision for landfill aftercare costs

TDC gained resource consents in 1989 to operate Eves Valley and Murchison Landfills. TDC has a responsibility under the resource consents to provide ongoing maintenance and monitoring of the landfills after the site is closed.

The management of the landfills will influence the timing of recognition of some liabilities - for example, the current Eves Valley landfill will operate in two stages. A liability relating to stage two will only be created when this stage is commissioned and when refuse begins to accumulate in this stage.

- The estimated remaining life is 41 years for the Eves Valley landfill.
- Council reassessed the estimated remaining life for the Murchison Landfill in the 2007/2008 financial year. It was decided that it was uneconomic to continue operating the Murchison Landfill and it ceased operations in that financial year. A transfer station was constructed at Murchison.
- Estimates of the life have been made by TDC's engineers based on historical volume information.

The cash outflows for landfill post-closure are expected to occur for 40 years after each site has been decommissioned. 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 8% for Murchison [2010: 8%] and 8% for Eves Valley [2010: 8%].

The gross provision before discounting is \$3,878,208. (2010: \$3,888,612)

#### Note 22

##### EMPLOYEE BENEFIT LIABILITIES

2009/10		2010/11
\$(000's)		\$(000's)
418	Accrued pay	551
863	Annual leave	930
424	Retirement gratuities	435
276	Long service leave	318
50	Sick leave	50
<u>2,032</u>	<b>Total employee benefit liabilities</b>	<u>2,284</u>
	Comprising:	
1,415	Current	1,654
<u>617</u>	Non-current	<u>630</u>
<u>2,032</u>	<b>Total employee benefit liabilities</b>	<u>2,284</u>

<b>2009/10</b>	<b>2009/10 Note 23</b>		<b>2010/11</b>	<b>2010/11</b>
<b>\$(000's)</b>	<b>\$(000's) BORROWINGS</b>		<b>\$(000's)</b>	<b>\$(000's)</b>
	<b>a) Security</b>			

All loans are secured by rates over the rateable properties of the Tasman District Council designated area.

<b>Term</b>	<b>Current</b>		<b>Term</b>	<b>Current</b>
43,916	67,021	Tasman District Council	83,402	49,673
4,500	500	Joint Venture	6,500	0
12	4	Finance Lease	8	4
<u>48,428</u>	<u>67,525</u>		<u>89,910</u>	<u>49,677</u>

Tasman District Council also has a Multi Option Credit Line Facility with a limit of \$30,040,000.

**b) Refinancing**

TDC 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 TDC's Long Term Council Community Plan.

**c) Interest Rates**

Interest rates payable range from 3.03% to 8.38% with an average rate of 4.279% (2010: 6.124%)

TDC 2009/10 \$(000's)	JV 2009/10 \$(000's)	d) Repayable Period of Loans	TDC 2010/11 \$(000's)	JV 2010/11 \$(000's)
67,021	500	Repayable: Within 1 year	49,673	0
37,549	500	Within 1-2 years	56,060	0
6,367	4,000	Within 2-5 years	27,342	6,500
43,916	4,500	Non Current Portion	83,402	6,500
110,937	5,000	Total Loans	133,075	6,500

The majority of Council's borrowings span over a 20 year term. However, the longest period that the banks will lend fixed term loans for is 5 years. Under NZ IFRS Council must disclose the actual loans repayable during the above periods even if the loans may be "rolled over". However, if the entity expects, and has the discretion, to refinance and roll over these loans, then it can classify the obligation as non-current. TDC currently has three facility agreements in place (with sufficient limits) which we believe allow us to roll over those loans for those banks, at our discretion. However, we do not have a current facility in place with one other bank that we lend from and, therefore, any loans due for "roll over" next year under this facility must be shown as the current portion of term loans. Therefore, the current portion of term loans disclosed is higher than what we physically intend repaying in the 2011/2012 financial year. (The amount of principal to be repaid as signalled in our Annual Plan 2011/2012 is \$9.241m, which combined with an additional repayment in July 2011 brings total repayments in the next financial year to \$12.175m ).

2009/10 e) Finance Lease \$(000's) Repayable:	2010/11 \$(000's)
4 Within 1 year	4
4 Within 1-2 years	4
<u>8</u> Within 2-5 years	<u>4</u>
<u>12</u>	<u>8</u>
<u>16</u> Total Finance Leases	<u>12</u>

2009/10 \$(000's)	Note 24 REVALUATION RESERVE	Inc (Dec) \$(000's)	Transfer to Accumulated Equity \$(000's)	2010/11 \$(000's)
46,507	Port Nelson Limited	(304)	-	46,203
5,661	Nelson Regional Sewerage Business Unit	2,159	-	7,820
3,001	Nelson Airport Limited	-	-	3,001
55	NZ Local Government Insurance Corporation	(17)	-	38
1,452	Tasman Bay Heritage Trust	-	-	1,452
79,187	Land	-	(1,190)	77,997
14,367	Buildings	-	-	14,367
302,381	Roads	-	(50)	302,331
151	Aerodromes	-	-	151
8,509	Rivers	(650)	-	7,859
3,354	Coastal Structures	-	-	3,354
645	Refuse	-	-	645
25,361	Wastewater	-	-	25,361
54,617	Stormwater	-	-	54,617
40,259	Water	-	-	40,259
585,507		1,188	(1,240)	585,455

2009/10 Note 25 \$(000's) ACCUMULATED EQUITY	2010/11 \$(000's)
476,346 Opening balance	477,433
1,622 Surplus	9,368
(2,748) Transfers to reserves	(3,137)
<b>Transfers from</b>	
114 Revaluation reserve on disposal of property	1,240
2,099 Reserves	2,532
- Port Nelson Equity Adjustment	516
<u>477,433</u>	<u>487,952</u>

<b>2009/10 Note 26</b>	<b>2010/11</b>
<b>\$(000's) RESERVE FUNDS</b>	<b>\$(000's)</b>
11,801 <b>Opening balance</b>	12,450
Transfers to:	
(2,099) Accumulated funds	(2,532)
Transfers from:	
<u>2,748</u> Accumulated funds	<u>3,137</u>
<u><b>12,450 Closing Balance</b></u>	<u><b>13,055</b></u>
<b>Restricted Funds consist of</b>	
<u>12,450</u> Other funds	<u>13,055</u>
<u><b>12,450</b></u>	<u><b>13,055</b></u>

Other funds consist of funds relating to donations and bequeaths provided to Council by various people for specific projects, along with funds relating to general disaster funds and funds set aside for specific purposes in the future.

<b>2009/10 Note 27</b>	<b>2010/11</b>
<b>\$(000's) Cash Flow Reconciliation</b>	<b>\$(000's)</b>
1,622 Operating (Surplus)/Deficit	9,368
<i>Add Non Cash Items:</i>	
17,136 Depreciation	17,702
330 Share of associate	(1,826)
416 Asset writedown/disposal/Impairment	-
(4,130) Vested assets	(9,917)
(90) Unrealised Loss/(Gain) on investment property	60
(1,742) Revaluation of forestry assets	(937)
2,581 Unrealised Loss/(Gain) on Interest Rate Derivatives	1,610
(87) Unwinding of IFRS discounts	(72)
<i>Movements in Working Capital Items:</i>	
(268) Accounts receivable & Prepayments	(3,254)
(165) Accounts payable	1,497
<i>Other</i>	
31 Movement in Term Provisions	34
(144) Gain (loss) on sale included in Investing Activities	928
128 Movement in fixed asset related payables	1,480
81 Movement in Term Employee entitlements	13
- Movements in Prepayments classified as investing	2,005
(45) Net GST	-
<u><b>15,699</b></u> Net Cash In(Out)flow From Operating Activities	<u><b>18,691</b></u>

## Note 28 Related Party Transactions

2009/10 \$(000's)		2010/11 \$(000's)
	<b>a) Port Nelson Ltd</b>	
	i) Received from:	
2,050	Share of Dividends	2,100
28	Directors Fees	31
1,550	ii) Accounts Receivable	1,600
	<b>b) Nelson Regional Sewerage Business Unit</b>	
	i) Received from:	
7	Treasury Services	2
33	Rates	42
13	Consent & Monitoring Fees	19
481	Owner Distribution	884
	ii) Paid to:	
2,019	Operational funding	2,255
665	iii) Accounts Receivable	546
200	iv) Accounts Payable	-
	<b>c) Tasman Bays Heritage Trust</b>	
	i) Paid to:	
749	Operational Funding	762
	<b>d) Nelson Airport Ltd</b>	
	i) Received from:	
161	Share of Dividends	-
13	Directors Fees	13
64	ii) Accounts Receivable	-
	<b>e) Tourism Nelson Tasman Ltd</b>	
	i) Paid to:	
402	Operational Funding	407
4	Grants	37
	<b>f) Nelson Tasman Combined Civil Defence Organisation</b>	
	i) Paid to:	
213	Operational Funding	222
53	ii) Accounts Payable	170

No provision has been required, nor any expense recognised for impairment of receivables, for any loans or receivables to related parties (2010 \$nil).

### 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 rates, purchase of rubbish bags etc).

Salaries and other short-term employee benefits paid to key management personnel for 2010/2011 was \$1,664,316 (2009/2010: \$1,655,483). Key management personnel include the Mayor, Councillors, Chief Executive, and Management Team.

## 29 Severance Payments

In accordance with Schedule 10, Part 3, Clause 19, Local Government Act 2002, Council declares that there has been no individual severance payments made during this financial year. (2009/2010 \$22,681).

## 30 Remuneration

### Chief Executive

The Chief Executive of Tasman District Council, appointed under Section 42 of the Local Government Act 2002, received total remuneration of \$300,400 during the year ending 30 June 2011. (2009/2010: \$287,400).

## 31 Financial Instruments

### 31a Financial Instrument categories

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

2009/10 \$(000's)		2010/11 \$(000's)
<b>FINANCIAL ASSETS</b>		
<b>Loans and receivables</b>		
731	Cash and cash equivalents	5,813
11,287	Debtors and other receivables	14,526
Other financial assets:		
785	- community loans	704
1,029	- loans to related parties	1,111
<u>13,831</u>	<b>Total Loans and receivables</b>	<u>22,154</u>
<b>Held to maturity</b>		
Other financial assets		
277	- monies held for other organisations	280
4,529	- Council reserve funds held	4,438
<u>4,806</u>	<b>Total Held to maturity</b>	<u>4,718</u>
<b>Fair value through surplus or deficit</b>		
(706)	Derivative financial instruments that are not hedge accounted	(2,317)
<u>(706)</u>	<b>Total Fair value through profit and loss</b>	<u>(2,317)</u>
<b>Fair value through comprehensive income</b>		
Other financial assets:		
82	- unlisted shares	65
<u>82</u>	<b>Total Fair value through comprehensive income</b>	<u>65</u>
<b>FINANCIAL LIABILITIES</b>		
<b>Financial liabilities at amortised cost</b>		
14,334	Creditors and other payables	15,591
Borrowings		
115,937	- secured loans	139,575
<u>130,271</u>	<b>Total financial liabilities at amortised cost</b>	<u>155,166</u>



### 31b Financial Instruments risks

Council is party to financial instrument arrangements as part of its every day operations. The Council is risk averse and seeks to minimise exposure arising from its treasury activities. The Council has established a Treasury Policy specifying what transactions can be entered into. These financial instruments include bank balances, accounts receivable, accounts payable, loans, guarantees and investments.

#### a) Credit Risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Due to the timing of its cash inflows and outflows, the Council invests surplus cash into term deposits which gives rise to credit risk.

Council's Treasury Management policy limits the amount of credit exposure to any one financial institution or organisation. Council only invests funds with registered banks that have a Standard and Poor's credit rating of at least A+ for short term and AA – for long-term investments, or building societies.

Financial instruments which are potentially subject to credit risk consist of cash, bank balances, accounts receivable and short term deposits.

Maximum exposures to credit risk at balance date are:

2009/10 \$(000's)		2010/11 \$(000's)
731	Cash and cash equivalents	5,813
11,287	Trade and other receivables	14,526
6,702	Other financial assets	6,598
(706)	Derivative financial instruments	(2,317)

The above maximum exposures are net of any recognised provision for losses on these financial instruments. No collateral is held on the above accounts.

The credit quality of financial assets:

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

2009/10 \$(000's)		2010/11 \$(000's)
<b>COUNTERPARTIES WITH CREDIT RATINGS</b>		
<b>Cash and cash equivalents</b>		
731	AA	5,813
<u>731</u>	Total cash and cash equivalents	<u>5,813</u>
<b>Other financial assets held to maturity</b>		
4,806	AA	4,718
<u>4,806</u>	Total financial assets held to maturity	<u>4,718</u>
<b>Derivative financial assets</b>		
1,875	AA	(2,317)
<u>1,875</u>	Total financial assets held to maturity	<u>(2,317)</u>

## COUNTERPARTIES WITHOUT CREDIT RATINGS

### Community loans

728 Existing counterparty with no defaults in the past	704
<u>- Existing counterparty with defaults in the past</u>	<u>-</u>
<u>728 Total Community loans</u>	<u>704</u>

### Loans to related parties

1,029 Existing counterparty with no defaults in the past	1,111
<u>- Existing counterparty with defaults in the past</u>	<u>-</u>
<u>1,029 Total Loans to related parties</u>	<u>1,111</u>

### Unlisted shares

82 Existing counterparty with no defaults in the past	65
<u>- Existing counterparty with defaults in the past</u>	<u>-</u>
<u>82 Total unlisted shares</u>	<u>65</u>

Debtors and other receivables mainly arise from Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has no significant concentrations of credit risk in relation to debtors and other receivable, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

#### b) Currency Risk

Council has no currency risk as any financial instruments it deals with are all in New Zealand dollars. (2010: Nil).

#### c) Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest expose the Council to fair value interest rate risk. Council has exposure to interest rate risk to the extent that it borrows or invests for a fixed term at fixed rates. Council currently borrows at fixed term rates.

#### d) Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council raises some borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cash flow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

#### e) Financial Guarantees

Council has guarantees to various organisations which may subject it to credit risk. Maximum exposure to credit risk at balance date was \$20,000 as detailed in the Statement of Contingent Liabilities. (2010: \$20,000).

It is not practical to estimate the fair value of the financial guarantees with an acceptable level of reliability.

**f) Price Risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through comprehensive income.

**g) Liquidity Risk**

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Council aims to maintain flexibility in funding by keeping committed credit lines available.

Council manages its borrowings in accordance with its funding and financial policies, which include a Treasury Management policy. These policies have been adopted as part of the Council's Long Term Council Community Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$2,000,000 (2010: \$2,000,000). There are no restrictions on the use of this facility.

**Contractual maturity analysis**

*Contractual maturity analysis of financial liabilities, excluding derivatives*  
 The table below analyses the Council financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments are based on the average interest rate at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments

<b>2011</b>	<b>Carrying amount \$(000's)</b>	<b>Contractual cash flows \$(000's)</b>	<b>Less than 1 year \$(000's)</b>	<b>1 -2 years \$(000's)</b>	<b>2 + years \$(000's)</b>
Creditors and other payables	15,591	15,591	15,591	-	-
Secured loans	139,575	149,349	55,114	59,307	34,928
Finance Leases	12	13	5	5	3
<b>Total</b>	<b>155,178</b>	<b>164,953</b>	<b>70,710</b>	<b>59,312</b>	<b>34,931</b>

<b>2010</b>	<b>Carrying amount \$(000's)</b>	<b>Contractual cash flows \$(000's)</b>	<b>Less than 1 year \$(000's)</b>	<b>1 -2 years \$(000's)</b>	<b>2 + years \$(000's)</b>
Creditors and other payables	14,334	14,334	14,334	-	-
Secured loans	115,937	124,861	73,587	40,431	10,843
Finance Leases	16	19	5	5	9
<b>Total</b>	<b>130,287</b>	<b>139,214</b>	<b>87,926</b>	<b>40,436</b>	<b>10,852</b>

*Contractual maturity analysis of financial assets, excluding derivatives*

The table below analyses the Council financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments are based on the average interest rate at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

<b>2011</b>	<b>Carrying amount \$(000's)</b>	<b>Contractual cash flows \$(000's)</b>	<b>Less than 1 year \$(000's)</b>	<b>1 -2 years \$(000's)</b>	<b>2 + years \$(000's)</b>
Cash and cash equivalents	5,813	5,813	5,813	-	-
Debtors and other receivables	14,526	14,553	14,431	40	82
Other financial assets:					
- community loans	704	909	272	83	554
- loans to related parties	1,111	1,200	1,200	-	-
<b>Total</b>	<b>22,154</b>	<b>22,475</b>	<b>21,716</b>	<b>123</b>	<b>636</b>

<b>2010</b>	<b>Carrying amount \$(000's)</b>	<b>Contractual cash flows \$(000's)</b>	<b>Less than 1 year \$(000's)</b>	<b>1 -2 years \$(000's)</b>	<b>2 + years \$(000's)</b>
Cash and cash equivalents	731	731	731	-	-
Debtors and other receivables	11,287	11,287	11,287	-	-
Other financial assets:					
- community loans	785	1,077	255	154	668
- loans to related parties	1,029	1,200	-	1,200	-
<b>Total</b>	<b>13,832</b>	<b>14,295</b>	<b>12,273</b>	<b>1,354</b>	<b>668</b>

## h) Sensitivity Analysis

The table below illustrates the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at the balance date.

### Interest Rate Risk:

#### Sensitivity analysis

	2010/11			
	\$(000's)			
	-100 bps		+100 bps	
	Profit	Other Equity	Profit	Other Equity
<b>Financial Assets</b>				
Cash and cash equivalents	(58)	-	58	-
Community loans	-	-	-	-
Loans to related parties	-	-	-	-
Monies held for other organisations	-	-	-	-
Council reserve funds held	-	-	-	-
Derivative Financial Instruments	(4,629)	-	4,356	-
<b>Financial Liabilities</b>				
Secured loans	1,075	-	(1,075)	-

	2009/10			
	\$(000's)			
	-100 bps		+100 bps	
	Profit	Other Equity	Profit	Other Equity
<b>Financial Assets</b>				
Cash and cash equivalents	(7)	-	7	-
Community loans	-	-	-	-
Loans to related parties	-	-	-	-
Monies held for other organisations	-	-	-	-
Council reserve funds held	-	-	-	-
Derivative Financial Instruments	(3,251)	-	3,038	-
<b>Financial Liabilities</b>				
Secured loans	611	-	(611)	-

#### Explanation of sensitivity analysis:

1. Cash and cash equivalents include deposits at call on floating rates totalling \$5,813,000 (2010: \$731,000). A movement in interest rates of plus or minus 1% has an effect on interest income of \$58,130 (2010: \$7,310).
2. Community loans and loans to related parties are at fixed rates for the year. A movement in market interest rates on fixed rate investments does not have an impact because the investments are accounted for at fair value.
3. Monies held for other organisations and Council reserve funds held as deposits are at fixed investment rates. A movement in market interest rates on fixed rate investments does not have an impact because the investments are accounted for at fair value.
4. A portion of Council's Secured loans are at fixed rates. A movement in market rate interest rates on fixed rate debt does not have an impact because secured loans are accounted for at amortised cost using the effective

interest method. Council has \$107,559,469 worth of loans at 30 June 2011 at floating rates (2010: \$61,107,622). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$1,075,559 (2010: \$611,076).

5. Derivatives – Interest rate swaps. Derivative financial assets not hedge accounted includes interest rate swaps with a fair value totalling \$(2,317,000) (2010: -\$760,000). A movement in interest rates of plus or minus 1% has an effect on the swap value of plus \$4.356m and minus \$4.629m.

### 31c Financial Instruments Fair Value Hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

#### Financial Instrument Fair Value Hierarchy

	2011	TOTAL \$(000's)	Valuation Technique		
			Quoted Market Price \$(000's)	Observable Inputs \$(000's)	Significant Non Observable Inputs \$(000's)
<b>FINANCIAL ASSETS</b>					
<b>Fair value through surplus or deficit</b>					
Derivative financial instruments that are not hedge accounted		(2,317)	-	(2,317)	-
Total Fair value through profit and loss		(2,317)	-	(2,317)	-
<b>Fair value through comprehensive income</b>					
Other financial assets:					
- unlisted shares		65	-	-	65
Total Fair value through comprehensive income		65	-	-	65

There were no transfers between the different levels of the fair value hierarchy.

2010	TOTAL \$(000's)	Valuation Technique		
		Quoted Market Price \$(000's)	Observable Inputs \$(000's)	Significant Non Observable Inputs \$(000's)
<b>FINANCIAL ASSETS</b>				
<b>Fair value through surplus or deficit</b>				
Derivative financial instruments that are not hedge accounted	(706)	-	(706)	-
Total Fair value through profit and loss	(706)	-	(706)	-
<b>Fair value through comprehensive income</b>				
Other financial assets:				
- unlisted shares	82	-	-	82
Total Fair value through comprehensive income	82	-	-	82

Valuation techniques with significant non-observable inputs (level three)

The table below provides a reconciliation from the opening balance to the closing balance for the level three fair value measurements:

	2011	2010
Balance at 1 July	2	1
Gain and losses recognised in the surplus or deficit	-	-
Gain and losses recognised in other comprehensive income	(17)	1
Purchases	-	-
Sales	-	-
Transfers into level 3	-	-
Transfers out of level 3	-	-
<b>Balance at 30 June</b>	<b>(15)</b>	<b>2</b>

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value.

## 32 Capital management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset/activity management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTCCP.

Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

## 33 Urban Portions of the State Highway Network

The ownership of urban portions of the state highway network is unclear, although there is legal opinion indicating that the ownership rests with local authorities. New Zealand Transport Agency maintains these highways in their entirety without any costs accruing to local authorities.

As a consequence, even if ownership resides with local authorities, in practice, New Zealand Transport Agency controls the economic resources. Pending clarification of ownership and further consideration of the accounting issues which may arise, Tasman District Council has not recognised the urban portion of the state highway network as an asset in these financial statements. The estimated distance of highway involved is 16.7 kilometres.



### 34 Significant Variances compared to the Annual Plan

The Council made a net surplus of \$9.368 million (budgeted surplus of \$2.392 million).

Explanations for major variations from the budget are as follows:

Revenue and expenditure	\$(000's)
<b>2010/2011 Annual Plan surplus</b>	2,392
<i>Increases/(reductions)</i>	
Targeted Rates	(246)
Other Revenue	8,627
Other Gains	478
Share of Associates surplus/deficit	1,725
Other increases in revenue	<u>208</u>
Increase in operating income over budget (excluding Joint Ventures)	10,792
Environment and planning	603
Engineering	(2,680)
Community services	1,827
Council Enterprises	428
Other Expense variances	(227)
Other Losses	<u>(2,666)</u>
Increase in expenditure over budget (excluding Joint Ventures)	(2,715)
Joint ventures (Net)	<u>(1,101)</u>
	<u>6,976</u>
	<u>9,368</u>
<b>2011 Annual Report Surplus</b>	<u>9,368</u>

The major reasons for the variance between actual and estimated net surplus were:

Targeted rates are down on budget by \$123,000 due to a decrease in water meter rates received from a decrease in water volume used. Wastewater targeted rates are also down by \$128,000 due to a reduction in the number of pans for the year from those budgeted for.

Other revenue is up on budget due to the following reasons:

- Assets vested in Council being \$6,330,000 higher than expected. This is mainly due to the Old Coastal Highway, Ruby Bay at a value of \$5.4m being vested in Council (Total length vested is 10.408km).
- Roading development contributions being \$846,000 higher than expected. This is a timing issue dependent on when new subdivisions and building developments are liable for development contributions.
- Reserve Financial Contributions being \$202,000 higher than expected due to an increase in building consents issued.
- A \$383,000 recovery from the Ministry of Civil Defence and Emergency Management has been accrued into the Rivers Activity for a subsidy towards the December 2010 floods in Golden Bay.

Other gains are up on budget mainly due to the forestry revaluation of \$937,000 (against a budgeted gain of \$513,000). Other losses are up on budget due to a loss on the revaluation of the interest rate swaps of \$1,610,000 which had not been budgeted for. Also, Council has impaired its river assets by \$650,000 due to the damage done by the Golden Bay floods in December 2010. Council does not budget for some gains and losses due to the inherent difficulties in forecasting market conditions.

The share of associate's income is up on budget mainly due to their results being better than expected.

Engineering expenditure increased due to emergency works undertaken being \$1.8m more than budgeted. (These have been partially offset by an increase in New Zealand Transport Agency subsidies, and a subsidy from the Ministry of Civil Defence and Emergency Management towards river damage). There has also been an increase in depreciation expense over budget of \$1.2m resulting from prior year revaluations.

Community Services expenditure is under budget due to the timing of projects and the Richmond Community Facility no longer being required.

Council enterprises expenditure is under budget due to the budgeted harvesting not occurring, therefore, the costs associated with this harvesting also did not occur.

Joint Ventures net surplus is below budget. The budget had not allowed for the 50% elimination required on accounting for the joint venture.

#### Explanations for major variations from the budget are as follows:

Statement of Financial Position	Actual \$(000's)	Annual Plan \$(000's)	Variance \$(000's)
The carrying values of the following items vary significantly from those forecast in the Annual Plan			
Cash and cash equivalents	5,813	3,907	1,906
Trade and other receivables	14,431	4,968	9,463
Working Capital	(44,381)	(7,873)	(36,508)
Property, plant and equipment	1,115,042	1,164,218	(49,176)
Term Borrowings	(89,910)	(132,552)	42,642
Reserve funds	(13,055)	(8,643)	(4,412)
Revaluation reserves	(585,455)	(629,586)	44,131

The major reasons for the variance between actual and estimated Statement of Financial Position values were:

Cash and cash equivalents have increased due to the timing of the loan drawdown to meet capital expenditure for June 2011. This has affected Council's working capital position.

Trade & Other Receivables have increased due to the timing of Council's invoicing of debtors as well as an increase in overdue accounts which are being actively followed up by Council. This has affected Council's working capital position.

The main reason for the decrease in the working capital position is the current portion of term loans. Under NZ IFRS Council must disclose the actual loans repayable during the above periods even if the loans may be "rolled over". However, if the entity expects, and has the discretion, to refinance and roll over these loans, then it can classify the obligation as non-current. Council currently has three facility agreements in place (with sufficient limits) which we believe allow us to roll over those loans for those banks, at our discretion. However, we do not have a current facility in place with one other bank that we lend from and, therefore, any loans due for "roll over" next year under this facility must be shown as the current portion of term loans.

The property, plant and equipment asset decrease is due to the utilities revaluation schedule for this year not being undertaken. As assessment was made by Council as to whether the current value of these assets approximated their fair value as required by IFRS. Current value was found to approximate fair value and therefore, Council decided that the expense of undertaking a revaluation of these assets was not required.

Term borrowings are down on budget mainly due to the reclassification of term debt to current portion of term debt.

Reserve funds have increased primarily due to actual opening balance at the beginning of the 2010/2011 year being \$1.55m higher than that estimated at the time of preparing the 2010/2011 Annual Plan. There was also a decrease in the amount transferred from reserves during the year due to the timing of projects undertaken especially in the reserve financial contribution and community facility activities. The timing of engineering projects can also affect the balance of the reserve funds at year end.

Revaluation reserves are down due to the utilities revaluation schedule for this year not being undertaken.

### 35 Events Occurring after Balance Date

The settlement for the purchase of the land and building at 183 Queen Street, Richmond of \$2.005m occurred on the 1 July 2011. No other significant events have occurred since balance date that affect these financial statements.

### 36 Elected Representatives

In accordance with Schedule 10, Part 3, section 18 of the Local Government Act 2002, the total remuneration and value of other non-financial benefits received by, or payable to the Mayor, and Councillors for the year were as follows:

	SALARY	CONSENT HEARINGS	TOTAL COST	DIRECTOR FEES	TOTAL
	\$	\$	\$	\$	\$
KEMPTHORNE R G	98,657	-	98,657	-	98,657
KING T B	35,498	2,278	37,776	31,150	68,926
BORLASE S J	7,674	2,125	9,799	-	9,799
BOUILLIR M	19,222	-	19,222	-	19,222
BRYANT S G	35,840	2,422	38,262	-	38,262
CURRIE R G	7,674	748	8,422	-	8,422
DOWLER B F	26,896	-	26,896	-	26,896
EDGAR J	32,939	391	33,330	-	33,330
ENSOR B	26,896	3,672	30,568	-	30,568
GLOVER G	26,896	1,241	28,137	-	28,137
HIGGINS M J	10,232	935	11,167	13,262	24,429
INGLIS J L	26,896	748	27,644	-	27,644
MALING C	21,708	204	21,912	-	21,912
MIRFIN Z	21,708	306	22,014	-	22,014
NORRISS T E	35,498	748	36,246	-	36,246
RILEY N	26,896	4,900	31,796	-	31,796
WILKINS E J	26,896	2,210	29,106	-	29,106
	<b>488,026</b>	<b>22,928</b>	<b>510,954</b>	<b>44,412</b>	<b>555,366</b>

Mr M J Higgins is a Director of Nelson Airport Limited and received director fees from Nelson Airport Limited of \$13,262. (2010: \$12,500)

Deputy Mayor T B King is a Director of Port Nelson Limited and received director fees from Port Nelson of \$31,150 during the year. (2010: \$28,000).

### **37 Acquisitions and Replacements of Assets.**

Under the Local Government Act 2002 [Schedule 10, Part 3, Clause 15(f)], Council is required to describe any significant acquisitions or replacements undertaken during the financial year. Council has not made any acquisitions or replacements during the year which would be deemed significant. The Statements of Objectives and Service Performance for each of Council's significant activities provide details of acquisitions and replacements made during the year. These statements also detail projects not undertaken during the year and the reasons.

# STATEMENTS OF OBJECTIVES AND SERVICE PERFORMANCE

## Introduction

The service goals and objectives form the basis of Council's operations in the provision of works and services for the District. Council departments reporting to the Chief Executive for servicing the Tasman District may be broadly categorised as follows:

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<b>Environment and Planning</b>	79
<b>Engineering</b>	102
<b>Community Services</b>	147
<b>Governance</b>	179
<b>Council Enterprises</b>	182

The service goals, objectives and performance indicators have been listed for each of Council's significant activities (where applicable). These are followed by a statement of the level of achievement.

Each significant activity area as a whole incorporates elements of quality, quantity, timeliness, cost and location (where applicable). Unless otherwise noted, all tasks are to be completed by 30 June 2011. Quality processes (which affect the quality of the output) are also a standard feature of the internal management control systems. In particular:

- **Preparation of Internal Report**

Internal reports are prepared by suitably qualified and experienced staff. Significant reports are subject to peer review process/consultation review.

- **Capital Works**

Capital works are constructed to design specifications. Inspections of works are undertaken by suitably qualified and experienced engineers.

- **Resource Management**

These functions are performed by appropriately qualified staff and/or accredited hearing commissioners. This is one mechanism by which Council assures the quality of service given to the public. In relation to policy investigations and the development of regional and District plans, the Council follows processes outlined in legislation and established public consultation procedures.

- **Maintenance Works**

Maintenance works are undertaken by employees or by contract under the supervision of suitably qualified and experienced engineers or other appropriate staff and monitored thereafter in accordance with the relevant maintenance programme.

- **Legislative and Financial Compliance**

In all instances, Council strives to act within the relevant statutory requirements and within approved budget levels.

- **Asset Management Planning**

A common process we undertake for all outputs is the development of asset/activity management plans for Council's activities and infrastructural assets, including asset identification, valuation, condition rating, service levels, performance measures and future maintenance and development plans, as appropriate.

Sufficient maintenance has been programmed and performed on all infrastructural assets during this financial year to ensure that the service potential of assets has not deteriorated.

- **Performance Measures**

In many cases in preparing its Ten Year Plan 2009-2019 Council included survey measures as a measure of progress toward the achievement of Council objectives and checking residents levels of satisfaction with the services Council provides. Council reports on these measures using data from the annual Communitrak survey.

A Communitrak residents survey was undertaken in May/June 2011 by NRB National Research Bureau Ltd. Where measures within this annual report include information from the Communitrak survey the latest survey information has been used. Note: A total of 401 people were surveyed by telephone. The margin of error for this survey is plus or minus 5 percent.

A separate survey was undertaken in July 2011 by NRB National Research Bureau Ltd which focused on consents only. A random selection of people who had applied for consents during the year were contacted by telephone to answer the survey.

## ENVIRONMENT AND PLANNING

### **Policy and Objective**

To promote the sustainable management of natural and physical resources and to safeguard the District's environmental qualities.

### **Nature and Scope**

These output classes involve the development of resource policy and plans under the Resource Management Act and related legislation, the associated processing and monitoring of resource consents, improving the understanding of the District's environment through investigations and promoting improved environmental performance by resource users, and undertaking Council's regulatory responsibilities.

There are five significant areas under which this activity is performed by Council.

- a) Resource Policy – The analysis and development of resource policy and plans to satisfy the Council's responsibilities under the Resource Management Act and related legislation.
- b) Environmental Information – Establishing and maintaining an efficient resource database to allow Council to properly discharge its resource management functions and to provide advice to the public on environmental issues affecting the District. Investigating, monitoring and analysis of significant environmental issues affecting or likely to affect the District.
- c) Resource Consents and Compliance – The assessment and processing of resource consent applications for the development and use of land, air, water or coastal space, and related monitoring and enforcement.
- d) Environmental Education, Advocacy and Operations – Encouraging good environmental outcomes through education and advocacy and other non-regulatory methods and also undertaking of works and services in conjunction with land owners.
- e) Regulatory Services - Provision of advice and discharging statutory functions in the areas of public health, building, sale of liquor, hazardous substances, animal and parking control, and maritime administration. Assessing and processing permit and registration applications, the administration of bylaws, and associated monitoring and enforcement action.

## ENVIRONMENT AND PLANNING

### Activities

The Council Activities within this Group are:

- Resource Policy
- Environmental Information
- Resource Consents and Compliance
- Environmental Education, Advocacy and Operations
- Regulatory Services

It is important to note that while policy development is a separate activity, its implementation often appears as a cost under one of the other activities. For instance, Council has a policy framework for managing air quality determined by legislation and its own Tasman Resource Management Plan (TRMP). Monitoring air quality is a cost against Resource Information, discharges to air and monitoring air discharge consents are a cost against Resource Consents and Compliance and education initiatives are a cost against Environmental Education, Advocacy and Operations.

### Contribution of these activities to the Community Outcomes

- Our unique and special natural environment is bountiful, healthy, clean and protected.
- Our built urban and rural environments are functional, pleasant, safe and sustainably managed.
- Our transport and essential services are sufficient, efficient and sustainably managed.
- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.
- Our participatory community contributes to district decision-making and development.
- Our growing and sustainable economy provides opportunities for us all.
- Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services.

### Assets required by the group of activities

The assets required for this group of activities primarily include skilled staff, vehicles, office buildings and information technology.

Jun-10 Actual \$	ENVIRONMENT & PLANNING	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
1,010,086	Resource Policy	1,249,901	1,309,095	95%
1,859,228	Environmental Information	1,956,088	2,554,791	77%
3,028,726	Resource Consents & Compliance	2,927,967	3,303,023	89%
1,952,526	Environmental Education, Advocacy and Operations	2,104,176	2,039,643	103%
3,918,482	Regulatory Services	4,105,483	3,740,211	110%
11,769,048	TOTAL COSTS	12,343,615	12,946,763	95%

# ENVIRONMENT AND PLANNING

## RESOURCE POLICY

### What We Do

This activity involves the analysis and development of policy and plans required under the Resource Management Act and the Biosecurity Act and the provision of policy advice on matters of national importance affecting Tasman District. It involves responding to new environmental issues that emerge from time to time and where Council considers a policy response is warranted, including where a response is needed to information received through monitoring undertaken in the Environmental Information Activity.

### Why We Do It

Council is required by law and community expectation to manage the environment of Tasman District and the consequences of human activity. The Tasman community has told us that planning for the future is important. This is so we can meet the needs of communities and manage those activities which might otherwise undermine the character and resource values which are special to Tasman.

### Our Goal

We aim to provide an appropriate policy framework for identifying and responding to resource management policy issues which lead to sustainably managing the District's natural and physical resources including biosecurity risks.

### How this activity contributes to the Community Outcomes

- Having in place policies and plans that promote sustainable management of natural and physical resources and, where necessary, regulating activities which would over time degrade the environment or place resources under pressure, keeps Tasman District special
- The activity ensures that living environments are pleasant, safe, and that the activities of others do not adversely impact on citizens' lives. By ensuring resources are well managed, the activity contributes to the development of the district in appropriate locations and scale.
- Effective resource policy planning ensures infrastructure needs are appropriate, efficient, and available to meet the demands of the community.
- This activity safeguards the community's health and well-being by ensuring resource use and human activities affecting resources do not adversely affect quality of life or community well-being.
- This activity identifies heritage values of significance to the district and has in place a framework for protecting and enhancing these values, including sites which are important to iwi.
- Public participation is provided for in the processes of development of policies and plans under the Resource Management and Biosecurity Acts.
- Policies and plans identify opportunities for economic development and potential hazards and constraints affecting such opportunities.

### Our levels of service

We will develop and maintain an appropriate policy framework which effectively promotes the sustainable management of the District's natural and physical resources by:

- identifying and responding to resource management policy issues and biosecurity risks; and
- providing a sound and appropriate policy planning framework that will protect and enhance our unique environment and promote healthy and safe communities; and
- ensuring that plan development systems are administered in a way which meets the expected environmental outcomes identified in policy statements and plans.



## ENVIRONMENT AND PLANNING

### How We Measure Progress

The level of community support for Council's resource management policy and planning work is rated as fairly satisfied or better through community surveys. [Target 75%]	58% of residents surveyed were satisfied with Council's resource management policy and planning work, with 25% of respondents not knowing enough to comment, which means 77% of those with knowledge were satisfied or very satisfied.
Having in place an operative Regional Pest Management Strategy, which is kept up to date and relevant. [Strategy to be reviewed in 2012].	Have maintained an operative Regional Pest Management Strategy. An Operational Plan is produced annually and is reviewed annually. The Strategy is programmed for review in 2012.
Having in place an operative Tasman Resource Management Plan, which is kept up to date and relevant.	Parts I - III (Introduction, Land, Coastal Marine Area) of the Tasman Resource Management Plan (TRMP) are operative. Part IV notified February 2010 and decisions on submissions were released 16 July 2011. Parts V and VI (water and discharges) were made operative on 26 February 2011.

### Major Activities

Undertake strategic development planning for urban and rural areas in the District and process associated plan changes and resolve any appeals, including current work on Richmond West, Richmond East, and work on Richmond CBD (2010 to 2012), Motueka West (current to 2011), Mapua (current to 2011), Eastern Golden Bay (current to 2010), Western Golden Bay (current to 2011), Wakefield/Brightwater (2012).	Notified Change 20 to the TRMP seeking to rezone land in Richmond East in August 2010 and Change 22 Mapua Ruby Bay in February 2011. Advanced work on Motueka West and Eastern Golden Bay/Takaka. Continued to mediate on appeals concerning Richmond West rezoning
In response to settling appeals on landscape matters, undertake Western Golden Bay Strategic Development Study (current – 2011) and Kina to Marahau (2011/2012).	Work on Western Golden Bay recommenced July 2010 when extra resources became available. Community consultation still on-going.
To complete Part IV of the Tasman Resource Management Plan - Rivers and Lakes.	Set of amendments to introduce Part IV had been notified February 2010. Called for further submissions 22 November 2010 and hearings held March 2011 with decisions released 16 July 2011.
Review water management provisions, process associated plan changes, and resolve any appeals, including for the Moutere Water Management Zone (2009), Motueka Water Management Zone (current to 2010), Takaka Water Management Zone (2010 to 2012), Waimea Water Management Zone (2012 to 2013).	Changes to the Moutere water management provisions in the TRMP have been completed. Three appeals lodged in respect of the changes relating to Motueka. Court hearing anticipated October 2011. Takaka water resources report still incomplete due to other work priorities.
Respond to any plan change requests and to administer other parts of the Tasman Resource Management Plan as required including Rural Policy Review (2009 to 2011), Natural Hazards Assessment (2009–2010).	Sought to resolve appeals concerning Frost Fans (Change 14 to the TRMP). Notified Change 21 and Variation 71 concerning natural hazards provisions in TRMP in August 2010, hearings conducted July 2011. Hearings for Plan Change 16 - Cultural Heritage held March 2011 and decisions released July 2011. Introduced change to TRMP to account for GST change in October 2010.
Review issues and options for managing activities and impacts on the Waimea Estuary (2009/2010) in conjunction with Nelson City Council, Department of Conservation, iwi and stakeholders.	Completed the review and adopted the Waimea Inlet Integrated Management Strategy and Waimea Inlet (citizens') Charter signed 27 September 2010.
Investigate the merger of the Tasman Regional Policy Statement with the Tasman Resource Management Plan.	This has yet to commence. Now expected early 2012.
To provide policy advice to Council on legislative and other significant resource management initiatives requiring Council response.	Responded to proposed aquaculture reforms, a proposed NPS on Biodiversity, a proposed NES on Plantation Forestry and a proposed NES on Soil Contamination, the Marine and Coastal Area Bill, and RMA Phase 2 reforms. Worked with iwi on preparing an Iwi Management Plan for Tasman.

## ENVIRONMENT AND PLANNING

Review and administer the Regional Pest Management Strategy in conjunction with Nelson City Council.	Have responded to the Government's Pest Management Review. Continued involvement in a Joint Marine Biosecurity committee with Nelson City and Marlborough District Councils and Biosecurity New Zealand. Have delayed commencing the review of the RPMS pending passage of the Biosecurity Amendment Bill.
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Jun-10 Actual \$	Resource Policy	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,015,528	General Rates	1,181,295	1,176,116	100%
34,118	Fees and Recoveries	27,188	18,126	150%
115,374	Sundry Income	114,633	111,803	103%
1,165,020	<b>TOTAL INCOME</b>	1,323,116	1,306,045	101%
	<b>OPERATING COSTS</b>			
2,028	Regional Policy Statement	2,017	17,909	11%
864,243	TRMP	1,085,276	1,167,944	93%
81,158	Policy Advice	86,241	63,060	137%
58,964	Pest Management Strategy	73,317	57,132	128%
3,693	Depreciation	3,050	3,050	100%
1,010,086	<b>TOTAL OPERATING COST</b>	1,249,901	1,309,095	95%
(154,934)	<b>NET COST OF SERVICE (SURPLUS)</b>	(73,215)	3,050	-2401%
	<b>TOTAL FUNDS REQUIRED</b>			
(154,934)	Net Cost of Service (Surplus)	(73,215)	3,050	-2401%
(154,934)		(73,215)	3,050	-2401%
	<b>SOURCE OF FUNDS</b>			
(158,627)	General Funds	(76,265)	-	-
(158,627)		(76,265)	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
3,693	Depreciation to be funded at income statement level	3,050	3,050	100%
(154,934)		(73,215)	3,050	-2401%

### Comment:

Operating costs are down on budget due to a reduction in labour hours due to staff unavailability.

# ENVIRONMENT AND PLANNING

## ENVIRONMENTAL INFORMATION

### What We Do

This activity involves establishing and maintaining an efficient resource information base to allow Council to properly discharge its resource management functions and to provide advice to the public on environmental conditions and issues affecting the District. It also involves investigation, monitoring and analysis of significant environmental issues affecting or likely to affect the District.

### Why We Do It

Council is required by law and community expectation to monitor the state of the environment of Tasman District and to undertake resource investigations that allow us to better understand and manage the effects of resource use and changes in the quality and quantity of our land, water, air, and coastal resources.

### Our Goal

We aim to achieve a robust and cost effective approach to environmental monitoring and resource investigations that will provide a good understanding of the District's resources and the ability to assess environmental trends and manage risks to the environment.

### How this activity contributes to the Community Outcomes

- By monitoring and investigating the state of the environment and the trends, risks, and pressures it faces, we can make better decisions and have in place policies and plans that promote sustainable management of natural and physical resources, and where necessary, that regulate activities which over time would degrade the environment or place resources under pressure.
- By monitoring and investigating the state of the environment and the trends, risks, and pressures it faces, we can make better decisions and have in place policies and plans that contribute to this outcome.
- Our flood warning system and work to identify contamination risks are designed to promote safety of people and community well-being.
- We make environmental information available and work with groups in the community to help them make environmentally sound decisions.
- Resource information identifies opportunities for economic development in the use and development of resources of benefit to current and future generations, and potential hazards and constraints affecting such opportunities.

### Our levels of Service

We will provide environmental monitoring and resource investigation services in a professional and scientifically valid manner to ensure our natural and physical resources are sustainably managed

### How We Measure Progress

The level of community support for Council's environmental information and monitoring work is rated as fairly satisfied or better through community surveys. [Target 75%]	68% of residents surveyed are satisfied with Council's environmental information and monitoring work, with 24% of respondents not knowing enough to comment, which means 89% of those with knowledge were satisfied or very satisfied.
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## ENVIRONMENT AND PLANNING

<p>We report air quality data through our website and provide an annual report with the aim of having no more than one PM10 exceedance of the National Environmental Standard by 2013.</p>	<p>Website continuously updated and required manual update of the number of exceedances, which was no more than 3 days out of date at any given time. 10 exceedances were measured in the Richmond airshed (as at 9/8/11), 3 more than the previous winter. One Newsline article was produced on air quality. The "Good Wood" programme was run through Council's environmental education activity to promote the use of dryer and cleaner burning wood. Reported on a meteorological and air quality model for Waimea Plains-Nelson</p>
<p>We release at least one issue-based State of the Environment (SOE) report annually.</p>	<p>'State of the Environment' River Water Quality in Tasman District, report released in December 2010. Findings show small streams with over 25% of catchment developed for intensive land use (particularly, farming and urban) were in a poor state. The most common issues were high faecal indicator bacteria, turbidity (fine sediment in water and bed), a few sites had high nutrient and low dissolved oxygen concentrations. Trends show increasing nitrate-nitrogen concentrations in the Motueka and Buller Rivers but improving water clarity.</p> <p>'State of the Environment' Groundwater Quality Report, released in October 2010. Groundwater across the District is of good quality and is fit for its intended uses (primarily irrigation and drinking water supplies). Groundwater on the Waimea Plain east of the Waimea River has historically had high nitrate concentrations. Nitrate concentrations in this area remain high but are showing either stable or decreasing trends. The full groundwater quality SOE report can be viewed at the Council's website.</p>
<p>Undertake targeted investigations of resource issues with the findings released via the Environment and Planning Committee (EPC) and via the Council's website.</p>	<p>Updated soil information through a regional soil survey programme - Takaka Valley soil mapping completed in 2010 with this information now available upon request. Additionally this information is being used by LCR to update S-Map as a part of the national soils database. Waimea Plains started in 2011. Tasman Valley Stream investigation of the water quality and potential means to improve its state is nearing completion. Results have been relayed to the community.</p> <p>Tukurua Stream faecal indicator sampling is ongoing and indicates that there is a source of E. coli indicator bacteria. Further sampling will occur this coming year.</p> <p>Nitrate source tracking study – Motupipi River and Borck Creek (interim report June 2011). This system is complex with source water coming from both the aquifer and the river. The aquifer appears to have slightly elevated nitrate levels which may be natural or of historic origin.</p> <p>District Coastal vulnerability assessment – most fieldwork is complete, report due in June 2012</p> <p>Various Microbial Source Tracking studies on catchments with high faecal indicator bacteria including rural and urban streams, interestingly the urban source appears to have cattle in the catchment as a contributor.</p> <p>Fish passage barrier survey. This is an ongoing survey updated each summer period with student assistance. The results help prioritise the remediation work as culvert maintenance is planned.</p>
<p>We ensure our hydrometric network is available for regional hazard management. [Target 99%]</p>	<p>The network functioned well throughout the year with the system operating continuously with only individual site interruption on occasion due to telemetry issues. Telemetry sites are currently being upgraded to modern loggers and communication equipment, and this task is 95% completed</p>

## ENVIRONMENT AND PLANNING

### Major Activities

<p>Revise and continue implementing the State of the Environment Monitoring and Reporting Strategy.</p>	<p>Council continues to implement the State of the Environment Monitoring and Reporting Strategy. Review of the strategy is on hold waiting the outcomes of the current Government discussion paper on National monitoring and Reporting obligations. It is likely that this will lead to changes in monitoring frequency and special extent of coverage.</p>
<p>Prepare and distribute annually issue-based reports (Surface Water, Air, Groundwater, Coastal, Land) on the State of the Environment.</p>	<p>Soil Health Monitoring report submitted July 2010. The report is available on the Council website in the EPC minutes.  Groundwater Quality SOE report released in October 2010. See the comments above. The report is available on the Council website.  River water Quality SOE reports released December 2010. See the comments above. The report is available on the Council website.  Presented results of air quality monitoring in July 2010. The report is available on the Council website in the EPC minutes.  Tasman's Natural Swimming Holes and Beaches – Popularity and Effects on the Recreational Experience May 2011. Tasman has many and varied sites that are popular for swimming. Other councils have shown interest in the survey method.  Lake Otuhie and Kaihoka Lakes report, June 2011 and available on the Council website.</p> <p>Waimea Estuary Sediment Cores project (June 2011). Report available and will be presented to the Waimea Forum.  Results of the National Groundwater Pesticide Monitoring programme reported to Council 14 July 2011. The report is available in the EPC minutes on the Council website.</p>
<p>Monitor, collect and maintain resource data/records and report on environmental resources condition and trends as provided for in Council's State of the Environment Monitoring Strategy.</p>	<p>The monitoring, collection and maintenance of resource data/records is an ongoing process. All routine laboratory sample processing is captured within the database and results are available to staff. Some like Air Quality and Recreational bathing water are fed directly to the website. Others are used to update SOE or issue-based reports and released when the report is tabled to Council. Information is available to the public upon request.</p>

## ENVIRONMENT AND PLANNING

<p>Initiate and respond to flood warnings and continue water resource investigations in the Waimea, Buller, Golden Bay, Moutere and Motueka catchments.</p>	<p><b>Hydrology:</b></p> <ul style="list-style-type: none"> <li>• Flood warnings were issued on a number of occasions, the most significant being in December 2010 which resulted in flooding problems in the Aorere area.</li> <li>• The telemetry system continues to perform well during all weather alerts, except for the loss of a small amount of equipment during the December 2010 flood event.</li> <li>• Contract hydrology services are provided to Nelson City Council.</li> <li>• Water resource information on the Council 'Flowphone' and web page continue to be widely used by anglers, canoeists and others.</li> </ul> <p><b>Water Resource Investigations:</b></p> <ul style="list-style-type: none"> <li>• Ongoing work on targeted water resource investigations continues in the Waimea, Moutere, Motueka and Golden Bay Catchments.</li> <li>• Ongoing effort in maintaining and enhancing water resource monitoring sites including both surface and groundwater sites for ongoing sustainable management of this vital resource.</li> <li>• Ongoing effort has continued into the Waimea Water Augmentation project.</li> <li>• Developed a Takaka Flood Model.</li> </ul>
<p>Conduct investigations into pollution and contamination related issues.</p>	<p>Maintained and updated Council's Site Contamination Register. Received funding to prepare guidance notes for managing the effects of sheep dips. Four supporting documents were produced and have been disseminated to interested organisations around the country for them to use to manage the historic sheep dip issue.</p>
<p>Investigate and report on natural hazards affecting the District.</p>	<ul style="list-style-type: none"> <li>• Tsunami inundation modelling started</li> <li>• Takaka flood modelling completed</li> <li>• Brightwater flood modelling initiated</li> <li>• Preparatory project to identify sites for dating of movement of the Waimea-Flaxmore Fault System</li> <li>• Preliminary investigation of liquefaction hazard and report produced</li> </ul>

## ENVIRONMENT AND PLANNING

Jun-10 Actual \$	Environmental Information	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,958,866	General Rates	2,105,860	2,096,628	100%
335,912	Fees and Recoveries	411,745	462,788	89%
91,532	Sundry Income	88,029	85,856	103%
2,386,310	<b>TOTAL INCOME</b>	2,605,634	2,645,272	99%
	<b>OPERATING COSTS</b>			
551,984	Water Resource Investigations	575,329	740,554	78%
1,098,077	Environmental Monitoring	1,171,398	1,527,536	77%
84,606	Flood Management	78,220	117,743	66%
102,734	Pollution Investigations	90,418	126,371	72%
9,749	Loan Interest	11,496	13,360	86%
12,078	Depreciation	29,227	29,227	100%
1,859,228	<b>TOTAL OPERATING COST</b>	1,956,088	2,554,791	77%
(527,082)	<b>NET COST OF SERVICE (SURPLUS)</b>	(649,546)	(90,481)	718%
	<b>TOTAL FUNDS REQUIRED</b>			
(527,082)	Net Cost of Service (Surplus)	(649,546)	(90,481)	718%
168,177	Capital	135,873	99,590	136%
9,391	Loan Principal Repaid	12,473	20,118	62%
(349,514)		(501,200)	29,227	-1715%
	<b>SOURCE OF FUNDS</b>			
122,599	Loans Raised	8,790	-	-
(484,191)	General Funds	(539,217)	-	-
(361,592)		(530,427)	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
12,078	Depreciation to be funded at income statement level	29,227	29,227	100%
(349,514)		(501,200)	29,227	-1715%

### Comment:

Capital costs mainly include technical equipment purchases of \$86,000 (against a budget of \$99,590). Other capital costs include flood modelling and software.

Staff costs have been less than budgeted in this activity due to staff time being required for other Council activities.

Consultancy fees are down on budget due to at least four projects not being completed in the 2010/2011 financial year due to reasons such as weather problems and the unavailability of specialist consultants.

# ENVIRONMENT AND PLANNING

## RESOURCE CONSENTS & COMPLIANCE

### What We Do

This activity involves the assessment and processing of resource consent applications for the development and use of land, air, water or coastal resources, and related compliance monitoring and enforcement.

### Why We Do It

Council is required by law to receive and process resource consent applications and to monitor and enforce compliance with plan rules and conditions of consent in order to achieve sustainable management of natural and physical resources. There is also an expectation from the community that we will respond to, and resolve, environmental and nuisance complaints.

### Our Goal

We aim to see development of the District's resources that achieves high standards within sustainable limits set by Council's plans and with minimum environmental impact and to provide excellent customer service in processing consents.

### How this activity contributes to the Community Outcomes

- The consent process seeks to ensure that the development and use of the environment promotes sustainable management of natural and physical resources. Where necessary, conditions can be imposed (and monitored) that regulate activities which over time would degrade the environment or place resources under pressure.
- The activity ensures that living environments are pleasant, safe, and that the activities of others do not negatively impact on citizens' lives. By ensuring resources are well managed and adverse effects of resource use properly considered, the activity contributes to the development of the District in appropriate locations and scale.
- Effective planning ensures infrastructure needs are appropriate, efficient, and available to meet the demands of the community.
- This activity safeguards the community's health and well-being by ensuring resource use and human activities affecting resources do not adversely affect quality of life or community well-being.
- This activity can identify and protect heritage values of significance to the district, including sites which are important to iwi.
- Public participation is provided for in the consent process under the Resource Management Act. This can be either by way of consultation by resource consent applicants or full public notification of applications whereby the public have the opportunity to lodge submissions and appear in front of hearings committees.
- Resource consents can facilitate economic development opportunities and compliance monitoring can ensure fair and equal opportunities for all.

### Our levels of service

We will process resource consent applications in a professional and timely manner to ensure our natural and physical resources are sustainably managed.

We will monitor and enforce compliance with consent conditions in a firm and fair manner and respond to complaints about activities adversely affecting people or the environment.

### How We Measure Progress

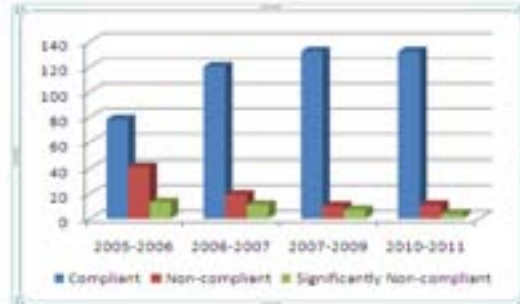
The level of support for Council's resource management consent from applicants and compliance work is rated as fairly satisfied or better through community surveys. [Target 75%]	Reported satisfaction level of 82.7% with 1.9% unable to answer (88.7% and 0% respectively in 2009/2010). 15.4% not very satisfied for reasons which include time delays, expense, and too much red-tape (cf 11.3% in 2009/2010).
Consent applications are processed within statutory timeframes (where they exist). [Target 100%]	99% of non-notified applications processed within timeframe, 100% for publicly notified and limited notified applications (cf 96.5%, 87% and 73% respectively in 2009/2010).



## ENVIRONMENT AND PLANNING

We monitor compliance with resource consent conditions and plan rules, and report at least annually on one compliance investigation.

The annual Dairy Effluent Discharge Report was submitted in July 2011. All 147 dairy sheds in the Tasman District were monitored this season. Overall there was an increase in compliance from previous years with 90% fully compliant.



The Water Metering Report was presented in August 2011. Compliance with conditions was typically high however where non compliance was evident a range of enforcement actions were successfully undertaken.

The annual Compliance and Enforcement Summary report is to be presented in October 2011. Preliminary data shows that compliance with consent conditions for those active consents is down on last year. Correspondingly enforcement actions taken by council have increased however the need for significant enforcement response has been less significant.

We respond to all complaints, depending on urgency and effect, within 15 working days. [Target 100%]

All complaints were responded to within 15 working days with 81% resolved entirely within their deadline.

## ENVIRONMENT AND PLANNING

### Major Activities

<p>Respond to enquiries and undertake the necessary consultation, analysis and processing of resource consent applications related to Council's resource management functions.</p>	<p>Council continues to respond to enquiries and all other aspects of resource consent applications on an ongoing basis. As at 30 June 2011 we had completed the processing of 832 non-notified applications with 99% complying with statutory timeframes, and 81 notified or limited applications with 100% complying with statutory timeframes. As at 30 June 2011, six appeals to the Environment Court await resolution.</p>																								
<p>Implement monitoring programmes on resource consents that have potentially significant resource and environmental impacts, and to undertake post-consent and rule compliance monitoring and necessary enforcement, including responding to environmental nuisance complaints. To ensure that this monitoring is fed back into the policy development process.</p>	<p>The compliance monitoring team continues to carry out consent compliance monitoring in accordance with the Compliance Monitoring Strategy. Compliance continued to provide 3-monthly reports to the Environment &amp; Planning Committee on monitored performance of individual targeted programmes, complaint summaries and enforcement actions undertaken during the reporting period. During the year the annual dairy effluent compliance programme and report was completed as was the water metering compliance programme. Annual Compliance and Enforcement report released September 2010. Undertook a review of Council's Enforcement Policy.</p> <p>Staff also responded to written and verbal complaints and maintained a file of complaints with record of actions taken. The following breakdown records the type of complaints received over the year.</p> <table data-bbox="837 981 1268 1317"> <tr> <td>Noise</td> <td>1,030</td> </tr> <tr> <td>Land Use</td> <td>244</td> </tr> <tr> <td>Discharges – Air</td> <td>254</td> </tr> <tr> <td>Discharges – Water</td> <td>42</td> </tr> <tr> <td>Discharges - Land</td> <td>88</td> </tr> <tr> <td>Water takes</td> <td>25</td> </tr> <tr> <td>Rivers</td> <td>21</td> </tr> <tr> <td>Coastal</td> <td>5</td> </tr> <tr> <td>Rubbish</td> <td>90</td> </tr> <tr> <td>Abandoned vehicles</td> <td>75</td> </tr> <tr> <td>Other</td> <td>118</td> </tr> <tr> <td></td> <td><u>1,992</u></td> </tr> </table> <p>(cf 2,131 2009/2010)</p>	Noise	1,030	Land Use	244	Discharges – Air	254	Discharges – Water	42	Discharges - Land	88	Water takes	25	Rivers	21	Coastal	5	Rubbish	90	Abandoned vehicles	75	Other	118		<u>1,992</u>
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## ENVIRONMENT AND PLANNING

Jun-10 Actual \$	Resource Consents & Compliance	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,414,343	General Rates	1,512,727	1,506,095	100%
1,496,085	Fees and Recoveries	1,277,616	1,705,857	75%
86,886	Sundry Income	86,327	84,196	103%
2,997,314	<b>TOTAL INCOME</b>	2,876,670	3,296,148	87%
	<b>OPERATING COSTS</b>			
2,156,285	Resource Consent Processing	1,990,692	2,296,680	87%
864,119	Compliance Monitoring	930,400	999,468	93%
8,322	Depreciation	6,875	6,875	100%
3,028,726	<b>TOTAL OPERATING COST</b>	2,927,967	3,303,023	89%
31,412	<b>NET COST OF SERVICE (SURPLUS)</b>	51,297	6,875	746%
31,412	<b>TOTAL FUNDS REQUIRED</b>	51,297	6,875	746%
	<b>SOURCE OF FUNDS</b>			
23,090	General Funds	44,422	-	-
23,090		44,422	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
8,322	Depreciation to be funded at income statement level	6,875	6,875	100%
31,412		51,297	6,875	746%

### Comment

Fees and Recoveries are down on budget as more time was spent on non-chargeable work than budgeted such as appeals and counter duties answering customer enquiries. Council was aware during the year that fees and recoveries would remain down on budget and endeavoured to keep costs down as well by not replacing staff members etc.

# ENVIRONMENT AND PLANNING

## ENVIRONMENTAL EDUCATION, ADVOCACY AND OPERATIONS

### What We Do

This activity involves those Council activities that seek to encourage good environmental outcomes through education and advocacy and other non-regulatory methods and also the undertaking of works and services in conjunction with land owners. In particular undertake catchment stabilisation, riparian protection, and habitat enhancement work and pest management operations. This activity also involves follow-up monitoring at the former Fruitgrowers Chemical Company site at Mapua and civil defence and emergency management functions. It also includes Council's environment education function and associated events like, Ecofest, Enviroschools and Environment Awards.

### Why We Do It

Council is keen to promote good environmental outcomes by non-regulatory means where this is cost effective and in those situations where active involvement in work programmes yields community support and involvement. Council undertakes civil defence responsibilities as required by the Civil Defence Emergency Management Act 2002 in conjunction with Nelson City Council to ensure community awareness of, and preparedness to respond to, emergency events.

### Our Goal

The Environmental Education, Advocacy, and Operations activity goals are to:

1. See improved practices in the use, development, and protection of the District's resources and to minimise damage to the environment through inappropriate practices or the incidence of pests and other threats to the quality of the environment we enjoy.
2. Build a resilient community where the potential effects of "all hazards" have been minimised and the community is ready to respond in the face of natural hazard events and emergencies.

### How this activity contributes to the Community Outcomes

- By managing animal and plant pests, working with landowners and others to protect biodiversity, soil and water sustainability, and encouraging responsible environmental behaviours, we seek to ensure Tasman remains special.
- By encouraging and working with industries, community groups, and the public we seek to manage risks to, and effects on, Tasman's urban and rural environments.
- By promoting best practice and efficiency measures in the design and use of important utility services.
- Our civil defence and emergency management system is designed to promote safety of people and a resilient community.
- By promoting an appreciation of culture and heritage through the annual Environment Awards and targeted funding to heritage and waimaori projects.
- Participation in headline activities like Sea Week, Enviroschools, and Ecofest allows different sections of the community to participate learn and teach each other about matters relating to community well-being.
- We encourage people to be involved in making preparations in the event of a civil emergency and work with landowners to take responsibility for their actions that might have negative environmental consequences.
- We encourage people to adopt best practice in relation to their use of resources such as land, water, air, and the coast.

### Our levels of service

We will work with resource users, stakeholder groups and the public to promote environmentally responsible behaviour, to encourage soil conservation and riparian planting, to maintain and enhance biodiversity.

We will contribute the regional share of funding to support the efforts of the Animal Health Board in managing the spread of Bovine Tb in the District.

We will provide pest management services in Tasman, and under contract to Nelson City, to ensure the incidence of pests does not threaten the economic performance of our productive sector or place at risk the quality of the environment we enjoy.

We will have in place a civil defence and emergency management system that is designed to promote safety of people and a resilient community in the event that emergencies may occur.

## ENVIRONMENT AND PLANNING

### How We Measure Progress

The level of community support for Council's environmental education projects and events is rated as fairly satisfied or better through community surveys. [Target 75%]	68% satisfied or better with 27% not knowing enough to comment (74 % and 22% being the equivalent 2009/2010 figures). 5% were not satisfied, which means that 93.2% of those who were able to comment were satisfied or better with Council's environmental education activities.
That the number of cattle and deer herds infected with bovine Tb or on movement control reduces each successive year. [Target: Annual reduction from previous year]	One herd under movement control as at 30 June 2011 (compared to 2 as at 30 June 2010)
Timely reporting of pest management operations in accordance with requirements of the Biosecurity Act. [Target: Annual report by November each year]	Annual report on Pest Management Operations reported to Council 16 December 2010.
The level of community support for Council's civil defence emergency management system is rated as fairly satisfied or better through community survey. [Target: 75%]	53% of residents fairly satisfied or better with 36% not knowing enough to comment (56 % and 37% being the equivalent 2009/2010 figures). 11% were not satisfied, which means that 83% of those who were able to comment were satisfied or better with Council's civil defence emergency management activities.

### Major Activities

Identify and promote opportunities for achieving sustainable management of natural and physical resources through implementing Council's Environmental Education Strategy and education and advocacy for sustainable environmental management practices, including working with Enviroschools and other community groups.	A very successful Environmental Festival "Ecofest" was held in August 2010 and Environmental Awards programme was run in November 2010. A \$7,000 donation was received from the Canterbury Community Trust towards Ecofest. A successful community beach clean up was held in October 2010. Council continues to work with schools and pre-schools throughout the district to assist with environmental education programmes, including the Enviroschools programme. Last year Salisbury School, Ngatimoti School and Greenwood kindergarten became recognised as having achieved Bronze or Green-Gold Enviroschool levels. Council produces a quarterly online regional environmental newsletter for schools called "Ecobuzz" and produces a yearly calendar of Environmental Events. Staff also contribute to other Council publications like "Boredom Busters" and "Youth Jam". Staff are involved in a number of events, for example Matariki, Seaweek, Conservation Week, and undertake activities like the "Good Wood" air quality programme, Motueka Community Garden project and organise educational seminars. Council supports the "Waimaori" programme working with iwi and the Sustainable Business Adviser role undertaken with Nelson City Council.
Undertake soil conservation, land management, biodiversity and stream protection works in conjunction with affected landowners.	Soil conservation, land management and stream protection works in conjunction with affected landowners continues in accordance with the approved programme. Produced Guidelines on sediment and erosion control, stream crossings and stream/river works.  The activities of the Tasman Environmental Trust are recorded in the minutes of their two-monthly meeting and in their Annual Report. More than \$17,000 was awarded to six projects in the June 2011 funding round from the Cobb Mitigation Fund.  Ecological reports have been provided to 177 landowners and 219 properties have been surveyed. Biodiversity Forum meetings were held in 8 October 2010 and 20 May 2011

## ENVIRONMENT AND PLANNING

<p>Undertake pest management operations including control of designated plants in sites of high public value in accordance with criteria in the Regional Pest Management Strategy and to contribute towards the Animal Health Board bovine Tb vector control programme.</p>	<p>Pest management operations were carried out in accordance with the Operational Plan prepared under the Tasman-Nelson Regional Pest Management Strategy. The results are summarised in the Review of the Annual Operational Plan review (to be released by November 2011).</p> <p>Council continues to provide funds to the Animal Health Board's Bovine Tb Vector Management programme in Tasman District</p>
<p>Monitor the environment around the former Fruitgrowers Chemical Company site at Mapua.</p>	<p>Ongoing monitoring undertaken with results showing a continued reduction in contaminant residues</p>
<p>Review and implement the Nelson Tasman Civil Defence Emergency Management Group Plan.</p>	<p>Civil Defence responded to a heavy rainfall event in Golden Bay and Murchison December 2010 involving evacuation of homes and provision of emergency welfare support. Ongoing work developing community plans in the areas of Golden Bay, Murchison and Mapua. Commenced work to review and update the regional civil defence plan.</p>

## ENVIRONMENT AND PLANNING

Jun-10 Actual \$	Environmental Education, Advocacy and Operations	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,268,212	General Rates	1,290,424	1,284,767	100%
279,131	Targeted Rates	321,773	319,076	101%
404,682	Fees and Recoveries	510,344	390,008	131%
178,044	Sundry Income	176,899	172,532	103%
2,130,069	<b>TOTAL INCOME</b>	2,299,440	2,166,383	106%
	<b>OPERATING COSTS</b>			
170,755	Land Management	187,541	238,702	79%
559,409	Promotion of Good Practice	656,754	488,122	135%
518,276	Plant Pest Management	596,499	461,825	129%
230,267	Animal Pest Management	241,769	251,122	96%
286,404	Emergency Management	290,813	311,346	93%
(106,500)	less share of NTCCDO Joint Venture income	(110,875)	-	-
120,107	Loan Interest	104,341	110,679	94%
169,417	Mapua	133,707	174,220	77%
4,391	Depreciation	3,627	3,627	100%
1,952,526	<b>TOTAL OPERATING COST</b>	2,104,176	2,039,643	103%
(177,543)	<b>NET COST OF SERVICE (SURPLUS)</b>	(195,264)	(126,740)	154%
	<b>TOTAL FUNDS REQUIRED</b>			
(177,543)	Net Cost of Service (Surplus)	(195,264)	(126,740)	154%
5,400	Capital	1,587	-	-
107,383	Loan Principal Repaid	107,383	107,383	100%
(64,760)		(86,294)	(19,357)	446%
	<b>SOURCE OF FUNDS</b>			
(69,151)	General Funds	(89,921)	(22,984)	391%
(69,151)		(89,921)	(22,984)	391%
	<b>NON- FUNDED DEPRECIATION</b>			
4,391	Depreciation to be funded at income statement level	3,627	3,627	100%
(64,760)		(86,294)	(19,357)	446%

**Comment:**

Fees and recoveries, and Promotion of Good Practice are both over budget due to Ecofest being budgeted for net of income, instead of showing income and expenditure separately. Ecofest income for the year was \$109,000.

Plant pest management increases are due to the cost of bringing some plant pest consultants in-house exceeding the budget by \$60,000. In addition, more projects were undertaken during the year at an additional cost of \$71,000.

# ENVIRONMENT AND PLANNING

## REGULATORY SERVICES

### What We Do

This activity involves the provision of advice and discharging statutory functions in the areas of public health, building, sale of liquor, hazardous substances, animal control, rural fire, parking and maritime administration. It involves assessing and processing permit and registration applications, the administration of bylaws, and associated monitoring and enforcement action.

### Why We Do It

Council is required by law to receive and process licence applications and statutory registration systems, to inspect, monitor and enforce compliance with these statutory requirements. There is also an expectation from the community that we will uphold and administer these requirements in the interests of health and safety.

### Our Goal

We aim to see development of the District that achieves high standards of safety, design and operation with minimum impact and public nuisance and to provide excellent customer service in providing information on development opportunities and in processing permits and licences.

### How this activity contributes to the Community Outcomes

- Managing risk from use of hazardous substances in public areas, rural fire, and ensuring recreational boating is safe keeps Tasman special.
- The activity ensures that living environments are safe, and that the activities of others do not negatively impact on citizens lives. Through ensuring buildings are well constructed, safe and weather tight, the activity contributes to the development of the District, and also ensures that the resale value of the community's assets are protected.
- Parking control ensures parking facilities are available to ensure public access to urban retailers and services.
- This activity safeguards the community's health and well-being by ensuring standards of construction, food safety, and registered premises operation are met and that liquor consumption and nuisances from dogs and stock, and risk from fire do not adversely affect quality of life.
- Safe boating and providing such things as ski lanes ensures community access to the coastal waters of Tasman.

### Our levels of service

We will manage the storage and use of Hazardous Substances to ensure, to the extent possible, that risks from hazardous substances are properly minimised and managed.

We will provide building control services in a professional and timely manner to ensure building work is safe and in accordance with the NZ Building Code.

We will provide parking control services to facilitate the public's access to urban retailers and services, respond to any misuse of disabled parking, and remove reported abandoned vehicles.

We will provide Maritime administration services to ensure Tasman's harbour waters are safe and accessible and that all known commercial operators are registered.

We will provide a sale of liquor regulatory service in association with other agencies to foster the responsible sale and consumption of liquor.

We will provide public health services to ensure that food provided for sale is safe, free from contamination and prepared in suitable premises; that other public health risks are managed through the appropriate licensing of premises and operations; and to reduce where possible the occurrence and spread of communicable diseases.

We will develop and administer appropriate bylaws designed to ensure that certain activities are administered in a timely and proficient manner with the aim of safeguarding health and safety.

We will provide Animal Control services to minimise the danger, distress, and nuisance caused by dogs and wandering stock and ensure all known dogs are recorded and registered.

For Rural Fire, to safeguard life and property by the prevention, detection, restriction and control of fire in forest and rural areas.



## ENVIRONMENT AND PLANNING

### How We Measure Progress

<p><i>Building Control:</i> Applications for building consent and code compliance certificates (CCC) are processed within statutory timeframes. [Target: 100%]</p> <p>We maintain Building Consent Authority Accreditation.</p>	<p>94.3% of building consent applications were processed within statutory time frames (cf 92.5% in 2009/2010).</p> <p>86% of CCC applications were processed within the statutory timeframe (new measure).</p> <p>Reaccreditation as a Building Consent Authority was achieved March 2010 and is due for review October 2011</p>
<p><i>Parking Control:</i> Compliance by not less than 80 out of every 100 vehicles parking in time controlled areas within the Traffic Bylaw, based on an annual snap survey. [Target: 80%]</p>	<p>Survey undertaken in August 2011 – 83 out of 100 vehicles complied - target achieved</p>
<p><i>Maritime Responsibilities:</i> All known commercial operators are appropriately registered. [Target: 100%]</p> <p>Residents rate their satisfaction with this activity as “fairly satisfied” or better in annual surveys. [Target: 80%]</p>	<p>All 36 known commercial operators appropriately registered</p> <p>47% of respondents were fairly satisfied or better, although 49% stated they did not know enough to comment which might not be unexpected given not everyone has a boat!</p>
<p><i>Liquor Licensing:</i> All applications are processed in accordance with the Sale of Liquor Act. [Target: 100%]</p> <p>In conjunction with NZ Police, we detect no sale of liquor to minors through random controlled purchase operations(CPO's) run annually. [Target: At least two annual operations with no offences detected]</p>	<p>All 563 were processed in accordance with the Sale of Liquor Act.</p> <p>Conducted CPOs in September and December 2010 and April and June 2011. 44 premises inspected and only one offence detected in September 2010.</p>
<p><i>Public Health:</i> All registered food premises are inspected at least once annually for compliance and appropriately licensed. [Target: 100%]</p> <p>All registered food premises deemed to be substandard are re-inspected within a two month period. [Target: 100%]</p> <p>All other registered premises are inspected at least once annually for compliance and appropriately licensed. [Target: 100%]</p>	<p>100% of premises were inspected as at 30 June 2011. Additional resources were brought in to clear a build up of compliance issues to deal with.</p> <p>Of the premises identified with significant non-compliance, 100% have been reinspected within the two month timeframe</p> <p>100% as at 30 June 2011</p>

## ENVIRONMENT AND PLANNING

<p><i>Hazardous Substances:</i> We respond to any reported incidents relating to hazardous substances within 2 hours. [Target: 100%]</p>	<p>No incidents reported</p>
<p><i>Bylaw Administration:</i> Ensure all known operators of certain activities are appropriately licensed. [Target: 100%]</p>	<p>All known operators appropriately licensed.</p>
<p><i>Animal Control:</i> All known dogs are registered annually by 30 September. [Target: 97%]  We respond to high priority dog complaints within 60 minutes, 24 hours a day, seven days a week. [Target: 100%]</p>	<p>96.2% of the 10,257 known dogs were registered as at 30 September 2010  Response times were achieved although in some cases this was via a telephone call rather than on-site presence</p>
<p><i>Rural Fire:</i> The area of forest lost through fire annually does not exceed 20 hectares.</p>	<p>12 hectares of damage to production forest from rural fires.</p>

## ENVIRONMENT AND PLANNING

### Major Activities

<p>Respond to enquiries and undertake inspectorial responsibilities under the Health Act, Building Act, Sale of Liquor Act, and the Hazardous Substances and New Organisms Act, and associated Council bylaws.</p>	<p>Plan checking and inspectorial responsibilities under the Health, Building, and Sale of Liquor Acts and Council bylaws were discharged using professionally trained and qualified staff and contractors.</p> <p>94.3% of 1,482 building consents were processed within the statutory processing time limit (cf 92.5% in 2009/2010). The average processing time was 11 days (cf 13 in 2009/2010).</p> <p>Work undertaken to prepare for reaccreditation inspection as a Building Consent Authority in October 2011.</p> <p>Gambling Policy Review completed September 2010.</p> <p>Prepared and adopted a Freedom Camping Bylaw May 2011.</p>
<p>Carry out Harbour Board functions including implementation of the Joint Oil Spill Contingency Plan (with Nelson City Council).</p>	<p>Harbourmaster Annual report for 2010 submitted August 2011. Another busy summer in 2011 where maritime responsibilities were carried out. One oil spill training exercise completed. Registered 36 commercial operators to operate within Tasman District harbour limits (cf 30 in 2009/2010). Three infringement notices were issued.</p> <p>No oil spills reported.</p>
<p>Carry out animal control responsibilities.</p>	<p>The Council continues to administer the Dog Control Bylaw with service delivery being undertaken by Control Services (Nelson) Ltd. There were 5,676 rural and 4,644 urban dogs registered in Tasman District. Council's contractors responded to complaints regarding wandering stock and dogs and impounded animals as required. 120 Dog Control Infringement Notices were issued, 96 of which were for unregistered dogs. (cf 81 in 2009/2010). A separate annual report to the Secretary of Local Government is available for further details.</p>
<p>Carry out parking control responsibilities under Council's Parking Bylaw.</p>	<p>Parking Enforcement responsibilities were contracted out to Control Services (Nelson) Ltd. 1,370 infringement notices were issued (cf 1569 in 2009/2010) during the year along with other advisory warnings concerning parking. Public assistance continues to be offered while wardens are on duty.</p>
<p>Ensure fire risk in the District is effectively managed through supporting rural fire parties and the Waimea Rural Fire Committee.</p>	<p>Fire risk in the District is being effectively managed by the Waimea Rural Fire Authority through a contract with Rural Fire Network and the ongoing support of rural fire parties.</p>
<p>New capital expenditure on replacement fire appliances to the approximate value of \$34,000. Council will be seeking subsidies from the National Rural Fire Authority towards the purchase of fire equipment and appliances.</p>	<p>A new Hino cab and chassis was purchased during the year for the Upper Takaka Fire Brigade, at a cost of \$100,850 of which Council's share was \$39,000.</p>

## ENVIRONMENT AND PLANNING

Jun-10 Actual \$	Regulatory Services	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
887,810	General Rates	919,527	915,496	100%
2,876,253	Fees and Recoveries	2,790,374	2,779,908	100%
814	Interest Received	1,724	-	-
81,939	Sundry Income	78,681	76,739	103%
3,846,816	<b>TOTAL INCOME</b>	3,790,306	3,772,143	100%
	<b>OPERATING COSTS</b>			
2,248,856	Building Control	2,389,821	2,166,390	110%
434,789	Liquor/Health/Registered Premises	511,119	448,363	114%
353,662	Animal Control	365,618	382,949	95%
490,359	Rural Fire	457,170	371,163	123%
352,867	Maritime, Parking & Hazardous Substances	345,219	334,182	103%
21,480	Loan Interest	20,800	21,428	97%
16,469	Depreciation	15,736	15,736	100%
3,918,482	<b>TOTAL OPERATING COST</b>	4,105,483	3,740,211	110%
71,666	<b>NET COST OF SERVICE (SURPLUS)</b>	315,177	(31,932)	-987%
	<b>TOTAL FUNDS REQUIRED</b>			
71,666	Net Cost of Service (Surplus)	315,177	(31,932)	-987%
228,842	Capital	100,850	34,280	294%
74,979	Transfer to Restricted Reserves	77,982	-	-
18,562	Loan Principal Repaid	21,064	17,495	120%
394,049		515,073	19,843	2596%
	<b>SOURCE OF FUNDS</b>			
24,586	Restricted Reserves Applied	-	4,107	0%
159,193	Loans Raised	-	-	-
193,801	General Funds	499,337	-	-
377,580		499,337	4,107	12158%
	<b>NON- FUNDED DEPRECIATION</b>			
16,469	Depreciation to be funded at income statement level	15,736	15,736	100%
394,049		515,073	19,843	2596%

**Comment:**

Rural fire operating costs are over budget due to increased costs from fires during the year. This is offset by additional recoveries from external sources to cover the cost of these fires.

Building control fees and recoveries are down on budget. Building consents are charged on a value basis, and even though the number of consents have increased during the year, the value is down on forecast.

## ENGINEERING

### Policy and Objective

The objective of Engineering activities is to maintain and enhance the Council-owned roading, aerodrome, harbour, water, wastewater, stormwater, solid waste and river infrastructure of the District.

### Nature and Scope

There are eight significant areas under which this activity is performed by Council.

#### a) Land Transportation

**Subsidised Land Transportation** – maintenance and improvement of the roading network in the Tasman District Council area which is subsidised by New Zealand Transport Agency.

**Non Subsidised Land Transportation** – maintenance and development of the roading, footpath and car park infrastructure which is not subsidised by New Zealand Transport Agency.

**b) Coastal Structures** – covers the maintenance and development of ports and wharves under Council control within the Tasman District.

**c) Aerodromes** – operation of aerodromes under Council control within the Tasman District.

**d) Water Supply** - operate and maintain 16 urban and rural water supply schemes throughout the District, the main ones being located in Waimea, Richmond, Brightwater/Hope and Wakefield. Council meters its urban water supply.

**e) Wastewater** – maintenance and development of a wastewater disposal and treatment infrastructure within the Tasman District.

**f) Stormwater** – maintenance and development of a stormwater infrastructure within the Tasman District.

**g) Solid Waste** – operation of collection services, transfer stations and landfill sites. The development of landfill sites to a minimum District standard.

**h) Rivers** – establishment and maintenance of river and flood management within the Tasman District.

### Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following Community Outcomes:

- Our built urban and rural environments are functional, pleasant, safe and sustainably managed.
- Our unique and special natural environment is bountiful, healthy, clean and protected.
- Our transport and essential services are sufficient, efficient and sustainably managed.

Jun-10 Actual \$	ENGINEERING	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
13,382,418	Subsidised Land Transportation	14,871,091	12,550,143	118%
6,651,623	Non Subsidised Land Transportation	6,726,301	6,195,472	109%
1,076,098	Coastal Structures	1,087,381	1,230,191	88%
157,195	Aerodromes	206,456	209,509	99%
8,211,629	Water Supply	8,608,894	8,133,943	106%
7,935,448	Wastewater	8,762,830	9,394,554	93%
2,948,680	Stormwater	3,418,437	2,861,526	119%
5,189,279	Solid Waste	5,562,892	6,333,631	88%
2,030,028	Rivers	2,437,692	2,093,185	116%
47,582,398	<b>TOTAL COSTS</b>	51,681,974	49,002,154	105%

## LAND TRANSPORTATION

### What We Do

Tasman District Council is responsible for the management of a transportation network that comprises approximately 1,680km of roads, (915km sealed and 765km unsealed), 467 bridges (including footbridges), 184km of footpaths, 21 carparks providing 1,100 spaces and 3,735 streetlights, traffic signs and culvert pipes. Each road in the transportation network has been categorised into a transportation hierarchy based on the road's purpose and level of use.

The Tasman District transportation network encompasses and requires:

- Ownership or authority to use the land under roads.
- Road pavements and surfacings to provide a carriageway for the safe movement of people and goods.
- Culverts, water tables and a stormwater system to provide drainage.
- Signs, barriers and pavement markings to provide road user information and safe transport.
- Bridges to carry traffic over waterways.
- Footpaths, walkways and cycleways to provide for the needs of pedestrians and cyclists.
- Street lighting to provide safe and comfortable movement of vehicular and pedestrian traffic at night.
- Carparking facilities where on-road carparking is not able to be provided adjacent to traffic lanes.

### Why We Do It

The provision of transport services is considered to be a core function of local government and is something that the Council has done historically. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation and maintenance of the Transportation network. Transportation assists in promoting the economic, social, environmental and cultural well-being of the District's communities, by helping to facilitate the safe and efficient movement of people and goods throughout the District.

### Our Goal

Council will progressively move towards managing all of its transportation responsibilities in a more holistic, integrated way.

The vision for the land transport network of the Tasman District is:

"To maintain and enhance a safe and efficient land transport system while avoiding, remedying and mitigating the adverse effects on the environment."

### How this activity contributes to the Community Outcomes

- All road construction activities use best practice in the use of the District's natural resources.
- Our network of roads, footpaths, cycleways and carparks are safe, uncongested and maintained cost-effectively.
- Our urban communities have a means of travel for pedestrians, cyclists and commuters that is safe and efficient.
- Our rural communities have safe and effective access to our transportation network.

### Subsidised and non-subsidised transport activities

The Government provides funding assistance for many of Council's roading activities, referred to as a 'subsidy', through the New Zealand Transport Agency (NZTA).

Qualifying activities include: road safety education, road maintenance, reseals, pavement rehabilitation, minor improvements (such as corner improvements), installation of right turn bays and pedestrian refuges. Major projects, such as seal extensions, significant intersection upgrades or cycleways may also qualify for a subsidy if certain criteria are met. The provision and maintenance of footpaths are not included.

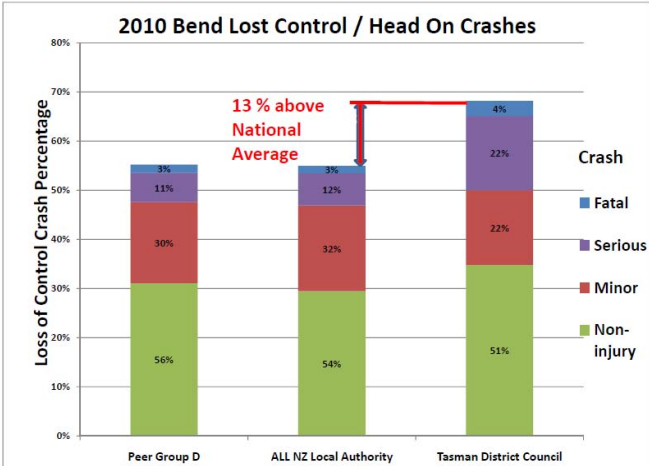
The financial assistance subsidy rate for Tasman is 49% for most activities with an increase to 59% for approved major works. The subsidy rate depends on the size of the overall programme of work and the assessed ability to pay, which is related to the capital value of the District. Council has, therefore, shown the programme of works as a 'subsidised programme' and 'non-subsidised programme'.

### Our Levels of Service

- Our transportation activities use best sustainable practices.
- Our network of roads, bridges, footpaths, cycleways and carparks are safe, uncongested and maintained cost-effectively.
- Our transportation network services those that should be serviced.
- Our transportation activities are managed at a level that satisfies the community.
- Faults in the transportation network are responded to and fixed promptly.
- Our systems are built so that failures can be prevented before they occur as much as possible, and if they do occur, can be quickly responded to.

# ENGINEERING

## How we measure progress

<p>All road construction and maintenance activities comply with any required resource consents. [Target: 100%]</p>	<p><b>Actual = 100 % [2010: 100%]</b></p> <p>Consents are held for all maintenance and current capital works</p> <p>There have not been any non-compliances this year</p>																				
<p>Council keeps its Surface Condition Index (SCI) at or above 97.5%. The SCI is a nationally used index to represent surface condition and keeping it at this level will demonstrate Council is maximising the life of the sealed surfaces.</p>	<p><b>Actual = 97.3% [2010: 96.1%]</b></p> <p>This figure is a composite index derived from tables in Council's road asset (RAMM) database. There are some road sections that require updating of the actual seal life performance and this has resulted in the lower than expected figure. Therefore this is not a deterioration issue with the road network, but rather a data improvement activity. The departure from the target of 0.2% is not seen as an issue as the timing of the data collection affects the value to a greater degree.</p>																				
<p>Council achieves 10km of seal extension within 10 years. Sealing eliminates dust for adjacent properties and is the lowest long term cost option. [Target: 3km sealed in Year 1, 1.5km in Year 3 and 10km completed by 2019]</p>	<p>Actual = 0.278km in 2010/11</p> <p>Actual for first 2 years of the 10 year measure = 3.408 km Orion Street in Collingwood was sealed in early 2011 (0.278km). 88 Valley Road seal extension was undertaken in 2009/2010 (2.88km).</p> <p>This activity was previously subsidised by NZTA. This subsidy was removed and therefore seal extensions have not proceeded in the current year. The Orion Street was committed work from the 2009/2010 year as part of a resource consent requirement.</p>																				
<p>We receive less than 35 complaints per year relating to the maintenance of footpaths.</p>	<p><b>Actual = 61 [2010: 96]</b></p> <p>This activity is currently restricted due to funding levels. Council will look at increased funding for the Ten Year Plan 2012-2022.</p>																				
<p>Bend – lost control/head-on crashes on rural roads are equal to the national average by 2018. [Target: 5% above national average by 2011/2012]</p>	<p><b>Actual = 13% above the national average [2010: 1% above national average].</b> It is noted that each year's result can deviate considerably from the year before due to the relatively small numbers under consideration.</p> <p>TDC Actual = 68% (Local Roads only) [2010: 58%] All NZ = 55% (Local authority roads only) [2010: 57%]</p>																				
	<p><b>2010 Bend Lost Control / Head On Crashes</b></p>  <table border="1"> <caption>2010 Bend Lost Control / Head On Crashes Data</caption> <thead> <tr> <th>Category</th> <th>Non-injury</th> <th>Minor</th> <th>Serious</th> <th>Fatal</th> </tr> </thead> <tbody> <tr> <td>Peer Group D</td> <td>56%</td> <td>30%</td> <td>11%</td> <td>3%</td> </tr> <tr> <td>ALL NZ Local Authority</td> <td>54%</td> <td>32%</td> <td>12%</td> <td>3%</td> </tr> <tr> <td>Tasman District Council</td> <td>51%</td> <td>22%</td> <td>22%</td> <td>4%</td> </tr> </tbody> </table> <p>A number of projects were targeted to this crash type in the 2010/11 Minor Improvements Programme. This involved the development of a shoulder widening matrix with a focus on bends and a clear zone risk assessment tool. Delineation upgrades were also carried out on the high volume rural arterial network.</p> <p>This reporting runs from January 2010 – December 2010 so does not match the Council's reporting year. This activity will be reconsidered to better reflect community goals since the NZTA Road Safety 2020 report changed focus. Peer Group D is an NZTA created group of similar Local Authorities.</p>	Category	Non-injury	Minor	Serious	Fatal	Peer Group D	56%	30%	11%	3%	ALL NZ Local Authority	54%	32%	12%	3%	Tasman District Council	51%	22%	22%	4%
Category	Non-injury	Minor	Serious	Fatal																	
Peer Group D	56%	30%	11%	3%																	
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Tasman District Council	51%	22%	22%	4%																	

## ENGINEERING

<p>Road maintenance reseals and pavement rehabilitation budgets are managed to within the range <math>\pm 2\%</math>.</p>	<p><b>Actual = + 0.05% [2010: +0.42%]</b></p> <p>Variance of + 0.05% across the subsidised maintenance, reseals and pavement rehabilitation budgets.</p>
<p>We can reduce the number of speed or weight restricted bridges by 1 per year for the next 10 years until only 18 remain. [Target: Restricted bridges remaining: Year 2=26]</p>	<p><b>Actual = 26 [2010: 27]</b></p> <p>Four weight and/or speed restrictions were removed in 2010/11 from the list. Two were replaced with concrete box culverts (Baxter and McCullum), one was removed by reassessment through undertaking detailed structural analysis (Cooks Creek) and one was swept away in the December 2010 flood (James Road bridge). The James Road bridge will be replaced in the 2011/2012 financial year.</p>
<p>The average quality of the ride experienced by motorists, as measured by the Smooth Travel Exposure index (STE), is maintained at current levels. [Target: 94%]</p>	<p><b>Actual = 96% [2010: 95%]</b></p> <p>This information is taken from the NZTA RAMM report and covers all roads urban/rural. The 2% difference between the target and the actual achieved value shows that Council is managing the STE or ride quality under the current programme of reduced pavement rehabilitation lengths. This has however required a careful balance of expenditure between the rehabilitation and sealed pavement maintenance budgets.</p>
<p>All dwellings within the District are able to access the Council's transportation network at all times unless subject to planned closures. [Target: 100%]</p>	<p><b>Actual =</b> It is impossible to avoid all emergency road closures in the event of natural hazards. Council aim is to keep the numbers and duration of emergency closures to a minimum.</p> <p>This measure will be reviewed as part of the next long term plan process to provide a measureable performance target, and to better reflect actual community outcomes.</p>
<p>An annual programme of new footpaths as agreed with the communities is constructed to Council standards. [Target: 100%]</p>	<p><b>Actual = 100%</b></p> <p>A new footpath has been constructed on Ellis Street and one is committed for construction on Champion Road.</p>
<p>Capital projects are completed on time, within budget and to Council Engineering Standards and policies. [Target: 90%]</p>	<p><b>Actual = %</b></p> <p>A formal system needs to be developed to calculate this measure. Eight of the capital projects programmed for completion in this financial year will not be completed on time, however Bridge Renewals is the only capital project that is not committed work.</p> <p>Stringer Road upgrade was one project due for completion in 2010/11 year. Due to the initial contract being terminated part way through the work as well as wet weather encountered in May/June 2011 affecting the final section of earth works has meant completion is now due in early 2011/12.</p> <p>Gibbs Valley Road was one project that was not started due to Council passing a resolution for the project to be stopped and the budgeted funding to be transferred to the Riwaka Kaiteriteri Road realignment project.</p> <p>Both Deck's Reserve and Saltwater Baths carparks in Motueka were resurfaced.</p> <p>Construction of the former Fruitgrowers Chemical Company carpark at Mapua was completed.</p> <p>The surfacing of the Richmond Railway Reserve shared path was programmed for undertaking in 2010/11 but was completed a year earlier 2009/10.</p>



## ENGINEERING

<p>Council increases the network of walking and cycling paths by 8km by 2019. [Target: 1.3km in Year 2]</p>	<p><b>Actual = 1.4 km</b></p> <p>New footpaths Richmond – Champion Road will be completed early in 2011/12. This path construction was delayed due to roading works being undertaken by the subdivider on the Nelson side.</p> <p>A new safety path was constructed in front of Brightwater Motors.</p> <p>A new section of footpath and parking improvements were completed in front of Riwaka School.</p> <p>Numerous new pram crossings were completed including those programmed for 2011/12. The remaining crossings to be built will be completed in 2012/13 with then a programme beginning to reconstruct existing out-of-spec pram crossing.</p> <p>Tasman Trail Trust widened the footpath to a shared use path on Ranzau Road.</p>
<p>Our surveys show that 70% of customers are satisfied with the transportation service they receive. [Target: 70%]</p>	<p><b>Actual = 81% [2010: 64%]</b></p> <p>The Communitrak survey was undertaken in May / June 2011. 81% of the users of the service were found to be satisfied with the service they receive. [2010: 64%]</p> <p>This result can often be swayed by work undertaken on the state highway which can have either a positive or adverse affect on people's perception of roading across the district. State highway works are under the jurisdiction of NZTA not Council. Likewise affects of weather events on roads can leave people with a variable impression.</p>
<p>Council has adopted a Passenger Transport Plan after consultation with the community. [Target: Completed in Year 1]</p>	<p><b>Actual = Passenger Transport Strategy in place and has been adopted</b></p> <p>It should be noted that the funding from NZTA for this work activity area has been reallocated to other metropolitan areas within NZ. This will significantly affect Council's ability to fund this activity area. Funding for improved passenger transport services was removed as a result of NZTA reallocating funding to other metropolitan areas.</p>
<p>We are able to respond to and fix faults within the timeframes we have specified within our operations and maintenance contracts. [Target: 90%]</p>	<p><b>Actual = 75.0%</b> of Customer Service Requests were completed within the specified timeframes. [2010: 81.4%]</p> <p>Golden Bay 89.7%  Murchison 100%  Tasman 71.7%  Waimea 73.8%</p> <p>Insufficient resourcing by the roading maintenance contractor in Tasman and Waimea areas has resulted in a decrease in on-time completion of work. Extra management resources have been put in by the principal with minimal success. As a result of poor performance, it is unlikely that the contract will get its automatic rollover and will be re-tendered. It should also be noted that the Contractor has been penalised financially.</p>
<p>We have a facility for receiving and handling emergency calls after office hours.</p>	<p><b>Actual = In place</b></p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>
<p>We have operative risk management processes in place and planned mitigation measures completed.</p>	<p><b>Actual = Framework complete and implementation underway.</b></p> <p>Council has adopted an Integrated Risk Management approach to its asset management and organisational decision making. The framework has been completed and is being implemented at organisational and activity management level.</p>

## ENGINEERING

All Council's contractors have adequate resources available in case of a road failure.	<b>Actual</b> = All Council's contractors have adequate resources available in case of a road failure. This has been tested and the contractor was able to meet the expected level of service.
There are no loss of control crashes for all known frost potential sites.	<b>Actual</b> = There were two loss of control crashes occurring on Ice/Snow during 2010. [2009: Four] Both occurred at known frost potential sites. This reporting runs from January 2010 – December 2010 so does not match the Council reporting year. Whilst the level of service target of zero crashes of known frost sites has not been achieved, it is considered that striving for zero serious and fatal crashes and maintaining low numbers of non injury and minor crashes is a more realistic target.

### Major Activities

	Budget \$	Actual Expenditure \$	
Sealed Roads Rehabilitation approximately 6km per year.	1,337,000	983,944	Projects undertaken include Bartlett Road, two sites on Church Valley Road, and Motueka Valley Highway. The total length of pavement rehabilitation that was carried out was around 3.24 kms on the sealed road network. The expected length of rehabilitation works is between six and eight kilometres per year. The funding criteria for this work activity, as set by NZTA, make it very difficult for Tasman District Council to meet this target. The lack of justification for works has led to more heavy maintenance of roads. The surplus funding for this has been moved to cover a shortfall in the maintenance area.
Seal extension design for Gibbs Valley.	26,096	Nil	This project was reviewed due to the loss of government subsidy and higher than expected costs for the work. Council agreed to defer the project, with the timing of it to be considered as part of the next Long Term Plan. The budget for this project was reallocated to the Turners Bluff project on the Riwaka Kaiteriteri Road by the Engineering Services Committee. The work on Turners Bluff was held up due to land purchase.
Minor Safety Improvements.	913,760	765,274	The main projects include: Contract 823 Moutere Highway shoulder widening on a total of five curves in an area known as Cuts Hill. Portion One was completed with Portion Two due for completion in 2011/12. The contract for the installation of traffic signals at Salisbury Road and Arbor-Lea Ave intersection was let as well as facilitating on a fourth leg for a new access into Waimea College. This work is due to start in early 2011/12. Contract 828 Various Pedestrian Improvements was started in 2010/11 and will be completed in early 2011/12. Delineation upgrades were carried out on both Rural Arterial and Tourist routes. Various curve warning signage upgrades were completed. Gladstone Road undergrounding – Council's contribution. New stock underpass on Long Plain Road Kotinga Upgrading of 206 old Mercury Vapour lamps to more efficient High Pressure Sodium lamps including some columns and luminaries. This activity was only partially complete by 30 June 2011. It was however, fully committed.

## ENGINEERING

Carparks – Motueka.	132,822	34,704	The two carparks in Motueka which were programmed for sealing have been completed. The carparks were Deck's Reserve and Saltwater Baths which were sealed in a chip seal as opposed to an asphaltic concrete. Whilst Saltwater Carpark is relatively small and had been initially formed with a chip sealed surface which was performing well, the surface required a second coat seal. Deck's Reserve Carpark on the other hand may undergo layout changes and drainage improvements in future and the chip seal option was a shorter life treatment which suited medium term changes. The balance of funds have been used to carry out footpath projects.
Kerb, Channel and Footpaths	76,690	62,454	These combined funds include footpath rehabilitation as well as new kerb and channel. Both of these funding streams are non-subsidised. To 30 June 2011 there has been: <ul style="list-style-type: none"> <li>• \$54,837 spent on District Wide Footpath Rehabilitation.</li> <li>• \$7,617 spent on District Wide Kerb &amp; Channelling.</li> </ul>
Stringer Road – upgrade, seal extension and new road construction.	924,320	1,323,600	A final claim under the now terminated contract with Tasman Construction Ltd is still outstanding. A new contract for the completion of the work has been awarded to Dusty Diggers Ltd the partnering company in the original contract with Tasman Construction. This project is scheduled for completion in mid November 2011. There is still 150m still to be sealed. Council called on the Bonds held under the terminated contract with Tasman Construction. This bond money has been paid out to Council. This will mean there is sufficient funding to finish the contract held by Dusty Diggers.
Route study at Aniseed Valley.	31,954	Nil	This work has been covered off under a previous study and subsequent work that was completed earlier in the financial year. A review of the scope of this study is to be undertaken.
Pedestrian and cycle facilities including pram crossings, seats, shared paths.	237,111	7,194	This funding was to be subsidised. With the change in the Government's position on funding projects with emphasis on congestion, the subsidy for these projects is now unable to be secured. Council's share of this funding is now being used to support the Nelson Cycle Trails Trust work as well as for construction of the shared path from the Appleby over-bridge to Ranzau Road.

## ENGINEERING

Bridge Renewals – Yellowpine Creek Bridge on Pakawau-Bush Road and Awaroa Road Bridge 1, Awaroa Road. (Specific bridges subject to funding confirmation).	211,864	107,638	Yellow Pine bridge has been designed, and consented. Subsidised funding has been approved by NZTA, and construction will commence in the next financial year. Awaroa Road bridge is presently in design stage, with funding still to be sought from NZTA. The funds will be carried over to undertake construction of both bridges in 2011/2012.
New Footpath construction district-wide.	106,514	34,950	New footpaths Richmond – Champion Road will be completed early in 2011/12. This path construction was delayed due to roading works being undertaken by the subdivider on the Nelson side.  New footpath designed and constructed on Ellis Street.
Re-seal Cobb Valley (lower road)	113,713	Nil	This project has been deferred whilst a review is done on the pavement and seal.

## ENGINEERING

Jun-10 Actual \$	Subsidised Land Transportation	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
5,715,804	General Rates	6,051,833	6,025,301	100%
199,930	Development Contributions	-	65,163	0%
7,318,930	New Zealand Transport Agency Subsidy	7,614,637	7,423,902	103%
340,985	Petrol Tax	345,020	323,000	107%
79,606	Fees and Recoveries	260,693	35,736	729%
491,922	Sundry Income	447,633	436,583	103%
14,147,177	<b>TOTAL INCOME</b>	14,719,816	14,309,685	103%
	<b>OPERATING COSTS</b>			
7,795,492	Maintenance	8,993,584	6,745,188	133%
738,530	Loan Interest	849,578	986,508	86%
4,848,396	Depreciation	5,027,929	4,818,447	104%
13,382,418	<b>TOTAL OPERATING COST</b>	14,871,091	12,550,143	118%
(764,759)	<b>NET COST OF SERVICE (SURPLUS)</b>	151,275	(1,759,542)	-9%
	<b>TOTAL FUNDS REQUIRED</b>			
(764,759)	Net Cost of Service (Surplus)	151,275	(1,759,542)	-9%
7,588,740	Capital	7,990,771	9,391,777	85%
156,572	Transfer to Restricted Reserves	-	-	-
708,380	Loan Principal Repaid	899,357	906,238	99%
7,688,933		9,041,403	8,538,473	-
	<b>SOURCE OF FUNDS</b>			
2,707,074	Loans Raised	3,831,717	3,720,026	103%
-	Restricted Reserves Applied	317,400	-	-
133,463	General Funds	(135,643)	-	-
2,840,537		4,013,474	3,720,026	108%
	<b>NON- FUNDED DEPRECIATION</b>			
4,848,396	Depreciation to be funded at income statement level	5,027,929	4,818,447	104%
7,688,933		9,041,403	8,538,473	106%

### Comment:

Fees and recoveries are up on budget due to recoveries from New Zealand Transport Agency for street lighting and street cleaning, as well as other recoveries for projects. These had not been budgeted for.

Maintenance costs are up on budget due to there being \$2.1m worth of emergency works undertaken during the year against a budget of \$0.7m. The programme for emergency works extends back to events in 2008/2009. There has been a strong focus to have all emergency works completed as soon as possible. The delays to date have occurred as a result of land negotiations, discussions with the Department of Conservation and investigating the extent of the damage. There was \$1,009,000 spent on emergency works for the year relating to flood damage in December 2010.

Under accounting rules Council is able to accrue June invoices which are received in July back into expenditure for June. However, if some of this expenditure relates to capital expenditure which was to be funded by bank loans then we are unable to 'accrue' this loan funding. There is \$Nil of loan funding which has not been taken up at year end, and \$348,000 of loan funding which relates to the 2010 financial year.

## ENGINEERING

Jun-10 Actual \$	Non Subsidised Land Transportation	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
2,254,072	General Rates	2,373,753	2,363,346	100%
5,733	Targeted Rates	5,733	5,733	100%
987,625	Development Contributions	1,483,958	637,715	233%
447,536	Fees and Recoveries	762,748	228,519	334%
493	Interest Received	390	-	-
238,470	Sundry Income	217,000	211,643	103%
3,933,929	<b>TOTAL INCOME</b>	4,843,582	3,446,956	141%
	<b>OPERATING COSTS</b>			
2,090,352	Maintenance	2,337,880	1,927,711	121%
337,565	Loan Interest	378,494	424,902	89%
4,223,706	Depreciation	4,009,927	3,842,859	104%
6,651,623	<b>TOTAL OPERATING COST</b>	6,726,301	6,195,472	109%
2,717,694	<b>NET COST OF SERVICE (SURPLUS)</b>	1,882,719	2,748,516	68%
	<b>TOTAL FUNDS REQUIRED</b>			
2,717,694	Net Cost of Service (Surplus)	1,882,719	2,748,516	68%
2,319,023	Capital	2,933,048	1,609,415	182%
368,942	Loan Principal Repaid	451,487	428,296	105%
526,944	Transfer to Restricted Reserves	274,191	-	-
5,932,603		5,541,445	4,786,227	116%
	<b>SOURCE OF FUNDS</b>			
1,279,297	Loans Raised	1,549,225	943,368	164%
429,600	General Funds	(17,707)	-	-
1,708,897		1,531,518	943,368	162%
	<b>NON- FUNDED DEPRECIATION</b>			
4,223,706	Depreciation to be funded at income statement level	4,009,927	3,842,859	104%
5,932,603		5,541,445	4,786,227	116%

### Comment:

Development contributions are up on budget. This is a timing issue dependent on when new subdivisions and building development are liable for development contributions.

Fees and recoveries are up on budget due to increase in recoveries from the public for Council projects, as well as \$308,000 of funding received towards the Cycle Loop which had not been budgeted for.

Maintenance costs are up on budget due to \$232,000 being spent on the non TDC part of the Cycle Loop which had not been budgeted for, as well as a \$125,600 loss on the James Road Bridge on the Aorere River which was washed away on 28 December 2010.

Capital expenditure includes \$138,000 being spent on the TDC part of the Cycle Loop which had not been budgeted for, as well as \$476,000 spent on property purchases for the Richmond West project (funding of which is in future financial years).

Under accounting rules Council is able to accrue June invoices which are received in July back in to expenditure for June. However, if some of this expenditure relates to capital expenditure which was to be funded by bank loans then we are unable to 'accrue' this loan funding. There is \$Nil of loan funding which has not been taken up at year end, and \$348,000 of loan funding which relates to the 2010 financial year.

# ENGINEERING

## COASTAL STRUCTURES

### What We Do

This activity comprises the provision and maintenance of some wharves, jetties and associated buildings, along with navigational aids, boat ramps, road access and parking to provide safe access to significant parts of the District coastal facilities for recreation and commercial use. The provision of some of the coastal protection structures also forms part of this activity.

Assets currently in this activity include:

- Ownership of wharves at Mapua and Riwaka.
- Responsibility for the port at Motueka.
- Jetties (such as at Torrent Bay), boat ramps, navigational aids and moorings.
- Coastal protection works at Ruby Bay and Marahau.
- The navigation aids associated with harbour management
- Port Tarakohe is reported on separately through the Council Enterprises Subcommittee, but is included in this activity for ease of reporting. The aim over time, is for Port Tarakohe to be developed. This development will primarily have a commercial focus, but will also provide social and recreational benefits.

### Why We Do It

Council has a responsibility as a Regional Authority to manage coastal structures that they own or that have no other identifiable owner/operator. Council has further responsibilities as a Harbour Authority.

Council considers its involvement in the continued ownership and responsibility for the coastal assets is justified because they have a public value. The community preference is for Council to retain management of assets that are important to them. In addition, Council has access to more favourable financing options for this particular activity. The provision of coastal assets and services which have a high community value is considered to be a core function of local government.

### Our goal

Coastal infrastructure is developed to achieve the visions of both Council and the community.

### How this activity contributes to the Community Outcomes

- All coastal structures can be managed so their impact does not affect the health and cleanliness of the receiving environment.
- The coastal structures activity ensures our built environments are functional, pleasant and safe by ensuring the coastal structures are operated without causing public health hazards and by providing attractive recreational and commercial facilities.
- The coastal structures activity provides commercial and recreational facilities to meet the community needs at an affordable level. The facilities are also managed sustainably.

### Our Levels of Service

- Our coastal systems are sustainable.
- Our coastal activities are managed at a level that satisfies the community.
- Faults in the coastal assets are responded to and fixed promptly.
- Our navigation aid systems are built so that failures can be prevented. If failures do occur they can be responded to quickly.
- Our coastal structures are built so that failures can be prevented. If failures do occur they can be responded to quickly.

### How We Measure Progress

All coastal protection systems have resource consent with appropriate conditions which we consistently meet. [Target: 100%]	For those coastal protection systems with a resource consent, there have been no abatement notices issued for breach of resource consent conditions. Broadsea wall has recently been notified for a resource consent extension.
Our three-yearly surveys show that 80% of customers are satisfied with the service of the coastal activity they receive. [Target: 70% for first three years of Ten Year Plan.	The Communitrak survey shows that 59% of people surveyed are satisfied with the management of coastal structures, with 34% unable to comment. (2010: 60% satisfied, with 34% unable to comment)
The marina at Tarakohe is operating at 90% capacity or greater. [Target: 95%]	The marina is currently oversubscribed (130% of capacity). [2010: 110% oversubscribed]

## ENGINEERING

We are able to respond to and fix faults (e.g. localised damage to rock protection works, damage to navigational aids) within the timeframes we have agreed with our suppliers and operators. [Target: 90%]	All Council's contractors have adequate resources available in case of asset failures. This has been tested and the contractors are able to meet the expected level of service.
We have a facility for receiving and handling emergency calls after office hours.	Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies.
Our access and navigational systems meet the appropriate Maritime Transport standards and guidelines. [Target: 100%]	This target has not been measured and the appropriateness of the performance measure will be assessed in the next Long Term Plan.
We have operative risk management processes in place and planned mitigation measures completed.	Council is currently working through a risk management process. The risk management assessment has been completed, and the outcomes of this assessment are being incorporated into the Activity Management Plan updates undertaken as part of the 2012-2022 Long Term Plan.

### Major Activities

<i>Capital Works</i>		
During the 2010/2011 financial year Council proposed to undertake the following capital works.		
<b>Activity</b>	<b>Budget \$</b>	
Port Tarakohe Marina.  [The Council has brought forward funding of \$3.55 million into the 2010/2011 year to develop an 86 berth marina at Port Tarakohe. The Ten Year Plan provided for a total of \$5 million at \$500,000 per year for the project. The project is to be loan funded with payments being met by way of user charges. The project is subject to final approval by the Council of the marina development proposal and a financial analysis.]	3,548,540	This project is currently at the financial viability stage, and is about to be peer reviewed. There has been \$59,522 spent on this project for the year ended 30 June 2011.



## ENGINEERING

Jun-10 Actual \$	Coastal Structures	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
352,284	General Rates	348,945	347,415	100%
129,643	Targeted Rates	131,754	131,204	100%
655,216	Fees and Recoveries	621,555	804,853	77%
38,258	Sundry Income	34,813	33,954	103%
1,175,401	<b>TOTAL INCOME</b>	1,137,067	1,317,426	86%
	<b>OPERATING COSTS</b>			
120,881	Motueka	126,643	46,899	270%
137,380	Tarakohe	99,175	164,552	60%
87,754	District Wharves & Boat Ramps	99,490	108,013	92%
376,192	Loan Interest	376,252	582,800	65%
353,891	Depreciation	385,821	327,927	118%
1,076,098	<b>TOTAL OPERATING COST</b>	1,087,381	1,230,191	88%
(99,303)	<b>NET COST OF SERVICE (SURPLUS)</b>	(49,686)	(87,235)	57%
	<b>TOTAL FUNDS REQUIRED</b>			
(99,303)	Net Cost of Service (Surplus)	(49,686)	(87,235)	57%
989,619	Capital	204,370	3,832,122	5%
247,106	Loan Principal Repaid	329,861	382,810	86%
48,909	Transfer to Restricted Reserves	51,375	33,530	153%
1,186,331		535,920	4,161,227	13%
	<b>SOURCE OF FUNDS</b>			
833,863	Loans Raised	192,730	3,707,122	5%
65,016	Restricted Reserves Applied	61,276	126,178	49%
(66,439)	General Funds	(103,907)	-	-
832,440		150,099	3,833,300	4%
	<b>NON- FUNDED DEPRECIATION</b>			
353,891	Depreciation to be funded at income statement level	385,821	327,927	118%
1,186,331		535,920	4,161,227	13%

### Comment:

A recent Environment Court decision required Council to address erosion issues on Jackett Island which was attributed to the groyne constructed by Council in 1996. Motueka operating costs are up on budget mainly due to costs involved with the groyne.

Capital works are down on budget due to the timing of the Tarakohe Marina project (\$59,000 spent for year against a budget of \$3,549,000).

Fees and recoveries are down \$291,000 on budget due to a decrease in wharfage and a decrease in additional marina income as the new marina was budgeted to be completed this year.

Included in capital works are costs for the Old Mill Walkway project. This had a budget which was carried forward from the 2009/2010 financial year of \$91,000. There was \$103,000 spent on finalising this project in the current year.

# ENGINEERING

## AERODROMES

### What We Do

Tasman District Council's Aerodromes activity comprises the provision and maintenance of the following assets at Motueka and Takaka:

- Ownership and authority to use the land under the runways.
- Runway pavements and surfaces for safe landing, takeoff and taxiing of aircraft.
- Ancillary buildings for administration and housing of associated activities.
- Navigational aids.
- Security fencing and other arrangements for protection of the assets and safety of the users.

### Why We Do It

Council has no statutory obligation to provide this service. However, Council considers that its involvement is justified because aerodromes have a public value, and the community preference is for Council to retain management of assets that are important to the community.

### Our Goal

We aim to provide the level of service that the customer wants and is prepared to pay for and in a manner that minimises conflict with the community.

### How this activity contributes to the Community Outcomes

- All aerodromes can be managed so the impact of the discharges does not affect the health and cleanliness of the receiving environment.
- The aerodromes activity ensures our built urban environments are functional, pleasant and safe by ensuring the aerodromes are operated without causing public health hazards and by providing attractive recreational and commercial facilities.
- The aerodromes provide commercial and recreational facilities to meet the community needs at an affordable level and are available to the whole community. The facilities are also sustainably managed.

### Our Levels of Service

- Our aerodromes do not pollute or degrade the receiving environment.
- Our aerodromes operate with a minimum of disturbance to the public and adjacent landowners.
- Our aerodromes serve those that should be served.
- Our aerodromes activities are managed at a level that satisfies the community.
- Faults in the aerodromes facilities are responded to and fixed promptly.
- Our systems are built so that failures can be prevented. If failures do occur they can be responded to quickly.

### How We Measure Progress

All associated facilities are required to connect to the community wastewater system where it is available. [Target: 100%]	All associated facilities are connected to community wastewater systems where available.
Activities are controlled so as to minimise noise pollution to an acceptable level. [Target: 100%]	An Operations and Safety Committee has been formed at Motueka which meets every three months. It will monitor this activity and it has a role in encouraging best practice for aerodrome users.
We receive less than five complaints per year relating to noise from our aerodromes.	We receive noise complaints about operational aircraft. However, there are no noise standards for aircraft before takeoff, during takeoff and after landing. The Civil Aviation Authority is the only organisation able to deal with aircraft noise complaints. We are of the view that this performance measure is not really appropriate and we will review it at the next review of the Long Term Plan.
The height for structures on adjacent properties within the flight paths is not increased beyond that currently required. [Target: 100%]	There have been no breaches for these requirements.
The community and stakeholders are consulted over aerodrome development plans. [Target: 100%]	A review of the Motueka Aerodrome Development Plan has commenced and a draft plan is expected to go before Council's Enterprises Subcommittee in December 2011. Public consultation will follow.
Notification (via NOTAMS) to all aviation aerodrome users is provided as required through the Civil Aviation Authority. [Target: 100%]	All notifications (via NOTAMS) to all aviation aerodrome users is provided as required through the Civil Aviation Authority.

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We are able to respond to and fix faults within the timeframes we have specified with our operations and maintenance contracts and in accordance with the Civil Aviation Authority requirements. [Target: 100%]	We are able to respond to and fix all faults within the timeframes we have specified with our operations and maintenance contracts and in accordance with the Civil Aviation Authority requirements.
We have a facility for receiving and handling emergency calls after office hours.	Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies.
We have operative risk management processes in place and planned mitigation measures completed.	Operative risk management processes planned mitigation measures will be included as part of future plans. Council is currently working through a risk management process. The risk management assessment has been completed, and the outcomes of this assessment are being incorporated into the Activity Management Plan updates undertaken as part of the 2012-2022 Long Term Plan.
Except for planned maintenance, the facilities comply with Civil Aviation Authority requirements at all times.	The facilities comply with Civil Aviation Authority requirements at all times.
Spare equipment is held for navigational aids.	There is spare equipment held for navigational aids.

# ENGINEERING

Jun-10 Actual \$	Aerodromes	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
4,775	General Rates	8,585	8,547	100%
79,735	Fees and Recoveries	78,876	106,710	74%
4,975	Sundry Income	4,528	4,416	103%
89,485	<b>TOTAL INCOME</b>	91,989	119,673	77%
	<b>OPERATING COSTS</b>			
3,908	Takaka	32,835	20,476	160%
53,169	Motueka	71,371	86,509	83%
6,484	Loan Interest	5,552	5,826	95%
93,634	Depreciation	96,698	96,698	100%
157,195	<b>TOTAL OPERATING COST</b>	206,456	209,509	99%
67,710	<b>NET COST OF SERVICE (SURPLUS)</b>	114,467	89,836	127%
	<b>TOTAL FUNDS REQUIRED</b>			
67,710	Net Cost of Service (Surplus)	114,467	89,836	127%
7,151	Loan Principal Repaid	7,251	6,862	106%
74,861		121,718	96,698	126%
	<b>SOURCE OF FUNDS</b>			
(18,773)	General Funds	25,020	-	-
(18,773)		25,020	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
93,634	Depreciation to be funded at income statement level	96,698	96,698	100%
74,861		121,718	96,698	126%

# ENGINEERING

## WATER SUPPLY

### What We Do

This activity comprises the provision of potable water (ie, water suitable for use and consumption by people) to properties within 16 existing water supply areas in the Tasman District. The Council's network is extensive and growing rapidly. At present the network comprises approximately 659km of pipeline, 34 pumping stations, 11,387 domestic connections and 44 reservoirs and break pressure tanks with a capacity of approximately 18,330 cubic metres of water. In addition Council manages the Wai-iti water storage dam to provide supplementary water into the Lower Wai-iti River and aquifer. Water is supplemented at times of low river flows to allow a sustained water take for land irrigation.

Tasman District Council owns, operates and maintains ten Urban Water Supply Schemes, three Rural Supply Schemes, and three Community Schemes.

### Why We Do It

The provision of water supply services is considered to be a core public health function of local government and is something that the Council has always provided. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation and maintenance of water supply services in the District.

Territorial authorities have numerous responsibilities relating to the supply of water. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within the District. This implies that, in the case of the provision of potable water, councils have the 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.

### Our Goal

We aim to provide and maintain water supply systems to communities in a manner that meets the levels of service.

### How this activity contributes to the Community Outcomes

- All water in the Council-owned schemes is taken from the environment. This activity can be managed so the impact of the water take does not prove detrimental to the surrounding environment.
- The water supply activity is a service to the community providing water that is safe to drink and is efficiently delivered to meet customer needs. It also provides a means for fire fighting consistent with the national fire fighting standards.
- The water activity is considered an essential service that should be provided to all properties within water supply network areas in sufficient capacity and pressure. This service should also be efficient and sustainably managed.

### Our Levels of Service

- Our water takes are sustainable.
- Our water is safe and pleasant to drink.
- Our water is efficiently delivered to meet customer needs.
- Our water supply systems provide fire protection to a level that is consistent with the national standard.
- Our water supply systems serve those that should be serviced.
- Our water supply activities are managed at a level that the community is satisfied with
- Our systems are built so that failures can be prevented. If they do occur they can be responded to quickly.

# ENGINEERING

## How We Measure Progress

All water takes have resource consents with appropriate conditions which we consistently meet. [Target: 100%]	<p><b>Actual = 100%</b> [2010: 100%]</p> <p>A current resource consent is in place for each water take.</p> <p>No abatement notices have been received for breach of resource consent.</p>
No advisory notices are issued to boil water.	<p><b>Actual = 3</b> (2 temporary notices plus 1 ongoing permanent notice at Dovedale) [2010: Nil]</p> <p>Motueka due to zone transgression and Pohara due to plant failure</p>
Our water supplies have a Public Health Risk Management Plan (PHRMP) in place. [Target: Year 2: 50%]	<p><b>Actual = 31%</b> [2010: 19% 3/16 schemes approved]</p> <p>PHRMPs approved for Tapawera, Upper Takaka and Motueka, Waimea, Richmond <b>5/16</b></p> <p>2 further ready for submission (Wakefield, Brightwater) and 1 in appeal (Collingwood)</p>
Grading of water supplies meets Drinking-Water Standards for New Zealand (DWSNZ). For Richmond that means a grading of Bb. All other communities will aim for a Cc. [Target: 2/16 schemes comply]	<p><b>Actual = N/A</b> (no schemes graded).</p> <p>Since compliance with DWSNZ has become mandatory, the grading process has been considered to be of a lower priority by the Ministry of Health. The key grade now is whether the supply complies with DWSNZ or not. With an extensive programme of treatment plant upgrades in place already, it is unlikely that Tasman District Council will carry out the grading process.</p> <p>The PHRMPs highlight the upgrades needed to ensure a supply meets DWSNZ. Therefore, if the recommendations made in the PHRMP have been implemented, the supply can be deemed to meet DWS.</p>
Testing of water supplies confirms that water meets DWSNZ.	<p><b>Actual = 100% follow up of non compliances</b> <b>Overall monitoring compliance: 98.5%</b></p> <p>Council carries out water compliance testing on all of its public water supplies to DWSNZ:2005 (revised 2008). If a transgression occurs, further samples are taken and an investigation begins.</p> <p><i>Reticulation Zone</i> – 783 samples were taken over the year. Of these, 4 transgressions were recorded for <i>E.coli</i> and 19 transgressions recorded in Richmond for nitrate = 97.2% [2010: 96.1%]</p> <p><i>Treatment Plant</i> – 764 samples were taken over the year. Of these, 2 transgressions were recorded for <i>E.coli</i>. = 99.7% [2010: 98.3%]</p>
Water pressure to all urban and rural supply customers meets minimum pressure requirements as stipulated in the TDC Engineering Standards [Target: 95% of area covered by schemes meet the Standards].	<p><b>Actual = &gt;95% of area covered by schemes meet the Standards</b></p> <p>All supplies meet the minimum pressure requirements as a whole, but there are some isolated areas of exception. These are:</p> <p><i>Richmond</i> – small area at high level above Hill Street; Cropp Place (approx &lt; 20 properties in total).</p> <p><i>Wakefield</i> – top of Hunt Terrace (approx 5 properties)</p> <p><i>Mapua / Ruby Bay</i> – top of Crusader Drive</p> <p><i>Collingwood</i> – Two properties in Swiftsure Street by the reservoir</p>
Acceptable water losses are identified for each water supply and a water loss reduction programme is in place to achieve those targets. [Target: 4 out of 16 supplies will have water loss programmes in place]	<p><b>Actual = 7 of 16 water supplies</b> [2010: 3 out of 16]</p> <p>Leak detection work has been undertaken at Collingwood and Motueka this year at general level (Brightwater, Tapawera, Murchison, Wakefield, and Mapua previously). Significant leaks have been fixed as a result, but the programme will be ongoing.</p> <p>In addition, Water Demand Management Plans are in place for Brightwater/Hope, Wakefield, Richmond, Mapua/Ruby Bay and Waimea.</p>
Urban water supply systems are able to meet W3 standard Code of Practice for Fire Fighting Water Supplies [Target: 90%].	<p><b>Actual = 90%</b> [2010: 90%]</p> <p>9 / 10 urban systems fully comply with the fire fighting capability. The vast majority of Richmond complies, with the exception of Cropp Place.</p>

## ENGINEERING

	<p>A reticulated fire fighting scheme for the CBD in Takaka was completed this year.</p> <p>Rural water supplies and community supplies don't provide fire-fighting capacity. Motueka has a network of fire wells which provide a limited fire-fighting service.</p>
Our urban water supply systems are able to service new water supply connections from properties inside Council Water Supply Areas. [Target: By 2012, 9 out of 10 urban supplies will be able to accept new connections]	<b>Actual =</b> 9 out of 10 Urban schemes are able to service new connections to the system. [2010: 9 out of 10]. New connections are not presently being accepted in Mapua/Ruby Bay. This issue will be resolved with the construction of the Coastal Tasman Area (CTA).
Council's Water and Sanitary Service Assessments (WSSA) identifies communities which could benefit from a new Council owned water supply scheme and makes a decision on whether to plan for a new scheme to be developed. The WSSA will be reviewed in 2010/2011	<p><b>Actual =</b> The initial WSSA was produced in 2005. It identified Motueka as a Priority 1 community for water supply. The communities of Marahau/Sandy Bay, Tasman/Kina, Pohara, Ligar Bay, Tata Beach, Takaka and Patons Rock were identified as Priority 2 communities.</p> <p>The WSSA was originally scheduled to be updated in this financial year, but has been deferred in light of the July 2009 amendment to the Local Government Act 2002 (LGA). The next revision of the Activity Management Plans (AMP) will review the timing and scope of the next WSSA update.</p>
Our surveys show that 80% of customers are satisfied with the water supply service they receive.	<p><b>Actual =</b> 86%</p> <p>The Communitrak survey was undertaken in May/June 2010. 86% of receivers of the service were found to be satisfied with the service they receive. [2010: 90%]</p>
We are able to respond to and fix faults within the timeframes specified in our operations and maintenance contracts. [Target: 90%]	<p><b>Actual =</b> 98% [2010: 98%]</p> <p>The operations and maintenance contractor is required to meet a target of 90% of faults to be responded to and fixed within specified timeframes. The figure reported here relates to completion within the final completion time frame. More detailed response times are monitored through Contract 688.</p>
We have a facility for receiving and handling emergency calls after hours.	<p><b>Actual =</b> In place</p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>
We have an operative risk management framework in place and have planned mitigation measures. [Target: Plan developed in Year 1 and in place and operating by Year 3]	<p><b>Actual =</b> Framework complete and implementation underway.</p> <p>Council has adopted an Integrated Risk Management approach to its asset management and organisational decision-making. The framework has been completed and is being implemented at organisational and activity management level.</p>
We have the following water storage in the water supply systems: Urban: - one day at average annual demand. Rural: - six hours at average annual demand. [Target: Year 2 - 13 of 13 schemes]	<p><b>Actual =</b> 12 of the 13 schemes have the required storage. [2010: 11 of the 13 schemes have the required storage].</p> <p>All three rural schemes meet storage requirements.</p> <p>9 of the 10 urban supplies meet the required storage. Richmond fails to meet the requirement. Schemes are identified within the AMP to construct new reservoirs in this area.</p> <p>Tapawera failed to meet the required storage volume previously, however, a significant reduction in water loss through leaks in this system has been resolved</p>
We have constructed and maintain hydraulic models of our water supply systems to ensure we have the best knowledge and understanding of each system. [Target: Year 2: 45%]	<p><b>Actual =</b> 37.5% [2010: 37.5%]</p> <p>Hydraulic models have been constructed and are maintained for 6 of our 16 water supplies. Richmond, Waimea, Mapua, Brightwater and Wakefield and Motueka. Extra work has gone into data capture and model refinement.</p>

## ENGINEERING

### Major Activities

<i>Capital Works</i>			
During the 2010/2011 financial year Council proposed to undertake the following capital works.			
Activity	Budget \$	Actual Expenditure \$	
CTA/Coastal Pipeline	166,504	Refer Motueka – Design of town supply	Design work is currently underway for this project.
Motueka – Design of town supply. [Note that a final decision on whether the Motueka water supply and reticulation project proceeds is dependent on the receipt of a satisfactory Government subsidy for the project.]	1,140,532	687,945	Council has made an application to the Ministry of Health seeking a Drinking Water Subsidy for the Motueka Water Supply, and has undertaken the Public Health Risk Management Plan for this potential supply. There has been \$687,945 spent on this project and the CTA/Coastal pipeline for the year ended 30 June 2011.
Richmond Major Projects:			
• Reticulation renewals or upgrades	57,128	69,188	Valve renewals have been completed.
• Re-zoning	202,545	202,735	Rezoning work for Zone One (Salisbury Road) has been completed. There has been \$202,735 spent on this project for the year ended 30 June 2011.
• Richmond East	2,148,814	610,591	Land negotiations for the Richmond East Reservoir and pipework have continued. Alternative access options have been investigated and evaluated. Resource consents and detailed reservoir design are underway.
• Treatment Plant	281,392	285,941	Land acquisition is underway, and design work is in progress. Construction is scheduled for 2013/2014 financial year.
• New Groundwater Source	403,150	60,295	Currently negotiating access to land. Water tests have been undertaken on several existing bores within the area so as to determine the suitability of the site. Once the test results have been received test bores will be completed. New test bores to be drilled late 2011. New bore field dependent on the Lee Valley Dam.
• Lee Valley Dam Contribution	266,823	250,000	Council continues to support the Waimea Water Augmentation Committee.
• Seismic protection of high and low level reservoirs	213,026	104,378	Seismic protection works are 90% complete. Queen Street reservoir is complete. Work is still proceeding on Valhalla Lane.
• Churchill Avenue new water main	76,881	63,196	This project has been completed.



## ENGINEERING

Activity	Budget \$	Actual Expenditure \$	
Richmond Major Projects continued:			
• Hill Street low level main extension	124,333	140,105	This project has been completed.
• Oxford Street main renewal	130,948	146,720	This project has been completed.
Dovedale pipeline renewals	170,421	42,881	Approximately 90% of renewals work to be undertaken has been completed. Wet weather has delayed the final completion.
Tapawera new rising main from pump station	225,083	232,658	This project has been completed.

## ENGINEERING

Jun-10 Actual \$	Water Supply	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
102,140	General Rates	102,098	101,650	100%
4,993,733	Targeted Rates	5,860,527	5,984,031	98%
304,431	Development Contributions	572,686	805,949	71%
434,414	Fees and Recoveries	728,575	561,801	130%
146,078	Sundry Income	132,926	129,645	103%
5,980,796	<b>TOTAL INCOME</b>	7,396,812	7,583,076	98%
	<b>OPERATING COSTS</b>			
3,633,052	Urban Water	3,762,898	3,684,746	102%
1,118	Takaka	3,651	33,708	11%
294,247	Motueka	356,622	175,429	203%
92,318	88 Valley	64,654	56,197	115%
241,431	Dovedale	223,158	147,193	152%
135,971	Redwood Valley	150,622	125,472	120%
191	Hamama	4,323	7,028	62%
19,740	Pohara	36,444	32,290	113%
956,490	Loan Interest	1,079,140	1,159,205	93%
2,837,071	Depreciation	2,927,382	2,712,675	108%
8,211,629	<b>TOTAL OPERATING COST</b>	8,608,894	8,133,943	106%
2,230,833	<b>NET COST OF SERVICE (SURPLUS)</b>	1,212,082	550,867	220%
	<b>TOTAL FUNDS REQUIRED</b>			
2,230,833	Net Cost of Service (Surplus)	1,212,082	550,867	220%
3,520,165	Capital	5,437,603	6,630,314	82%
-	Transfer to Restricted Reserves	574,023	332,143	173%
926,764	Loan Principal Repaid	1,110,580	1,108,724	100%
6,677,762		8,334,288	8,622,048	97%
	<b>SOURCE OF FUNDS</b>			
393,456	Restricted Reserves Applied	334,881	-	-
3,373,275	Loans Raised	4,956,670	5,909,373	84%
73,960	General Funds	115,355	-	-
3,840,691		5,406,906	5,909,373	91%
	<b>NON- FUNDED DEPRECIATION</b>			
2,837,071	Depreciation to be funded at income statement level	2,927,382	2,712,675	108%
6,677,762		8,334,288	8,622,048	97%

### Comment:

Development contributions are down on budget. This is a timing issue dependent on when new subdivisions and building development are liable for development contributions.

Fees and recoveries are up on budget mainly due to an increase in the number of properties connecting to Council's water supplies.

Under accounting rules Council is able to accrue June invoices which are received in July back into expenditure for June. However, if some of this expenditure relates to capital expenditure which was to be funded by bank loans then we are unable to 'accrue' this loan funding. There is \$Nil of loan funding which has not been taken up at year end, and \$126,000 of loan funding which relates to the 2010 financial year.

Targeted rates are down on budget by \$123,000 due to a decrease in water meter rates received from a decrease in water volume used.

## **ENGINEERING**

Operating costs are over budget due to the Council's contribution to the Waimea Water Augmentation Committee for the Lee Valley investigation which was budgeted for as capital instead of operating costs. There is also an asset write-off of \$115,000 due to abandoned pipes. Maintenance costs were up on budget due to increased maintenance costs for the Dovedale scheme due to pipe breakages, and to increased maintenance costs for Motueka reticulation.

Included in capital works are costs for projects which were carried forward from the 2009/2010 financial year. There was \$1,151,743 spent against a carried forward budget totalling \$974,200 in the current year for the Takaka CBD Firefighting Scheme project. The scheme has attained practical completion. The fire main was officially opened on 12 July 2011.

Depreciation is up on budget due to the utilities revaluation and the reallocation of fixed asset depreciation across the activities.

## WASTEWATER

### What We Do

This activity encompasses the provision of wastewater treatment facilities and wastewater collection systems to the residents of 14 Urban Drainage Areas (UDAs) within the Tasman District. The assets used to provide this service include approximately 323km of pipelines, 2,250 manholes, 75 sewage pump stations, seven wastewater treatment plants and the relevant resource consents to operate these assets.

Tasman District Council owns, operates and maintains 12 wastewater systems conveying wastewater to eight wastewater treatment and disposal plants (WWTPs).

### Why We Do It

The provision of wastewater management services is considered to be a core public health function of local government and is something that the Council has always provided. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation, and maintenance of wastewater services in the District.

Territorial Authorities have numerous responsibilities relating to wastewater. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within the District. This implies that, in the case of the provision of wastewater services, councils have the 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.

### Our Goal

We aim to provide cost-effective and sustainable wastewater systems in a manner that meets environmental standards and agreed levels of service.

### How this activity contributes to the Community Outcomes

- All wastewater in the Council-owned schemes is treated and discharged into the environment. This activity can be managed so the impact of the discharges does not adversely affect the health and cleanliness of the receiving environment.
- The wastewater activity ensures our built urban environments are functional, pleasant and safe by ensuring wastewater is collected and treated without causing a hazard to public health, unpleasant odours and unattractive visual impacts.
- The wastewater activity is considered an essential service that should be provided to all properties within the urban drainage areas in sufficient size and capacity. This service should also be efficient and sustainably managed.

### Our Levels of Service

- Our wastewater systems do not adversely pollute or degrade the receiving environment.
- Our wastewater systems reliably take our wastewater with a minimum of odours, overflows or disturbance to the public.
- Our wastewater systems serve those who should be serviced.
- Our wastewater activities are managed at a level that satisfies the community.
- Our systems are built so that failures can be prevented. If they do occur, they can be responded to quickly.

## ENGINEERING

### How We Measure Progress

All wastewater treatment plants (WWTP's) hold all necessary resource consents. [Target: 100%]	<b>Actual = 100%</b> [2010: 100%] All WWTPs hold all necessary consents																					
All wastewater treatment plants meet the minimum compliance levels in the resource consents. [Target: 80%] This measure covers those consent conditions requiring laboratory testing only.	<b>Actual = 89%</b> [2010: 91%]  <table border="0"> <tr> <td>Collingwood</td> <td>89%</td> <td>[95%]</td> </tr> <tr> <td>Motueka</td> <td>87%</td> <td>[92%]</td> </tr> <tr> <td>Murchison</td> <td>95%</td> <td>[100%]</td> </tr> <tr> <td>St. Arnaud</td> <td>98%</td> <td>[96%]</td> </tr> <tr> <td>Takaka</td> <td>76%</td> <td>[75%]</td> </tr> <tr> <td>Tapawera</td> <td>100%</td> <td>[97%]</td> </tr> <tr> <td>U. Takaka</td> <td>100%</td> <td>[86%]</td> </tr> </table> <p>Takaka WWTP compliance levels are expected to increase significantly once the upgrade is complete.</p> <p>The Collingwood WWTP non-compliance events predominantly relate to faecal coliform levels above the consent limit at the UV discharge. These were generally related to high total suspended solids or high flow at the time of sampling which generally reduces the effectiveness of the UV system. A project is planned to re-grade the hydraulics through the wetland which will also look at the performance of the UV system.</p> <p>Significant upgrades are planned for Motueka and Takaka in years 1-3 of the next Long Term Plan.</p>	Collingwood	89%	[95%]	Motueka	87%	[92%]	Murchison	95%	[100%]	St. Arnaud	98%	[96%]	Takaka	76%	[75%]	Tapawera	100%	[97%]	U. Takaka	100%	[86%]
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We can limit the number of overflows that cause beach closures or shellfish gathering bans to less than five per year.	<b>Actual = 0</b> [2010: 1] There were no overflows that caused beach closures or shellfish gathering bans during the year.																					
We can limit the number of overflows on private property due to Council system fault to less than five per year.	<b>Actual = 11</b> [2010: 9] All overflows on private property are recorded, but only those resulting from Council system fault are reported here. High rainfall during the reporting period contributed to the number of overflows.																					
We can limit the number of overflows from the sewer in a year to less than one per kilometre of sewer.	<b>Actual = 0.097 / km</b> [2010: 0.108/km] A total of 37 overflows have occurred over the year. With a total network of 380km, this equates to 0.097 overflows per km of sewer.																					
We can limit the number of overflows from pump stations per year to less than 10.	<b>Actual = 1</b> (Hill St WWPS – 5/10/2010) [2010: 3]																					
We receive less than 30 complaints per year relating to odour or noise from our wastewater systems.	<b>Actual = 26</b> (92% noise <sup>1</sup> , 8% odour <sup>2</sup> ) [2010: 47] <sup>1</sup> Relates to Customer Service Requests raised for pump station alarms, not all are complaints. <sup>2</sup> Odour continues to be a problem on the Pohara Wastewater Scheme and at the Motueka WWTP. Chemical dosing and carbon filters at pump stations have dramatically reduced complaints during the 2010/11 summer period.																					
95% of properties within the Urban Drainage Areas are able to be connected to the Council's reticulation system at their boundary if they so choose.	<b>Actual = 97.3%</b> of properties within the UDAs are either connected or have been exempt from having to connect. [2010: 97.3%]																					
Our Water and Sanitary Services Assessment (WSSA) identifies communities that we don't serve but that may benefit from having a Council-owned community scheme, and plans are in place in the AMP to consult with these communities. [Target: 100%]	<b>Actual =</b> The initial WSSA was produced in 2005. It identified Marahau/Sandy Bay, Tasman/Kina and Pakawau as Priority 1 communities for benefitting from a Council owned community service.  The WSSA was originally scheduled to be updated in this financial year, but has been deferred in light of the July 2009 amendment to the Local Government Act 2002 (LGA). The next revision of the Activity Management Plans (AMP) will review the timing and scope of the next WSSA update.																					

## ENGINEERING

Our surveys show that 80% of customers are satisfied with the wastewater service they receive.	<p><b>Actual = 93%</b></p> <p>The Communitrak survey was undertaken in May/June 2011. 93% of receivers of the service were found to be satisfied with the service they receive. [2009: 93%]</p>
We are able to respond to and fix faults within the timeframes we have specified with our operations and maintenance contracts. [Target: 90%]	<p><b>Actual = 96% [2010: 99.5%]</b></p> <p>The operations and maintenance contractor is required to meet a target of 90% of faults to be responded to and fixed within specified timeframes. The figure reported here relates to completion within the final completion time frame. More detailed response times are monitored through Contract 688.</p>
We have a facility for receiving and handling emergency calls after office hours.	<p><b>Actual = In place</b></p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>
We have operative risk management process in place and planned mitigation measures completed.	<p><b>Actual = Framework complete and implementation underway.</b></p> <p>Council has adopted an Integrated Risk Management approach to its asset management and organisational decision-making. The framework has been completed and is being implemented at organisational and activity management level through inclusion in the Activity Management Plan review in 2011/2012.</p>
All pump stations have standby pumps in case of mechanical failure. [Target: 100%]	<p><b>Actual = 100% [2010: 100%]</b></p> <p>All pump stations have standby pumps.</p>
Our pump stations have storage or standby electrical generation in case of power failure. [Target: 25%]	<p><b>Actual = 17% of pump stations have either storage or on-site standby electrical generation. [2010: 16%]</b></p> <p>There are two portable generators available which are able to serve up to 53% of pump stations.</p>
Our pump stations have telemetry to allow automatic communication of failures. [Target: 55%]	<p><b>Actual = 60% [2010: 59% - 44 of the 75 pump stations]</b></p> <p>46 of the 76 pump stations have telemetry.</p>

## ENGINEERING

### Major Activities

<i>Capital Works</i>			
During the 2010/2011 financial year Council proposed to undertake the following capital works.			
Activity/project	Budget \$	Actual Expenditure \$	
Treatment Plant Upgrades: • Takaka	3,195,391	556,350	This project has been deferred to the 2012/2013 financial year. The Takaka Wastewater Treatment Plant Working Party has met on five occasions. The Working Party has reviewed several options and made good progress, which has been reported back to the Engineering Services Committee. The Working Party is now seeking further information relating to the specific ground hydraulics around the proposed final effluent disposal system. Council has gained a resource consent to undertake this groundwater testing, with testing due to commence in August 2011. Once testing is completed and the results have been reported back to the Working Party, a programme of consultation and reporting back to the Engineering Services Committee will be undertaken.
• Motueka	558,128	352,801	The Rapid Infiltration Basin (RIB) trial is now complete with the RIB performing well and showing little detectable impact on the groundwater environment. Concept design, working group meetings and land negotiation ongoing. Construction is scheduled for the 2014/2015 financial year.
Continue to progress pipeline replacements across all schemes where pipes are failing.	958,617	618,895	Motueka renewals have been divided into two stages. Stage 1 has been completed, and Stage 2 was tendered prior to the end of June 2011.  Richmond pipelines to be renewed have been identified and are about to be designed.  There has been \$616,895 spent on this project for year ended 30 June 2011.
Improve capacity issues within Mapua/Ruby Bay. This includes upgrading or replacing five pump stations and associated rising mains.	1,510,302	236,432	The pipeline across Rabbit Island has been completed. Design work on the pump station at Mapua Waterfront Park is underway. Request for Proposal from tenders has progressed. Final design resource consent has been applied for. Construction scheduled for late 2011.
Replacement of significant Motueka mains:			
• Courtney Street – Hau Road	38,366	200	This project has been deferred to the next Long Term Plan (LTP).
• High Street	45,609	20,039	Work has been included with the Poole/High Street stormwater upgrade. The work is nearing completion.
The Pohara /Tata Beach reticulation, pump station upgrade and associated pipelines are to be undertaken in stages over the next 12 year period.	240,709	72,229	Budget is for design works only. Design and site works have commenced.

## ENGINEERING

Hotham Street Murchison pump station upgrade	190,957	97,152	This work has now been tendered and is expected to commence late August 2011.
Murchison wastewater treatment plant (WWTP) septage facility	118,677	75,542	This project is not going ahead. The funds are to be used for disposal field replacement at the Murchison WWTP. The design, land acquisition is completed. Resource consents have been applied for and the work was put out to tender in July 2011, with construction scheduled for September 2011.

Jun-10 Actual \$	Wastewater	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
7,907,398	Targeted Rates	8,282,522	8,410,768	98%
547,172	Development Contributions	537,232	691,129	78%
686,469	Fees and Recoveries	1,133,974	170,433	665%
(480,800)	less share of NRSBU Owners Distribution	(884,454)	-	-
392,847	Sundry Income	357,478	348,654	103%
9,053,086	<b>TOTAL INCOME</b>	9,426,752	9,620,984	98%
	<b>OPERATING COSTS</b>			
5,466,226	Maintenance	6,077,641	5,639,109	108%
(1,009,338)	less share of NRSBU JV income	(1,127,307)	-	-
1,442,939	Loan Interest	1,639,858	1,759,401	93%
2,035,621	Depreciation	2,172,638	1,996,044	109%
7,935,448	<b>TOTAL OPERATING COST</b>	8,762,830	9,394,554	93%
(1,117,638)	<b>NET COST OF SERVICE (SURPLUS)</b>	(663,922)	(226,430)	293%
	<b>TOTAL FUNDS REQUIRED</b>			
(1,117,638)	Net Cost of Service (Surplus)	(663,922)	(226,430)	293%
6,998,173	Capital	4,553,436	6,931,359	66%
1,495,281	Loan Principal Repaid	1,651,151	1,640,311	101%
704,366	Transfer to Restricted Reserves	192,131	-	-
8,080,182		5,732,796	8,345,240	69%
	<b>SOURCE OF FUNDS</b>			
-	Restricted Reserves Applied	420,782	114,292	368%
6,472,760	Loans Raised	3,981,842	6,234,904	64%
(428,199)	General Funds	(842,466)	-	-
6,044,561		3,560,158	6,349,196	56%
	<b>NON- FUNDED DEPRECIATION</b>			
2,035,621	Depreciation to be funded at income statement level	2,172,638	1,996,044	109%
8,080,182		5,732,796	8,345,240	69%

### Comment:

Fees and recoveries are up on budget due to the \$884,000 distribution from the Nelson Regional Sewerage Business Unit (a joint venture with Nelson City Council). The anticipated growth in the number of properties connecting to Council's sewer schemes did not eventuate and this resulted in a reduction in connection charges received for the year. Fees and recoveries also include a contribution towards the Headingly Lane sewer line.

Under accounting rules Council is able to accrue June invoices which are received in July back into expenditure for June. However, if some of this expenditure relates to capital expenditure which was to be funded by bank loans then we are unable to 'accrue' this loan funding. There is \$Nil of loan funding which has not been taken up at year end, and \$90,000 of loan funding which relates to the 2010 financial year.



## **ENGINEERING**

Operating costs are over budget due to asset write-offs of \$185,000 (due to abandoned pipes or decommissioned pump stations), and wastewater remissions of \$103,000. Neither of these were budgeted for.

Included in capital works are costs for projects which were carried forward from the 2009/2010 financial year. There was \$2,941,000 spent against these carried forward budgets totalling \$5.216m in the current year. Projects undertaken include the Motueka Wastewater Treatment Plant upgrade, the Headingly Lane pump station, and the upgrade of the trunk main to Bell Island.

# ENGINEERING

## STORMWATER

### What We Do

This activity encompasses the provision of stormwater collection, reticulation, and discharge systems in Tasman District. The assets used to provide this service include drainage channels, piped reticulation networks, tide gates, detention or ponding areas, inlet structures and discharge structures.

The stormwater sumps and road culvert assets are generally owned and managed by Council's Transportation Group or by the New Zealand Transport Agency, depending upon whether they are located on local roads or state highways.

Council manages its stormwater activities under 15 Urban Drainage Areas (UDA) and one General District Area. The General District Area covers the entire District outside the UDA. Typically these systems include small communities with stormwater systems that primarily collect and convey road run-off to suitable discharge points. It does not include land drains or river/stream systems. These are either the responsibility of Council under the Rivers Activity Management area or the responsibility of the landowners under the Tasman Resource Management Plan (TRMP).

### Why We Do It

The Council has no statutory obligation to provide for private stormwater runoff, just as it has no obligation to provide protection against wind or other natural events. This is clear in the Local Government Act (LGA) 2002 where it states that councils do not have to take responsibility for stormwater systems which service only private properties.

However, Council does have a duty of care to ensure that any runoff from its own properties is remedied or mitigated. Because most of its property is mainly in the form of impermeable roads in developed areas, this generally means that some level of reticulation system is constructed. The presence of this system then becomes the logical network for private stormwater disposal.

The provision of stormwater drainage to urban areas is something that the Council has always provided. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation and maintenance of the stormwater services within the urban areas.

### Our Goal

We aim to achieve an acceptable level of flood protection in each UDA and the remaining General District stormwater areas.

### How this activity contributes to the Community Outcomes

- Stormwater arising within urban development areas is controlled, collected, conveyed and discharged safely to the receiving environment. This activity can be managed so the impact of the discharges does not adversely affect the health and cleanliness of the receiving environment.
- Our stormwater activity ensures our built urban and rural environments are functional, pleasant and safe by ensuring stormwater is conveyed without putting the public at risk or damaging property, businesses or essential infrastructure.
- The stormwater activity is considered an essential service that should be provided to all properties within urban drainage areas in sufficient size and capacity. This service should also be efficient and sustainably managed.

### Our Levels of Service

- Our stormwater systems do not adversely pollute or degrade but sustain and nurture the receiving environment.
- Our stormwater systems collect and convey stormwater safely through urban environments, reducing the adverse effects of flooding on people and property.
- Our stormwater activities are managed at a level which satisfies the community.
- We have measures in place to prevent flood damage to property and risk to the community.

## ENGINEERING

### How We Measure Progress

<p>We have stormwater quality catchment management plans (SQMPs) for each urban drainage area which identify environmental values and set sustainable improvement targets to improve environmental values and amenity value to the community. [Target: Complete SQMPs for Richmond, Motueka and Mapua within the first three years.]</p>	<p><b>Actual</b> = Work has begun on the SQMP for Richmond</p>
<p>We have discharge consents in place for each major urban stormwater discharge (controlling stormwater quality). [Target: Discharge consents in place for Richmond UDA within the first three years.]</p>	<p><b>Actual</b> = Discharge consents will not be obtained and implemented until catchment management plans have been carried out</p>
<p>We control the discharge of pollutants from our stormwater systems to sustainable levels so there is minimal adverse impact on the quality of our natural freshwater and marine habitats. [Target: Improvement action plan to be determined within the first three years.]</p>	<p><b>Actual</b> = This performance measure cannot be implemented at this stage. Provision is made in the AMP to develop an action plan by the end of year 3. This plan will identify where to target expenditure.</p>
<p>We apply a sustainable design approach to all stormwater system upgrades. The primary aim in the design of open channels will be to nurture and provide environmental values in keeping with the surrounding environment and in providing and enhancing amenity value to the community.</p>	<p><b>Actual</b> = Stormwater upgrades have been carried out in accordance with the TDC Engineering Standards</p>
<p>Stormwater drainage facilities are provided to service all Urban Drainage Areas.</p>	<p><b>Actual</b> = All 15 urban drainage areas have stormwater facilities. [2010: 15]</p>
<p>Inlets, outlets, floodgates, detention dams and watercourses are kept open at all times through a proactive maintenance programme.</p>	<p><b>Actual</b> = The maintenance contractor undertakes a schedule of routine maintenance on stormwater assets.</p>
<p>Work that is considered a priority to clear obstructions reported within the stormwater system is attended to within one working day of receiving notice, 90% of the time.</p>	<p><b>Actual</b> = 93% [2010: 100%]  The operations and maintenance contractor is required to meet a target of 90% of faults to be responded to and fixed within specified timeframes. This is monitored through Contract 688.</p>
<p>New primary stormwater systems (comprising a combination of open channels and/or pipes) are capable of containing a 1-in-20 year storm event.</p>	<p><b>Actual</b> = All new primary stormwater systems are designed to TDC Engineering Standards which are aligned with this performance measure.  Primary stormwater systems constructed this year include new pipework along High Street, Motueka; Seaton Valley culverts; upgrading culverts and upsizing channels in Pohara Valley.</p>
<p>New secondary stormwater systems are provided to accommodate stormwater flows from a 1-in-50 year storm event so that there is no damage to or nuisance effects on people or property.</p>	<p><b>Actual</b> = All new secondary stormwater systems are designed to TDC Engineering Standards which are aligned with this performance measure.  No new secondary stormwater systems have been constructed this year.</p>
<p>New open channels for major streams are capable of accommodating stormwater flows from a 1-in-100 year storm event so that there is no damage to or nuisance effects on people or property.</p>	<p><b>Actual</b> = All new open channel systems are designed to TDC Engineering Standards which are aligned with this performance measure.  No new open channel projects have been constructed this year.</p>

## ENGINEERING

<p>Existing stormwater systems are capable of containing a 1-in-5 year storm event. Strategic upgrade work is programmed over the next 20 years, which will reduce the areas currently served with a 1-in-5 year level of service</p>	<p>Typical level of service within each stormwater UDA showing percentage of systems capable of coping with specified flood events</p> <table border="1" data-bbox="614 403 1220 952"> <thead> <tr> <th>UDA</th> <th>1 in 2 Yr Storm</th> <th>1 in 5 Yr Storm</th> <th>1 in 10 Yr Storm</th> </tr> </thead> <tbody> <tr><td>Richmond</td><td>20%</td><td>50%</td><td>30%</td></tr> <tr><td>Brightwater</td><td>30%</td><td>50%</td><td>20%</td></tr> <tr><td>Wakefield</td><td>40%</td><td>40%</td><td>20%</td></tr> <tr><td>Murchison</td><td>60%</td><td>20%</td><td>20%</td></tr> <tr><td>St Arnaud</td><td>20%</td><td>60%</td><td>20%</td></tr> <tr><td>Tapawera</td><td>10%</td><td>40%</td><td>50%</td></tr> <tr><td>Motueka</td><td>20%</td><td>60%</td><td>20%</td></tr> <tr><td>Mapua/ Ruby Bay</td><td>10%</td><td>40%</td><td>50%</td></tr> <tr><td>Tasman</td><td>40%</td><td>40%</td><td>20%</td></tr> <tr><td>Kaiteriteri</td><td>20%</td><td>60%</td><td>20%</td></tr> <tr><td>Takaka</td><td>30%</td><td>60%</td><td>10%</td></tr> <tr><td>Pohara</td><td>60%</td><td>30%</td><td>10%</td></tr> <tr><td>Ligar Bay/ Tata Beach</td><td>30%</td><td>60%</td><td>10%</td></tr> <tr><td>Collingwood</td><td>30%</td><td>40%</td><td>30%</td></tr> <tr><td>Patons Rock</td><td>70%</td><td>20%</td><td>10%</td></tr> </tbody> </table> <p>Upgrade work is programmed over the AMP period to reduce the areas currently served with a less than 1 in 5 year level of service.</p>	UDA	1 in 2 Yr Storm	1 in 5 Yr Storm	1 in 10 Yr Storm	Richmond	20%	50%	30%	Brightwater	30%	50%	20%	Wakefield	40%	40%	20%	Murchison	60%	20%	20%	St Arnaud	20%	60%	20%	Tapawera	10%	40%	50%	Motueka	20%	60%	20%	Mapua/ Ruby Bay	10%	40%	50%	Tasman	40%	40%	20%	Kaiteriteri	20%	60%	20%	Takaka	30%	60%	10%	Pohara	60%	30%	10%	Ligar Bay/ Tata Beach	30%	60%	10%	Collingwood	30%	40%	30%	Patons Rock	70%	20%	10%
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<p>Our surveys show that at least 80% of customers are satisfied with the stormwater service they receive.</p>	<p><b>Actual = 81%</b></p> <p>The Communitrak survey was undertaken in May/June 2011. 81% of receivers of the service were found to be satisfied with the service they receive.[2009: 83%]</p>																																																																
<p>We receive less than 10 complaints per year regarding health nuisance (noise, smells, mosquitoes, etc).</p>	<p><b>Actual = 0 [2010: 0]</b></p> <p>This level of service is not measured but will be for the next AMP review. The recording and measuring will be developed over Years 1 and 2 and reportable by the end of Year 3.</p>																																																																
<p>We have a customer service facility for receiving and handling emergency calls 24 hours per day, 7 days per week.</p>	<p>Actual = In place</p> <p>Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies</p>																																																																
<p>Council's contractor guarantees emergency response times to attend a site in the event of an immediate flooding risk to property, including the deployment of sandbags where required.</p>	<p><b>Actual = Current service maintained</b></p>																																																																
<p>A response to repair/reinstate open watercourses from flood damage is completed within 24 hours 90% of the time.</p>	<p><b>Actual = this performance measure is not yet being measured.</b></p> <p>[This level of service is not measured although this is a contractual requirement for the maintenance contractor. The recording and measurement of this will be developed over Years 1 and 2 and reportable by the end of Year 3.]</p>																																																																

## ENGINEERING

### Major Activities

<i>Capital Works</i>			
During the 2010/2011 financial year Council proposed to undertake the following capital works.			
<b>Activity</b>	<b>Budget \$</b>	<b>Actual Expenditure \$</b>	
Little Kaiteriteri	14,055	21,147	The design stage for this project has been completed, with construction to commence in the 2011/2012 financial year.
Stormwater System Improvements, Ruby Bay	210,150	186,279	This work was tendered in June 2011 and a preferred tenderer has been identified. The works include three separable portions, including a new outfall at Tait Street, a low pressure stormwater line from Crusader Drive to Tait Street and drainage improvements on Stafford Drive. Tendered prices for the full scope of works exceeded available budget and Council staff are in discussions with the preferred tenderer to identify possible cost savings. Works in Tait Street are expected to commence in early August 2011.
Seaton Valley Stream, Mapua	370,719	274,585	Contract 799, for the construction of a new box culvert on the Seaton Valley Stream at the rear of the Mapua School is now completed. Further stream widening works are programmed for the next financial year and will be subject to ongoing landowner negotiations.
Poole Street/ High Street, Motueka	548,695	548,885	This project is nearing completion.
Main Road, Patons Rock	26,336	29,429	Design of stormwater improvements is nearly complete. It is proposed to report the solution to the Engineering Services Committee and the Golden Bay Community Board.
Reservoir Creek, Richmond	733,234	69,560	Land access to the old dam site is still being negotiated. The design for the project is 50% complete.
Land Drainage Improvements/ Culvert Upgrade, Tasman	27,012	13,934	The final design has been completed. The final budget has indicated a shortfall in funding so the project has been deferred to the 2011/2012 financial year.

## ENGINEERING

Jun-10 Actual \$	Stormwater	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,969,710	Targeted Rates	2,345,587	2,345,865	100%
166,674	Development Contributions	304,858	333,877	91%
13,867	Fees and Recoveries	14,185	5,418	262%
134,529	Sundry Income	122,417	119,395	103%
2,284,780	<b>TOTAL INCOME</b>	2,787,047	2,804,555	99%
	<b>OPERATING COSTS</b>			
580,748	Richmond	992,238	739,336	134%
168,695	Motueka	186,021	143,298	130%
79,893	Mapua/Ruby Bay	89,319	59,441	150%
48,744	Brightwater	58,186	37,409	156%
52,431	Wakefield	51,138	36,929	138%
33,398	Takaka	44,706	37,080	121%
34,579	Murchison	14,487	16,794	86%
153,123	General District	119,281	210,765	57%
570,525	Loan Interest	635,537	671,520	95%
1,226,544	Depreciation	1,227,524	908,954	135%
2,948,680	<b>TOTAL OPERATING COST</b>	3,418,437	2,861,526	119%
663,900	<b>NET COST OF SERVICE (SURPLUS)</b>	631,390	56,971	1108%
	<b>TOTAL FUNDS REQUIRED</b>			
663,900	Net Cost of Service (Surplus)	631,390	56,971	1108%
3,237,734	Capital	1,431,796	2,026,063	71%
210,468	Transfer to Restricted Reserves	36,978	122,280	30%
605,649	Loan Principal Repaid	710,609	715,401	99%
4,717,751		2,810,773	2,920,715	96%
	<b>SOURCE OF FUNDS</b>			
3,443,009	Loans raised	1,138,475	1,814,466	63%
-	Restricted Reserves Applied	131,821	197,295	67%
48,198	General Funds	312,953	-	-
3,491,207		1,583,249	2,011,761	79%
	<b>NON- FUNDED DEPRECIATION</b>			
1,226,544	Depreciation to be funded at income statement level	1,227,524	908,954	135%
4,717,751		2,810,773	2,920,715	96%

### Comment:

Operating costs for Richmond are over budget due to asset write-offs of \$313,000 (due to abandoned pipes or stormwater assets), which were not budgeted for.

Other operating costs were over budget mainly due to an increase in consultant fees and general maintenance.

Depreciation is up on budget due to the utilities revaluation, and the reallocation of fixed asset depreciation across the activities.

# ENGINEERING

## SOLID WASTE

### What We Do

The Solid Waste activity encompasses the provision and control of waste management services to residents in the Tasman District by providing:

- Education and promotion of waste minimisation.
- Kerbside recycling and solid waste collection services.
- Drop-off facilities for solid waste, greenwaste, reusable and recyclable materials.
- Bulk transport services for solid waste and greenwaste.
- Greenwaste and recyclable processing.
- Management of operational and closed landfills.

There are five Resource Recovery Centres (RRC), one operational landfill and 22 closed landfills located throughout the District.

### Why We Do It

The Local Government Act 2002 requires Council to promote effective and efficient waste management within Tasman District. The LGA also gives the Council the legal authority to be involved in the provision of solid waste services.

The Waste Minimisation Act 2008 has transferred some of the provisions of the LGA1974 and 2002 relating to waste management and has increased the requirement for consideration of waste minimisation in Council's planning. The Act aims to protect the environment from harm by encouraging the efficient use of materials and a reduction in waste - with consequential environmental, social, cultural and economic benefits.

Under this legislation Council is required to carry out a waste assessment and to prepare a Waste Management and Minimisation Plan (WMMP) by 2012. This WMMP will supersede the existing Waste Management Plan.

### Our Goal

Council's long-term goal for solid waste management is to achieve zero waste to landfill or other disposal.

### How this activity contributes to the Community Outcomes

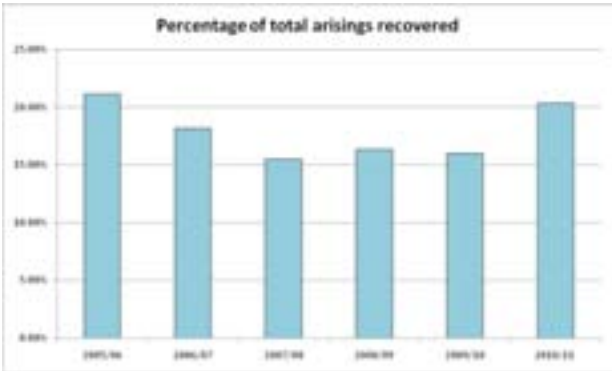
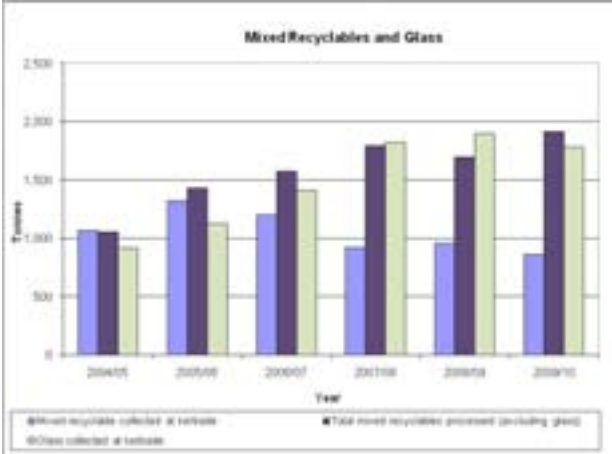
- All material that is collected by the Council's operators or delivered to Council-owned facilities is processed or disposed of in an appropriate and sustainable manner. These activities will be managed to minimise the impact on the receiving environment.
- Our kerbside collections ensure our built urban and rural environments are functional, pleasant and safe by receiving materials from the community and recycling, reusing or disposing of them with a minimum of nuisance and public complaint.
- Solid waste activities are operated in a safe and efficient manner to provide waste and recycling services that the community is satisfied with and which promote the sustainable use of resources.

### Our Levels of Service

- Our solid waste activities use best sustainable practices.
- Our kerbside services are pleasant, reliable, easy to use and collection areas are kept free of litter.
- Our operations are managed in a safe manner.
- We provide and promote waste minimisation activities and progress within the community.
- Our sites are pleasant, consistent, reliable and operated in a sustainable manner.

# ENGINEERING

## How We Measure Progress

<p>All sites have all required resource consents. [Target: 100%]</p>	<p><b>Actual = 100%</b> [2010: 100%]</p>																																										
<p>All solid waste activities comply with any required resource consent conditions and site management plans [Target: 100%].</p>	<p><b>Actual = Average 97%</b> [2010: Average 94%]</p> <table border="0"> <tr> <td>Eves Valley Landfill:</td> <td>95%</td> <td>[96%]</td> </tr> <tr> <td>Murchison RRC:</td> <td>98%</td> <td>[79%]</td> </tr> <tr> <td>Richmond RRC:</td> <td>94%</td> <td>[84%]</td> </tr> <tr> <td>Collingwood RRC:</td> <td>97%</td> <td>[94%]</td> </tr> <tr> <td>Takaka RRC:</td> <td>99%</td> <td>[97%]</td> </tr> <tr> <td>Mariri RRC:</td> <td>95%</td> <td>[93%]</td> </tr> <tr> <td>Rototai:</td> <td>98%</td> <td>[100%]</td> </tr> <tr> <td>Closed Landfills</td> <td>100%</td> <td>[100%]</td> </tr> </table> <p>The Eves Valley performance level recorded is due to water from stormwater discharged during heavy rain events resulting in discolouration of tributary. Stormwater system upgrade construction works to commence in July / August 2011.</p> <p>The RRC performance level recorded is mainly due to inappropriate storage of material by the contractor. These have resulted in demerit points being applied to the contract.</p>	Eves Valley Landfill:	95%	[96%]	Murchison RRC:	98%	[79%]	Richmond RRC:	94%	[84%]	Collingwood RRC:	97%	[94%]	Takaka RRC:	99%	[97%]	Mariri RRC:	95%	[93%]	Rototai:	98%	[100%]	Closed Landfills	100%	[100%]																		
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<p>We sustainably recover waste products and increase the amount of these products recovered over time. [Target: Increasing trend in materials sustainably recovered]</p>	<p><b>Actual = 20.3%</b> (based on tonnage)</p> <p><b>Actual =</b> Waste recovery figures have increased from last year's results. This is mainly due to the recovery of glass for recycling at Owens-Illinois (New Zealand glass manufacturer) commencing this year.</p> <div style="text-align: center;">  <p>Percentage of total arisings recovered</p> <table border="1"> <caption>Percentage of total arisings recovered</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2004/05</td> <td>21.0%</td> </tr> <tr> <td>2005/06</td> <td>18.0%</td> </tr> <tr> <td>2006/07</td> <td>15.5%</td> </tr> <tr> <td>2007/08</td> <td>16.5%</td> </tr> <tr> <td>2008/09</td> <td>16.0%</td> </tr> <tr> <td>2009/10</td> <td>20.3%</td> </tr> </tbody> </table> </div> <div style="text-align: center;">  <p>Mixed Recyclables and Glass</p> <table border="1"> <caption>Mixed Recyclables and Glass</caption> <thead> <tr> <th>Year</th> <th>Mixed Recyclables Collected (t)</th> <th>Mixed Recyclables Processed (t)</th> <th>Glass Collected (t)</th> </tr> </thead> <tbody> <tr> <td>2004/05</td> <td>1000</td> <td>1000</td> <td>800</td> </tr> <tr> <td>2005/06</td> <td>1300</td> <td>1400</td> <td>1100</td> </tr> <tr> <td>2006/07</td> <td>1200</td> <td>1500</td> <td>1300</td> </tr> <tr> <td>2007/08</td> <td>900</td> <td>1800</td> <td>1800</td> </tr> <tr> <td>2008/09</td> <td>900</td> <td>1700</td> <td>1900</td> </tr> <tr> <td>2009/10</td> <td>800</td> <td>1900</td> <td>1800</td> </tr> </tbody> </table> </div>	Year	Percentage	2004/05	21.0%	2005/06	18.0%	2006/07	15.5%	2007/08	16.5%	2008/09	16.0%	2009/10	20.3%	Year	Mixed Recyclables Collected (t)	Mixed Recyclables Processed (t)	Glass Collected (t)	2004/05	1000	1000	800	2005/06	1300	1400	1100	2006/07	1200	1500	1300	2007/08	900	1800	1800	2008/09	900	1700	1900	2009/10	800	1900	1800
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# ENGINEERING

	<p><b>Cars, Whiteware &amp; Metal recovered</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total Whiteware</th> <th>Total Car Bodies</th> <th>Linear (Light gauge steel)</th> <th>Linear (Heavy gauge steel)</th> <th>Linear (Non-ferrous metals)</th> </tr> </thead> <tbody> <tr> <td>2005/06</td> <td>1000</td> <td>400</td> <td>100</td> <td>100</td> <td>100</td> </tr> <tr> <td>2006/07</td> <td>1350</td> <td>350</td> <td>100</td> <td>100</td> <td>100</td> </tr> <tr> <td>2007/08</td> <td>1250</td> <td>200</td> <td>100</td> <td>100</td> <td>100</td> </tr> <tr> <td>2008/09</td> <td>1300</td> <td>100</td> <td>100</td> <td>100</td> <td>100</td> </tr> <tr> <td>2009/10</td> <td>1400</td> <td>100</td> <td>100</td> <td>100</td> <td>100</td> </tr> <tr> <td>2010/11</td> <td>1050</td> <td>100</td> <td>100</td> <td>100</td> <td>100</td> </tr> </tbody> </table> <p><b>Material Processed at Greenwaste to Zero</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Tonnes</th> </tr> </thead> <tbody> <tr> <td>2004/05</td> <td>11500</td> </tr> <tr> <td>2005/06</td> <td>12000</td> </tr> <tr> <td>2006/07</td> <td>13500</td> </tr> <tr> <td>2007/08</td> <td>12500</td> </tr> <tr> <td>2008/09</td> <td>14500</td> </tr> <tr> <td>2009/10</td> <td>13500</td> </tr> <tr> <td>2010/11</td> <td>13000</td> </tr> </tbody> </table>	Year	Total Whiteware	Total Car Bodies	Linear (Light gauge steel)	Linear (Heavy gauge steel)	Linear (Non-ferrous metals)	2005/06	1000	400	100	100	100	2006/07	1350	350	100	100	100	2007/08	1250	200	100	100	100	2008/09	1300	100	100	100	100	2009/10	1400	100	100	100	100	2010/11	1050	100	100	100	100	Year	Tonnes	2004/05	11500	2005/06	12000	2006/07	13500	2007/08	12500	2008/09	14500	2009/10	13500	2010/11	13000
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<p>We survey the community annually and see an ongoing improvement in satisfaction levels in our kerbside service. [Target: <math>\geq 70\%</math> of customers are satisfied with the services they receive]</p>	<p><b>Actual = 90%</b></p> <p>The Communitrak survey undertaken shows that 90% of receivers of the kerbside service were found to be satisfied with the service they receive. (2010: 84%)</p> <p>The Communitrak survey undertaken also shows that 69% of receivers of the regular rubbish collection service were found to be satisfied with the service they receive, with 25% being unable to comment. (2010: 85%, with 3% being unable to comment).</p>																																																										
<p>We receive less than 30 instructions to resolve a complaint per year relating to recycling collection, refuse bag collection or other solid waste issues.</p>	<p><b>Actual = 297 [2010: 321]</b></p> <p>Council received 297 enquiries for the period, which resulted in 244 work instructions. The high level of 'instructions to resolve a complaint' recorded is mainly as a result of changing to the Confirm Asset Management system and the way jobs are set up within the system. The target set for this level of service is therefore unrealistic and is better monitored by the ability to resolve a complaint rather than the number received. This has been reviewed as part of the current Ten Year Plan process.</p>																																																										
<p>We are able to respond to 95% of instructions to resolve a complaint within the timeframes we have specified within our operations and maintenance contracts.</p>	<p><b>Actual = 90% [2010: 86%]</b></p> <p>The Contractor's ability to resolve complaints within the timeframe has improved during the reporting period.</p>																																																										
<p>We have no serious harm incidents caused as a result of Council's actions.</p>	<p><b>Actual = No serious harm incidents</b></p>																																																										

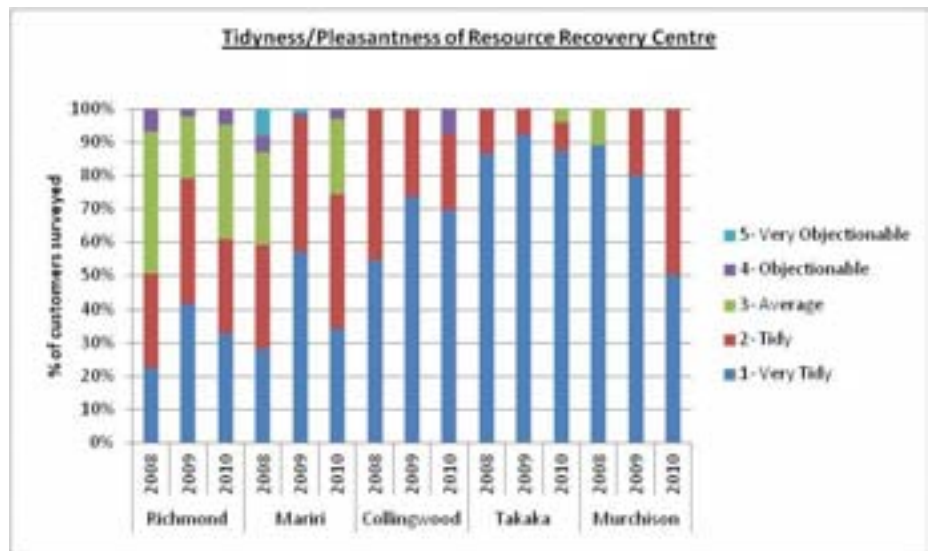
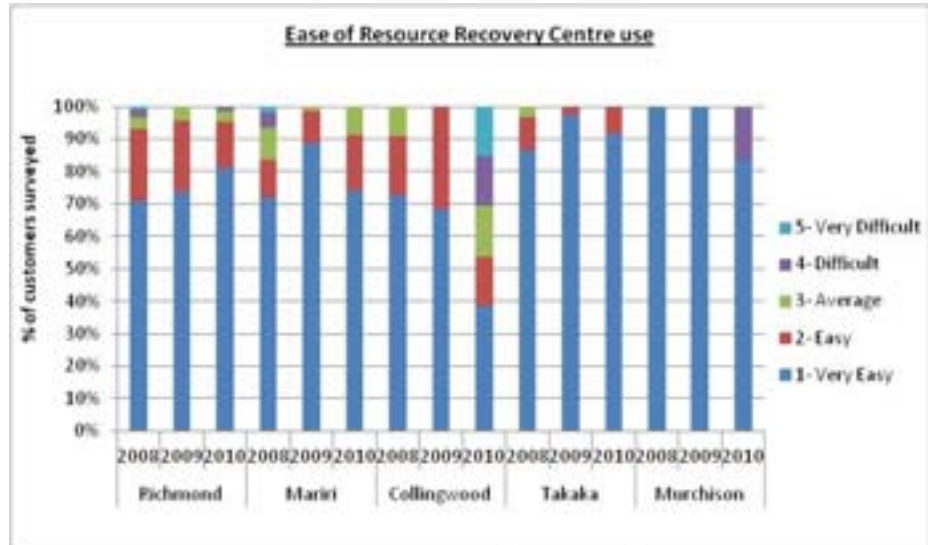
# ENGINEERING

<p>We provide schools with access to an annual visit from a Waste Education officer and access to up-to-date resources. [Target: 100% of schools are contacted annually]</p>	<p><b>Actual = 100%</b> [2010: 100%] All schools have been contacted. Of the 30 schools / education centres WES are contracted to visit, 26 schools and 5 ECE centres have received visits this year.</p>														
<p>We report waste minimisation and recycling progress to the community on a quarterly basis through feature articles and community notices.</p>	<p><b>Actual = 24</b> articles have been published in; Nelson Mail, leader, Newsline Ecobuzz or on the website. [2010: 7 articles]</p>														
<p>We provide waste minimisation services to the business community. [Target: 100% of queries from businesses are actioned]</p>	<p><b>Actual = 100%</b> [2010: 100%] 27 businesses have been contacted in person or by phone/email and 84 have been contacted multiple times on region-wide information mail outs.</p>														
<p>90% of site inspections score greater than or equal to "Acceptable". [Target: 95%]</p>	<div data-bbox="580 622 1374 1120" data-label="Figure"> <table border="1"> <caption>Site Inspection Scores (July 09- June 10)</caption> <thead> <tr> <th>Location</th> <th>% of months site meets "Acceptable" KPI standard</th> </tr> </thead> <tbody> <tr> <td>Richmond Processing</td> <td>~58%</td> </tr> <tr> <td>Richmond RRC</td> <td>~33%</td> </tr> <tr> <td>Mariri RRC</td> <td>~90%</td> </tr> <tr> <td>Takaka RRC</td> <td>100%</td> </tr> <tr> <td>Collingwood RRC</td> <td>~72%</td> </tr> <tr> <td>Murchison RRC</td> <td>90%</td> </tr> </tbody> </table> </div> <p><b>Actual = 80%</b> [2010: 72%]</p>	Location	% of months site meets "Acceptable" KPI standard	Richmond Processing	~58%	Richmond RRC	~33%	Mariri RRC	~90%	Takaka RRC	100%	Collingwood RRC	~72%	Murchison RRC	90%
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Murchison RRC	90%														

# ENGINEERING

We survey customers at Resource Recovery Centre (RRC) sites on an annual basis and see an ongoing improvement in satisfaction levels.

**Actual** = Surveys have been undertaken at the RRCs annually since 2008. The results from the three surveys to date show an overall increase in the level of satisfaction of users of the RRCs.



## ENGINEERING

### Major Activities

<i>Capital Works</i>			
During the 2010/2011 financial year Council proposed to undertake the following capital works.			
Activity	Budget \$	Actual Expenditure \$	
Ongoing work with Nelson City Council on a combined Waste Management and Minimisation Plan(WMMP), to be completed during the 2010/2011 year.			A report on governance options has been commissioned and received by Council. Members of the joint waste working party recently completed a draft Joint Waste Management and Minimisation Plan (JWMMP) for Nelson City and Tasman District Councils. This is scheduled to be released in November 2011.
Resource Recovery Centre			
• Richmond	660,680	1,733,162	Contract 814 (site development, \$1,332,428) and contract 811 (supply and installation of waste compactor and bins, \$403,150) were awarded in February 2011, with work completed by October 2011. Council's Engineering Services Committee approved transfer of \$540,000 capital funding from Mariri and Takaka RRCs to enable this work to be largely completed in the 2010-11 financial year. The works were also part-funded by a \$330,000 capital budget for recycling processing facilities. There has been \$619,363 spent on current year projects, and \$1,113,799 spent on prior year projects for the year ended 30 June 2011. Site development plans for the Mariri RRC were completed, with a preliminary design completed for Stage 1 works (improved recycling facilities and traffic layout). Further drainage improvements commenced in the fourth quarter, but substantial site works were delayed by the development of the site development plans and acceleration of the Richmond RRC works. These works are now programmed for the 2011/12 year, following completion of the Richmond RRC works. The existing waste compactor and waste bins were purchased from the outgoing haulage contractor in October 2010. Purchase of additional waste bins (contract 811) has been funded from this budget with other funding being transferred to the Richmond RRC. Work on a site development plan has commenced, with concept design and some minor works complete. Work on a site development plan has commenced, with concept design and some minor works complete. Remaining funding has been transferred to the Richmond RRC. Work on a site development plan has commenced, with concept design and some minor works complete. Remaining funding has been transferred to the Richmond RRC.
• Mariri	328,529	78,927	
• Takaka	447,673	284,081	
• Collingwood	41,220	16,128	
• Murchison	54,120	17,357	
Eves Valley Landfill	405,726	342,991	Initial geotechnical, groundwater and surface water investigations for the new consent have been completed, with further analysis and field work completed. Unscheduled earthworks and leachate pond repairs were funded by reallocation of consenting budgets. Stormwater improvements were committed in the fourth quarter.

## ENGINEERING

Jun-10 Actual \$	Solid Waste	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
400,560	General Rates	242,894	241,829	100%
1,748,647	Targeted Rates	1,809,294	1,832,001	99%
3,790,685	Fees and Recoveries	4,608,618	4,359,455	106%
(1,002,087)	less internal charges	(1,009,021)	-	-
216,487	Sundry Income	196,996	192,133	103%
5,154,292	<b>TOTAL INCOME</b>	5,848,781	6,625,418	88%
	<b>OPERATING COSTS</b>			
1,823,807	Kerbside Collection	1,915,388	1,832,914	104%
179,774	Waste Minimisation	136,552	139,283	98%
1,091,170	Landfills	1,140,384	948,693	120%
2,704,347	Resource Recovery Parks	2,874,384	2,836,268	101%
200,089	Loan Interest	233,423	348,151	67%
(1,002,087)	less internal charges	(1,009,021)	-	-
192,179	Depreciation	271,782	228,322	119%
5,189,279	<b>TOTAL OPERATING COST</b>	5,562,892	6,333,631	88%
34,987	<b>NET COST OF SERVICE (SURPLUS)</b>	(285,889)	(291,787)	98%
	<b>TOTAL FUNDS REQUIRED</b>			
34,987	Net Cost of Service (Surplus)	(285,889)	(291,787)	98%
732,268	Capital	2,685,498	1,926,007	139%
285,045	Loan Principal Repaid	369,526	488,105	76%
1,052,300		2,769,135	2,122,325	130%
	<b>SOURCE OF FUNDS</b>			
226,114	Restricted Reserves Applied	97,349	10,601	918%
602,473	Loans Raised	2,366,148	1,883,402	126%
31,534	General Funds	33,856	-	-
860,121		2,497,353	1,894,003	132%
	<b>NON- FUNDED DEPRECIATION</b>			
192,179	Depreciation to be funded at income statement level	271,782	228,322	119%
1,052,300		2,769,135	2,122,325	130%

### Comment:

Fees and recoveries are up on budget due to an increase in special waste income over budget of \$525,000. Other operating income is down on budget due to lower volumes of waste received than budgeted for. Volume based operating costs are also down for this reason.

Included in capital works are costs for projects which had budget which were carried forward from the 2009/2010 financial year. There was \$767,500 of carried forward budgets against which \$1,242,000 was spent in the current year. A number of capital budgets were reallocated during the year which were approved by the Engineering Services Committee.

# ENGINEERING

## RIVERS

### What We Do

Tasman District Council maintains 285 kilometres of the region's rivers in order to carry out its statutory roles to promote soil conservation and mitigate damage caused by floods. These rivers are "classified" and funded by a differential river rating system. The rivers are on private, Council and Crown (Department of Conservation, Land Information New Zealand) lands. The associated river protection works such as stopbanks, rock and willows are owned, maintained and improved by Council.

Council involvement in rivers outside the classification scheme is limited to carrying out river and soil conservation works, which have some defined community benefit. These are not Council-owned assets as the landowner takes over ongoing responsibility to maintain the asset. However these works are an integral part of the river control system.

### Why We Do It

The provision of river management services is considered to be a core function of local government. Prior to 1992 rivers were managed by the Nelson Catchment Board followed by the Nelson-Marlborough Regional Council. In 1992 the functions of a catchment board under the Soil Conservation and Rivers Control Act 1941 were transferred to Tasman District Council.

The service provides many public benefits such as a level of flood protection to dwellings in the flood plain for selected rivers, river management and river maintenance. It is considered necessary and beneficial to the community that the Council undertakes the planning, implementation, and maintenance of these river services in the District in accordance with their respective legislative requirements and responsibilities.

### Our Goal

We aim to maintain river systems in a cost-effective manner in such a way that the community and individual landowners are provided with protection and management systems to a level acceptable to that community, taking into account affordability.

### How this activity contributes to the Community Outcomes

- Our river protection and flood mitigation activities are carried out so that the impacts on the natural river environments are minimised to a practical but sustainable level, and use best practices in the use of the District's natural resources.
- Our river protection works and flood control structures protect our most "at risk" communities and rural areas from flooding and are maintained in a safe and cost-effective manner.
- Our river protection and flood mitigation structures are maintained in an environmentally sustainable manner to a level supported by the community.

### Our Levels of Service

- Our river protection and flood mitigation activities are carried out so that the impacts on the natural river environments are minimised to a practical but sustainable level, and use best practices in the use of the District's natural resources.
- We provide flood protection to a level that the community is prepared to fund.
- We manage the river alignment to minimise bank erosion up to an annual event in the X and Y rating areas.
- In River Z rating areas we provide technical support and funding assistance when available.
- Existing access to the rivers are maintained in a safe and efficient manner.
- River works are planned with community input and professionally implemented.
- Enquiries relating to our river systems are responded to promptly.
- There are adequate measures in place to know when flooding may occur and to provide a limited response during a flood event.

### Flood Damage

The extraordinary flood events of 28 December 2010 caused major damage to the Aorere River in Golden Bay. As at 30 June 2011, Council has assessed that work totalling \$1,425,000 is still required to repair the damage. This cost is to be funded by the Ministry of Civil Defence and Emergency Management (60%) and by Council and landowners.

Council river assets were damaged during the flood and Council has assessed that about 30% of Council's rockwork for the Aorere River has been lost. This equates to \$650,000 worth of rockwork which has been lost and an impairment loss for the \$650,000 has been included in Other Comprehensive Income in the Statement of Comprehensive Income.

## ENGINEERING

### How we measure progress

<p>All river maintenance and construction activities comply with any required resource consents. [Target: 100%]</p>	<p><b>Actual = 100%</b> [2010: 100%]</p> <p>Resource consents held are: <i>Global</i> – for works in rivers and some gravel extraction; and <i>Vegetation spraying</i></p> <p>Contracts include the conditions of the consents and performance measures include requirements to meet the Resource Consents.</p> <p>The contractor has not received any non-compliance with respect to the resource consents by Council’s consultants nor the Environment &amp; Planning department.</p>
<p>The 285km of X and Y classified rivers are cleared of Crack Willow (pest tree species) at a rate of 15km of river length per year. [Year 2: Total of 30km]</p>	<p><b>Actual = Year 1</b> -18.5 km <b>Actual = Year 2</b> – 14.9 km <b>Total = 33.4 km</b></p> <p>The clearing of crack willow occurred in classified rivers all over the district. Only small sections of a river are being undertaken at a time as Council does not wish to remove large sections as there will then be no protection in the event of flooding. The crack willow is being replaced with Bitter Willow and native plants with vigorous root structures.</p>
<p>Council prepares and investigates new schemes in line with the community needs [Target: 100%].</p>	<p><b>Actual = 100%</b> [2010: 100%]</p> <p>New schemes are investigated and designed in line with community expectations, needs and desired level of service.</p>
<p>The Riwaka River stopbanks are maintained to a 1-in-20 year flood return standard. [Target: 30% of stopbank maintained]</p>	<p><b>Actual = 90%</b></p> <p>Council completed an audit of the flood capacity and condition of the Riwaka flood banks in 2006. During the Ten Year Plan process, Council proposed upgrading the Riwaka flood protection system. This resulted from the 2006 audit, which identified some potential deficiencies in the existing stopbank system. Council will carry out work to provide a stopbank system that meets the original 1-in-20-year design capacity. This will be carried out as part of its maintenance programme as it is a repair rather than a renewal.</p>
<p>The Lower Motueka River stopbanks are maintained to a 1-in-100 year flood return standard. [Target: 30% of stopbank maintained]</p>	<p><b>Actual = 100%</b></p> <p>Council maintains the Motueka stopbank system to its original design capacity of 1-in-50-year return period.</p> <p><b>Note:</b> It has been noted that the long term plan has incorrectly identified the design capacity of the Motueka stopbanks. It’s actual original design capacity is 1-in-50-year return period.</p>
<p>The Waimea River stopbanks are maintained to a 1-in-50 year flood return standard. [Target: 100% of stopbank maintained]</p>	<p><b>Actual = 100%</b></p> <p>The stopbanks are recorded as being designed to a 1-in-50-year flood return standard.</p>
<p>Rivers are maintained within the X and Y classification area to the annual allocated budget. Capital projects are carried out on time, within budget and to the appropriate standard. [Target: 100%]</p>	<p><b>Actual = 100%</b> [2010: 100%]</p> <p>The capital expenditure budget was \$866,643 with an actual spend of \$897,015 plus an additional \$330,000 was spent on capital works repairing the river assets damaged by the flood. All programmed rock work was completed in accordance with the Annual Operating Maintenance Programme and the specifications outlined in the contract documentation.</p>
<p>All River Z rating enquiries will be responded to within 10 working days. [Target: 100%]</p>	<p><b>Actual = 75%</b> [2010: 100%]</p> <p>Because of the significant flood event of 28 December 2010 and subsequent high number of River Z enquiries not all requests were able to be responded to within 10 days.</p>
<p>The public is able to access the Council’s rivers systems unless for safety reasons they are restricted by the undertaking of the annual river maintenance works programme. [Target: 100%]</p>	<p><b>Actual = 100%</b> [2010: 100%]</p>

## ENGINEERING

An annual rivers maintenance programme as agreed with the communities is constructed to Council standards.	<b>Actual</b> = In place and operating
River Care Groups, iwi, Fish and Game and DOC are consulted annually on the rivers annual maintenance programme.	<b>Actual</b> = Council consult with River Care groups, iwi, Fish & Game and DOC on their annual maintenance programmes.
We are able to respond to enquiries within timeframes specified in our operations and maintenance contracts.	<b>Actual</b> = 100% [2010: 100%]
We receive less than 12 complaints per year relating to the maintenance of river works. [Target: 100%]	<b>Actual</b> = 2 [2010: 11] We received 2 complaints relating to river maintenance. The rest of the complaints received related to non-scheduled maintenance items such as dumping of rubbish in rivers.
We have a facility for receiving and handling emergency calls after office hours. [Target: 100%]	<b>Actual</b> = In place Council has an after-hours call centre that receives calls out of regular office hours. Contractors and system duty managers have duty staff who are contactable to respond to emergencies.
We have a monitoring system in place to provide information on the key river flows. [Target: 100%]	<b>Actual</b> = Council has recently developed a new rainfall and riverflow data system. This is capable of supplying up-to-date information 24 hours a day through the internet.
The Council's rivers maintenance contractor has adequate resources available in case of major flood damage. The rivers maintenance contractor is available to respond to emergencies. [Target: 100%]	<b>Actual</b> = 100% The contract documentation requires the contractor to retain sufficient resources to be able to respond in emergencies on a 24-hour basis. The evidence is that the contractor has always responded to events, as required.

### Major Activities

Activity	Budget \$	Actual Expenditure \$	
Lower Motueka Stopbank Investigation	213,026	380,400	Two options (refurbish or rebuild) plus the status quo (do nothing but maintain) have been identified as practical schemes. Consultation was carried out at public meetings on 23 and 25 August 2011 at the Memorial Hall, Pah Street, Motueka. The consultation period lasted until 7 September 2011. The analysis of this feedback was reported back to Council on 22 September 2011 with a recommendation of a preferred option. Council approved the selection of refurbishing the stopbanks as the preferred option to go forward to the Draft Long Term Plan 2012 – 2022 for further consultation. The increase in cost includes additional modelling work for consideration of option development.



## ENGINEERING

Jun-10 Actual \$	Rivers	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,295	General Rates	3,594	3,578	100%
2,147,133	Targeted Rates	2,312,829	2,386,674	97%
307,578	Fees and Recoveries	603,290	162,072	372%
58,197	Interest Received	43,859	63,976	69%
85,225	Sundry Income	77,551	75,637	103%
2,599,428	<b>TOTAL INCOME</b>	3,041,123	2,691,937	113%
	<b>OPERATING COSTS</b>			
1,999,156	Classified/General District	2,383,172	2,037,753	117%
939	Loan Interest	24,398	25,310	96%
29,933	Depreciation	30,122	30,122	100%
2,030,028	<b>TOTAL OPERATING COST</b>	2,437,692	2,093,185	116%
(569,400)	<b>NET COST OF SERVICE (SURPLUS)</b>	(603,431)	(598,752)	101%
	<b>TOTAL FUNDS REQUIRED</b>			
(569,400)	Net Cost of Service (Surplus)	(603,431)	(598,752)	101%
650,705	Capital	1,227,015	866,643	142%
338	Loan Principal Repaid	10,096	9,372	108%
38,030	Transfer to Environment & Planning	78,030	78,030	100%
103,500	Transfer to Rivers Disaster Fund	106,626	106,626	100%
15,390	Transfer to Restricted Reserves	4,765	1,466	325%
238,563		823,101	463,385	178%
	<b>SOURCE OF FUNDS</b>			
-	Restricted Reserves Applied	410,573	220,237	186%
208,630	Loans raised	382,406	213,026	180%
208,630		792,979	433,263	183%
	<b>NON- FUNDED DEPRECIATION</b>			
29,933	Depreciation to be funded at income statement level	30,122	30,122	100%
238,563		823,101	463,385	178%

### Comment:

Fees and recoveries are up on budget due to berm rentals being \$122,000 higher than budgeted. Fees and recoveries also include a \$383,000 subsidy applied for from the Ministry of Civil Defence and Emergency Management towards the damage caused by the December 2010 floods.

Operating costs include emergency works expenditure of \$373,000 relating to the December 2010 floods in Golden Bay.

## COMMUNITY SERVICES

### Policy and Objective

The objective of Community Services activities is to fund projects which are aimed at enhancing and enriching the education and cultural environment of the District, and enhance and enrich the recreational environment of the District,

### Nature and Scope

There are five significant areas under which this activity is performed by Council.

- a) Library Services** – the provision of library services to all residents of the Tasman District, through a District Library in Richmond, Branch Libraries in Motueka, Murchison and Takaka, and Link Libraries in Collingwood, Dovedale, Mapua, Tapawera and Wakefield. Library services contribute towards the intellectual and commercial development of the District by assisting people in the process of life-long learning through the use of lending and information services. Reading library books is also a leading recreational activity for all ages.
- b) Cultural Services and Community Grants** – Council will allocate funds from its annual general rate income by way of grants to organisations which predominantly provide community services for the cultural enrichment of residents of the District. In addition, Council also acts as an agent for the distribution of the Creative New Zealand Grants.
- c) Community Recreation** – provision of an advisory service for recreation and community development which facilitates opportunities for people throughout the District to increase their participation in those activities.
- d) Community Facilities, Parks & Reserves, and Camping Grounds**
- Camping Grounds** – leasing of four major camping grounds at Motueka (Fearon Bush), Collingwood, Pohara and Murchison (Riverview Reserve) for the enjoyment of visitors and residents of the District.
- Parks and Reserves** – maintenance and enhancement of sports grounds, parks and gardens, cemeteries, public toilets and other facilities not under the control of locally-elected management committees.
- Community Facilities** – Council has established a Community Facilities Rate for the purpose of meeting part of the costs of capital funding for new, large, community, recreational, sporting or cultural District or regional projects which have met the relevant criteria and will provide benefit to the citizens of Tasman District.
- e) Community Housing** – provision of rental accommodation for elderly and disabled persons.

### Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.
- Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services.
- Our participatory community contributes to District decision-making and development.
- Our built urban and rural environments are functional, pleasant, safe and sustainably managed.
- Our transport and essential services are sufficient, efficient and sustainably managed.
- Our unique and special natural environment is bountiful, healthy, clean and protected.
- Our growing and sustainable economy provides opportunities for us all.

Jun-10 Actual \$	COMMUNITY SERVICES	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
2,274,859	Libraries	2,447,106	2,262,030	108%
601,972	Cultural Services and Community Grants	646,996	580,908	111%
804,557	Community Recreation	765,134	734,903	104%
6,536,658	Parks and Reserves	6,938,290	7,516,173	92%
4,167,386	Community Facilities Rate	4,047,921	5,476,386	74%
380,591	Camping Grounds	374,670	440,353	85%
420,203	Community Housing	477,889	514,319	93%
15,186,226	TOTAL COSTS	15,698,006	17,525,072	90%

# COMMUNITY SERVICES

## LIBRARIES

### What We Do

Tasman District Libraries provide quality services to the community, promoting lifelong learning and creative use of leisure. The libraries provide access to information and leisure as well as space for our communities to interact. Access to information is in a variety of formats including books, electronic databases and other media. An information service is available during all opening hours with qualified staff to help users to find the information they are seeking. Children's services include a variety of activities in all the libraries. Outreach services to the homebound as well as to preschools, and other organisations are provided by the libraries.

Service is to all residents of the District through libraries in Richmond, Motueka, Takaka and Murchison. Electronic resources are provided via the Council Libraries website and in the libraries. The Richmond Library is also the District library, providing services throughout the District.

Link libraries that provide limited book stock only. These operate in Wakefield, Tapawera, Mapua, Collingwood and Dovedale.

### Why We Do It

The Council is required by law and community expectation to promote the well-being of the community. Libraries develop an informed community whose members are literate and inspired.

### Our Goal

- We provide access to information and leisure through a variety of media.
- We create social capital by providing safe public space for the use of the community in a variety of ways.
- We connect users to the world at large through traditional (print) and newer information technologies.

### How this activity contributes to the Community Outcomes

- Libraries provide safe space for our community to interact. Libraries provide resources which enrich quality of life for all.
- Libraries collect and preserve local heritage materials. Libraries are involved in regional history/heritage projects which will increase access to the local historical/cultural information and materials.
- Libraries provide access to a wide range of materials in a variety of formats to support the recreational, educational, cultural, social, and business needs of the community.
- Libraries are open to all in the community and freely provide unbiased access to all information; as such libraries are an integral part of a strong democracy at local and national levels.

### Our Level of Service

- Access to information and leisure sources that satisfy the needs of the community, delivered within the libraries and through outreach programming.
- Access to special collections, and other media as well as professional help to find regional and heritage information.
- Access to a variety of information, leisure, social resources, and services to support those with special needs, via the libraries in Richmond, Motueka, Takaka and Murchison.

## COMMUNITY SERVICES

### How we measure progress

<p>TDC collections compare favourably measured against the Library and Information Association of new Zealand Aotearoa (LIANZA) standard for library book stocks. The annual Council book budget will increase by \$20,694 in 2009/10 and a further \$67,035 in 2010/11, and these figures will be inflation adjusted over future years. This will achieve 75% of the LIANZA standard for book stocks by 2012.</p>	<p>The book budget increased by \$70,491 in 2010/11. At the end of June 2011 collection numbers are achieving 79% of the LIANZA standard (based on 2011 population estimates)</p>
<p>TDC runs modern software with sufficient capacity and functionality to enable public access to the collection. TDC libraries will install new library management software in 2011/2012 with increased capacity and functionality to allow better access to the collections, and TDC will fund ongoing support for the new software.</p>	<p>Tasman District Libraries are part of the national Kōtui consortium. The consortium will supply its members with fully supported and updated library management software. The first library will transfer to the new library management software in September 2011. Tasman District Libraries will transfer to the new library management software in November 2011.</p>
<p>Residents can participate in the digital world via well connected computers in the libraries, measured against the recommended number of computers in the LIANZA standard. [Target: 100%]</p>	<p>This is achieved through our ongoing membership of the Aotearoa Peoples Network Kaharoa (APNK). The libraries provide 20 public access internet computers, this achieves 100% of the LIANZA standard.</p>
<p>Tasman District residents are fairly or very satisfied with the public libraries, as measured through the annual residents' survey. [Target: 85% of Tasman residents are fairly or very satisfied with the public libraries by 2012.]</p>	<p>The Communitrak survey shows that 82% of residents are satisfied with the District's public libraries (2010: 84% satisfied), and that 92% of library users are satisfied with the libraries. [2010: 94%]</p>
<p>Additional information is available digitally. Digital downloadable audio books by 2012.</p>	<p>Tasman District Libraries are part of the national Kōtui consortium. The consortium will supply its members with fully supported and updated library management software. The first library will transfer to the new library management software in September 2011. Tasman District Libraries will transfer to the new library management software in November 2011.</p>
<p>Users have easy access to the wealth of materials available. If external funding can be secured, we will digitise artefacts and load them onto the regional history website</p>	<p>Items from the Waimea South local history collection are being progressively digitised and stored on the library's kete. The kete is a digital repository hosted by Aotearoa People's Network Kaharoa. The kete is accessible via the internet.</p>
<p>TDC library buildings provide adequate spaces to enable the delivery of quality library services as measured against the LIANZA standard.</p>	<p>The floor space of the Richmond and Takaka Libraries meets the LIANZA standard. The Murchison library building at 160m<sup>2</sup> is less than the 210m<sup>2</sup> recommended in the LIANZA standard. Space issues in Motueka are causing difficulties with service delivery. The Motueka Library building at 453m<sup>2</sup> achieves 46% of the LIANZA standard. Limited space has an impact on collection size. The collection size currently meets 67 % of the LIANZA standard. An investigation of the options for the extension/renovation of the Motueka Library will be undertaken during the first quarter of 2011/12. RDT Pacific have won the contract to provide project management services for the Motueka Library expansion project. An initial meeting will be held during October 2011 to get the project underway.</p>

## COMMUNITY SERVICES

### Major Activities

Ongoing management of Council libraries and delivery of library services to the community.	This is an ongoing function being performed to target.
Replacement of the library management software (LMS). Request for Proposal (RFP), selection and purchase of a new LMS will be undertaken in 2011/2012.	Tasman District Libraries are part of the national Kōtui consortium. The consortium will supply its members with fully supported and updated library management software. Tasman District Libraries will transfer to the new library management software in November 2011.
Increase in book numbers – district wide.	Tasman District Libraries purchased 17,211 new items for the libraries during the 2010/11 year. At the end of June 2011 the libraries held 132,955 items. This achieves 79% of the current recommended standard for New Zealand libraries (based on 2011 population estimates).
Increase digital collections (eg digital editions of newspapers, digital downloadable audio books, premium lending collection).	Council is part of a South Island consortium which will provide downloadable audio books and electronic books to public library users. The consortium was established in 2011 and the collection of resources is still being developed. These digital resources will be made available to library users during September/October 2011. The library began providing access to digital editions of newspapers in July 2011.
Complete renovation of the website so it can function as the fifth branch – with e-commerce enabled and functionality to allow for the delivery of digital services.	Work on this project will be progressed throughout 2011. The library website working party has undertaken a review and evaluation of the current website and is working on creating a new structure for the website.
Growth of services in line with population driven demand.	New Parenting and Children's Graphic Novel collections have been established at the Richmond Library. Growth of these collections will allow them to be extended to all library branches in the future. The Richmond Library's new community meeting rooms and computer training facilities cater well for a variety of customer needs.

## COMMUNITY SERVICES

Jun-10 Actual \$	Libraries	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
1,915,153	General Rates	2,102,543	2,093,325	100%
252,928	Fees and Recoveries	280,298	294,696	95%
105,976	Sundry Income	105,294	102,695	103%
2,274,057	<b>TOTAL INCOME</b>	2,488,135	2,490,716	100%
	<b>OPERATING COSTS</b>			
315,407	District Operations	336,092	246,499	136%
896,404	District Library	1,016,369	1,110,096	92%
415,812	Motueka Library	442,954	466,630	95%
296,946	Takaka Library	288,349	276,104	104%
32,173	Murchison Library	6,364	8,678	73%
1,488	Link Libraries	4,054	2,858	142%
14,987	Tapawera Library	11,274	17,707	64%
301,642	Depreciation	341,650	133,458	256%
2,274,859	<b>TOTAL OPERATING COST</b>	2,447,106	2,262,030	108%
802	<b>NET COST OF SERVICE (SURPLUS)</b>	(41,029)	(228,686)	18%
	<b>TOTAL FUNDS REQUIRED</b>			
802	Net Cost of Service (Surplus)	(41,029)	(228,686)	18%
302,112	Capital	330,906	362,144	91%
302,914		289,877	133,458	217%
	<b>SOURCE OF FUNDS</b>			
1,272	General Funds	(51,773)	-	-
1,272		(51,773)	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
301,642	Depreciation to be funded at income statement level	341,650	133,458	256%
302,914		289,877	133,458	217%

### Comment:

Total operating cost is over budget due to depreciation. Depreciation on library books has been included in the actual depreciation cost for the year. When the budget was set, depreciation on library books had been amalgamated with depreciation on fixed assets and therefore, allocated across all the activities.

## COMMUNITY SERVICES

### CULTURAL SERVICES AND COMMUNITY GRANTS

#### What We Do

The role of this activity is strengthening communities by providing the resources for community initiatives and community organisations to enable them to achieve their objectives by way of grants. Grants are predominantly for “not for profit” community and voluntary groups working for the benefit of Tasman District communities.

These are the various contestable funding streams provided by Council in 2010/11: School Swimming Pool Subsidy (\$50,612), Community Grants (\$164,035), Tasman \$200 Ships (\$3,201), Mature Person Scholarships (\$5,334), Creative Communities (\$32,006) on behalf of Creative NZ, Council’s Community Development Fund (\$20,000) and the SPARC Rural Travel Fund (\$18,137) on behalf of SPARC. These are inflation adjusted each year.

In addition to the contestable funds the Council allocates annual grants to various cultural services including: the Provincial Museum, Motueka and Golden Bay Museums and The Suter art gallery.

The community is invited to apply for grants subject to eligibility criteria. Application forms are available from Council offices, libraries and on-line. A special Council Committee considers applications.

The Council also supports the work of the International Safe Communities “Safe at the Top” group and provides it with in-kind support. They mayor has endorsed the project and Council’s Community Recreation Advisor is on the project’s Steering Group.

#### Why We Do It

Council is required by community expectation to promote the well-being of the communities in its District. This requires community growth and participation. Community organisations are often staffed by volunteers, but provide a key service throughout the region. These services require support to remain sustainable.

#### Our Goal

Our aim is to support quality cultural and community services that enable participation in suitable, relevant, and enjoyable activities and environments, and to enable communities to lead initiatives to help themselves.

#### How this activity contributes to the Community Outcomes

- Supports and funds ‘not for profit’ organisations and individuals who deliver services in our district that contribute to Council’s Community Outcomes.
- Assists community-led facilities, projects and initiatives to deliver benefits across the broader community.
- Enabling organisations to work with Council to deliver benefits across the community.

#### Our Level of Service

- Provide grants to community groups to deliver services and facilities that enhance community well-being.

#### How we measure progress

Grants are fully allocated to groups and individuals who meet our funding criteria. [Target: 100% of grant funding is allocated.]	89% of Council’s grants have been allocated as at 30 June 2011. [2010: 83%]. The target was for 100% of these grants to be allocated by year end. However, this is dependent on the value of the grant applications submitted as this is more important than ensuring that all funds are allocated.
Groups are delivering the services outlined in their applications and that they receive grant money to provide services to the community. [Target: 90% of accountability forms are returned completed.]	Council is very strident on receiving completed accountability forms. Reminders are sent for non-received accountability forms and if not received then Council may even request the funds are returned. We have 84% of accountabilities received from grants at year end, and reminder letters have been sent to the outstanding applicants. [2010: 98%]

## COMMUNITY SERVICES

### Major Activities

Allocation of contestable grants.	The first rounds of funding for the contestable funds have been completed. The Grants and Community Facilities Rate Subcommittee met in September 2010 and November 2010 to discuss and allocate these funds. There has been \$29,989 of funding allocated from the Tasman \$200 Ships, Mature Person Scholarships, and SPARC Rural Travel Fund for the year ended 30 June 2011.
Ongoing allocation of funding to cultural services, eg Museums and The Suter art gallery.	The Suter art gallery annual funding of \$78,922 has been paid. Tasman Bays Heritage Trust has received cash funding totalling \$762,450 for the year. Local museum funding allocated includes \$37,500 going to Golden Bay museum and \$37,500 to Motueka District museum.
Annual review of grants funding criteria and process.	An update of the funding criteria and process has been provided to the new Grants and Community Facilities Rate Subcommittee.
Continuing the new Community Development Fund.	This fund is to enable the Tasman District's smaller communities to apply to make plans, provide activities, run events or services to enhance their town or to attract visitors. The fund had an allocation of \$20,000 for the 2010/2011 year. The first round closed on 31 October 2010 with applications considered at the Grants and Community Facilities Rate Subcommittee's November 2010 meeting. There has been \$12,772 of funding allocated as at 30 June 2011.



## COMMUNITY SERVICES

Jun-10 Actual \$	Cultural Services & Community Grants	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
388,272	General Rates	419,207	417,369	100%
182,979	Sport & Recreation NZ	221,602	87,000	255%
56,741	Fees and Recoveries	57,830	59,425	97%
3,358	Interest Received	3,133	-	-
17,662	Sundry Income	17,547	17,114	103%
649,012	<b>TOTAL INCOME</b>	719,319	580,908	124%
	<b>OPERATING COSTS</b>			
303,543	Council Grants	316,753	356,946	89%
182,980	Sport & Recreation NZ Grants	221,603	87,000	255%
33,907	Creative NZ Grants	25,718	32,006	80%
5,000	Community Sports Fund	4,000	5,334	75%
76,542	Museums	78,922	78,922	100%
-	Loan Interest	-	20,700	0%
601,972	<b>TOTAL OPERATING COST</b>	646,996	580,908	111%
(47,040)	<b>NET COST OF SERVICE (SURPLUS)</b>	(72,323)	-	-
	<b>TOTAL FUNDS REQUIRED</b>			
(47,040)	Net Cost of Service (Surplus)	(72,323)	-	-
-	Advances to community organisations	-	120,000	0%
(47,040)		(72,323)	120,000	-60%
	<b>SOURCE OF FUNDS</b>			
4,085	Advances Repaid	4,310	-	-
-	Loans raised	-	120,000	0%
(51,125)	General Funds	(76,633)	-	-
(47,040)		(72,323)	120,000	-60%

### Comment:

The advance to community organisations budgeted of \$120,000 relates to the Motueka Community Hospital. This advance has yet to be requested, therefore, the corresponding loan to be raised has not been drawn down.

Sport & Recreation NZ grants are for ongoing projects usually over a number of financial years. The grants funds are received in instalments and are included in income as monies are expended against the project. Any funds received but not yet spent are held as a current liability as grants received in advance.

## COMMUNITY SERVICES

### COMMUNITY RECREATION

#### What We Do

The Community Recreation activity provides for the recreational and cultural needs of the communities of the Tasman District. This is done via projects that support and develop the community engagement with recreation, sports, arts and heritage. The activity requires working collaboratively with community and government agencies to ensure sustainability of programmes. Where gaps exist in services that should be provided, there is a role to advocate and work on behalf of the community.

#### Why We Do It

Active and involved communities are sustainable and healthy communities. Recreation and leisure activities contribute to the region's prosperity and identity. The Community Recreation Activity is an essential component of Council's business in terms of:

- How it relates to the communities.
- How it strengthens its communities.
- How it supports its communities.
- How it maintains an accurate picture of community opportunities and challenges.

#### Our Goal

Council's aim is to enhance the quality of life of the community by providing and supporting quality recreational services which enable participation in suitable, relevant and enjoyable activities and environments life-long.

#### How this activity contributes to the Community Outcomes

- Encouraging low impact engagement with, and enjoyment of, the natural environment.
- The activity provides information to encourage safe use of the environment with activities that do not cause negative impact.
- Advising planners to ensure active transport is included in Council's provision of transport services.
- Providing and supporting quality recreational services which enable participation in suitable relevant and enjoyable activities life long.
- Promotion and celebration of our history and diverse cultures.
- Promotion and delivery of recreational services that reflect the diversity of the Tasman District.
- Ensuring communication to communities encourages engagement.
- Working in partnership with community, business, government and professional groups to strengthen and grow the economy.

#### Our Level of Service

- The activity provides information to encourage use of our environment and ensure that the activities of others do not cause negative impact.
- Work with user groups and advocates to ensure active transport is included in Council's provision of transport services.
- Providing and supporting quality recreational services which enable participation in suitable, relevant, and enjoyable activities and environments life-long.
- Promotion and celebration of our history and cultures.
- Support of facilities and services that house our region's stories, artefacts and arts.
- Promotion and delivery of events and recreational services that reflect the diversity of the District.
- Community development is supported with staff advice and funding support.

## COMMUNITY SERVICES

### How we measure progress

<p>The community can access the information to enable safe and positive interaction with our environment. [Target: 60% of residents have seen or read Walk or Bike Tasman, as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>This measure was not surveyed in the 2010/2011 year. (61% of residents have seen or read Walk or Bike Tasman, as measured by the Communitrak Survey undertaken in 2009).</p> <p>This performance measure is measured every three years and will be next measured in the 2012 financial year.</p>
<p>We have more people getting to work/school walking or cycling. [Target: Raise the rates of walking and cycling consistent with the Tasman Walking and Cycling Strategy.]</p>	<p>Council contractor MWH New Zealand Ltd has recently commenced cycle counts in Richmond along Salisbury Road, Wensley Road, the underpasses and the ASB path. These counts are undertaken in February and July of each year. Regular cycle counts are not undertaken in other areas.</p>
<p>Residents are informed of and participating in relevant safe leisure activities. [Target: 75% of the community is either fairly or very satisfied with Council recreation programmes as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>This measure was not surveyed in the 2010/2011 year. (75% of the community is either fairly or very satisfied with Council recreation programmes as measured by Communitrak Survey undertaken in 2009).</p> <p>This performance measure is measured every three years and will be next measured in the 2012 financial year.</p>
<p>Residents are satisfied with the information available in publications and the experiences and access to the region's arts, culture and heritage. [Target: 90% of residents who have seen at least one of the recreation publications are fairly or very satisfied with them as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>This measure was not surveyed in the 2010/2011 year. (95% of residents who have seen at least one of the recreation publications are fairly or very satisfied with them as measured by Communitrak Survey undertaken in 2009).</p> <p>This performance measure is measured every three years and will be next measured in the 2012 financial year.</p>
<p>Residents attending a range of Council organised and supported activities and events are satisfied. [Target: 80% of the community is very or fairly satisfied with Council activities or events as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>This measure was not surveyed in the 2010/2011 year. (80% of the community is very or fairly satisfied with Council activities or events as measured by Communitrak Survey undertaken in 2009).</p> <p>This performance measure is measured every three years and will be next measured in the 2012 financial year.</p>
<p>Information to support communities is accessible and relevant. Information about grants assistance is accessible and appropriate. The administration of funding is clear and transparent. [Target: 70% of the community is very or fairly satisfied with the community assistance as measured by Communitrak Survey undertaken at least three yearly.]</p>	<p>This measure was not surveyed in the 2010/2011 year. (70% of the community is very or fairly satisfied with the community assistance as measured by Communitrak Survey undertaken in 2009).</p> <p>This performance measure is measured every three years and will be next measured in the 2012 financial year.</p>

## COMMUNITY SERVICES

### Major Activities

Support of community development via advice, grants and partnership arrangements. Particularly Way2Go, a Nelson Tasman Active Communities project. The aim of the Way2Go programme is to break down barriers to physical activity by providing programmes and information about achievable physical activity and/or active recreation opportunities in local communities.	The funding of the Way2Go programme finishes in June 2011. Tasman District Council has had its application towards the SPARC Active Communities Fund for the "Get Moving" project approved. This project continues until June 2014. Council will receive \$300,000 from SPARC, and will also contribute \$60,000, Nelson City Council \$60,000 and the Nelson Marlborough District Health Board \$30,000.
Support of regional recreation programmes.	Events have been co-ordinated across the region for the community to participate in. Examples include In your Neighbourhood programme, Tasman Skatepark Tour, and Jazz in the Park.
Provision of community events and activities including promotion via website, Mudcakes and Roses, Boredom Busters, JAM Magazine, Newslines, Found Directory, Bike/Walk Tasman, Hummin in Tasman and other media.	This is ongoing and being achieved to target. Council receives grants/sponsorship from Canterbury Community Trust, Nelson City Council, Nelson Marlborough District Health Board and the Ministry of Youth Development towards these publications.
Facilitate the Youth Council with regional Recreation Coordinators.	The recruitment drive for the 2011 intake of Tasman Youth Councillors is well underway and the first hui was undertaken in March 2011. A series of events were held in May 2011 for National Youth Week. Council received a \$10,000 donation from the Canterbury Community Trust on 16 June 2010 towards Youth Council activities. This funding was carried into the current financial year for utilisation. The Canterbury Community Trust has been a generous contributor towards Youth Council activities with numerous grants over the years.
Consider implementing actions identified as priorities in the Nelson Tasman Regional Arts Strategy.	Budgets have been allocated towards the commissioning of the Four Winds sculpture for the Takaka Library, and the Kaka Beak sculpture for Motueka.
Completion of a youth strategy.	A draft Youth Strategy has been completed and has been taken to youth organisations for comment. Due to other work priorities this strategy is expected to be completed in the next financial year.
Undertake projects that support and develop community engagement with recreation, sport, arts and heritage.	Council continues to undertake projects that support and develop community engagement with recreation, sport, arts and heritage.

## COMMUNITY SERVICES

Jun-10 Actual \$	Community Recreation	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	INCOME			
541,086	General Rates	614,045	611,353	100%
153,066	Fees and Recoveries	97,731	99,162	99%
24,785	Sundry Income	24,625	24,017	103%
718,937	TOTAL INCOME	736,401	734,532	100%
	OPERATING COSTS			
719,479	Community Advisory Service	689,334	645,512	107%
30,321	Boredom Busters	33,490	30,406	110%
54,308	School Swimming Pool Subsidies	41,939	50,612	83%
-	Walk Tasman Booklets	-	8,002	0%
449	Depreciation	371	371	100%
804,557	TOTAL OPERATING COST	765,134	734,903	104%
85,620	NET COST OF SERVICE (SURPLUS)	28,733	371	7745%
	TOTAL FUNDS REQUIRED			
85,620	Net Cost of Service (Surplus)	28,733	371	7745%
85,620		28,733	371	7745%
	SOURCE OF FUNDS			
85,171	General Funds	28,362	-	-
85,171		28,362	-	-
	NON- FUNDED DEPRECIATION			
449	Depreciation to be funded at income statement level	371	371	100%
85,620		28,733	371	7745%

**Comment:**

Community Advisory Services operating costs are higher than budgeted as this activity is now absorbing 100% of the costs relating to Council's publications such as Mudcakes and Roses, Boredom Busters and Hummin in Tasman.

# COMMUNITY SERVICES

## PARKS & RESERVES

### What We Do

Tasman District Council manages 595 hectares of reserve land comprising a range of parks, reserves, open spaces and recreational facilities (including 41 playgrounds) for and on behalf of the community. Easily accessible parks and open spaces provide active recreation, play and social opportunities for both residents and visitors. Council's activities in this area aim to assist in the development of healthy, active, functioning communities.

Parks and reserves includes the provision of:

- Urban open spaces and amenity reserves.
- Formal parks and gardens.
- Trees, plots and verges.
- Sports grounds.
- Rabbit Island.
- Rural recreation and esplanade reserves.
- Walkway reserves.
- Scenic and special interest parks.

### Why We Do It

Council is required by law and community expectation to manage the use, development and protection of land and natural resources in a way that protects environmental standards and promotes community well-being.

Council recognises it plays a key role in creating the environment in which communities can prosper and enjoy improved health and well-being. The provision of open spaces and recreational facilities influences the way in which people can take part in the life of the community and makes the choice for people to be more active more convenient, easy, safe and enjoyable.

### Our Goal

We aim to provide parks, reserves and recreational facilities that promote the physical, psychological, environmental and social well-being of communities in Tasman District.

### Key changes to the Ten Year Plan

There are no key changes from the Ten Year Plan in the community facilities and parks and reserves activity over the coming year.

### How this activity contributes to the Community Outcomes

- Protection of the natural environment and ecologically significant areas.
- Provision and enhancement of open space.
- Vegetation enhancement and awareness.
- Enhanced community involvement in conservation and restoration work.
- Protection and enhancement of coastal and riparian areas.
- Provision and enhancement of open space and an interconnected open space network.
- Provision of neighbourhood and community parks within walking distance of homes.
- Provision of open space and recreation facilities that cater for and promote active lifestyles. This includes casual activities such as walking and cycling, and organised sports and recreation activities.
- Reserves and facilities are designed and managed to ensure users safety and cater for the needs of the whole community.
- Provision of high quality open space, recreation and cultural facilities that provides a range of leisure and cultural opportunities.

### Our Level of Service

- Interconnected open space network and recreation facilities that provide a range of leisure opportunities and meet the needs of users and the community.

## COMMUNITY SERVICES

### How We Measure Progress

<p>Area of actively maintained reserve land above 4ha/1000 residents as measured by Yardstick. [Target: Future performance to be amended from current stated target of 4ha/1000 residents to 10ha/1000 residents.]</p>	<p>Current level of service is 10.3ha/1000 residents. The TRMP states 4ha/1000 residents and this will need to be amended to 10ha/1000 residents at some stage. The Yardstick ParkCheck 2009/10 Parks and Reserves Survey published in April 2010 showed an overall satisfaction level of 89.9% for Council against an average satisfaction level of 86% (16 local authorities participated in this survey). The Yardstick ParkCheck Parks and Reserves Survey is to be undertaken every three years.</p>
<p>We have a minimum of 4 playgrounds per 1000 children under 15 years old. [Target: 100% compliance with standard.]</p>	<p>Currently we have 4.3 playgrounds per 1000 children under 15. An independent auditor peer reviewed the work that had been undertaken in this financial year. All playgrounds have been assessed with each playground being given a conditions assessment and a priority replacement rating.</p>
<p>Resident satisfaction with reserves score above 80% - as measured by Communitrak surveys undertaken at least 3 yearly. [Target: 80% satisfaction.]</p>	<p>The Communitrak survey shows that 91% of residents overall are satisfied with the District's recreational facilities - which includes playing fields and neighbourhood reserves. (2010: 93% satisfied).</p>
<p>We have a current reserves strategy in place.</p>	<p>Work on this strategy commenced in July 2010 and is ongoing. The reserves strategy is expected to be completed in the 2011/2012 financial year.</p>
<p>Parks, reserves, playgrounds and sportsfields are maintained in accordance with contractual standards.. [Target: 90% compliance with contractual standards.]</p>	<p>This target has not yet been measured as some software system changes would be required to quantify the actual compliance level. There have been no issues with contractual standards. The appropriateness of the software system changes will be assessed in the next Long Term Plan in conjunction with the re-write of the Activity Management Plans to produce a progress measure that effectively measures the performance of this activity.</p>
<p>Maintenance and safety queries and faults are dealt with promptly as per contractual standards (eg within 3 working days, unless specified as urgent when it will be done within 24 hours. [Target: 85% compliance with contractual standards.]</p>	<p>This target has not yet been measured as some software system changes would be required to quantify the actual compliance level. There have been no issues with contractual standards. The appropriateness of the software system changes will be assessed in the next Long Term Plan in conjunction with the re-write of the Activity Management Plans to produce a progress measure that effectively measures the performance of this activity.</p>

## COMMUNITY SERVICES

### Major Activities

	Budget \$	
Designing and constructing township entrance signage.	21,296	This project has not commenced and the first Council project group meeting has yet to occur.
Treasured Pathway – upgrading signage and promotional materials (working with other agencies).	15,972	Work has progressed on the most appropriate governance arrangements for the Pathway, which crosses three Council territories.
Amenity planting in Tasman District.	5,324	This project is currently in the design stage.
Waimea Inlet enhancement (working with other agencies).	5,324	A Waimea Inlet Management Strategy document has been prepared. This strategy brings together the communities of Tasman and Nelson and the many groups who have an interest in, and a commitment to, the Waimea Inlet and its sustainable future. It is an inter-agency strategy that includes the Tasman and Nelson councils, statutory agencies, non-statutory groups and organisations, businesses and residents. Council is currently working with the Waimea Forum.
Rabbit Island – new walkways and cycleways.	15,972	This project is in progress. Council is currently working through plans and is also working with the Nelson Cycle Trails Trust.
Waimea River Park – enhancing walking, cycling, swimming and native replanting.	21,296	This project is underway and the management plan for the park was adopted at the August 2010 meeting of the Community Services Committee.
Contribution to developing the Kawatiri Rail Trail.	5,324	These funds have not been required as at 30 June 2011. The Nelson Cycle Trails Trust is currently looking at an alternative first stage from Richmond to Mapua.



## COMMUNITY SERVICES

### CEMETERIES

#### What we do

A total of 12 cemeteries are provided across the District in the following locations:

- Richmond
- Bainham, Collingwood
- Collingwood
- Fletts Road, Lower Moutere
- Kotinga
- Motueka
- Murchison
- Rototai, Takaka
- Spring Grove
- Waimea West, Brightwater
- Marawera, Tapawera
- Foxhill

Most burial activity occurs at the main cemeteries located in Richmond, Motueka and Takaka. Tasman District Council manages cemeteries throughout the District providing accessible and appropriate sites for burial. Natural burials are provided for in the Motueka cemetery and will be provided for in Rototai and Spring Grove cemeteries (subject to suitability) during 2010/2011.

All these cemeteries have a significant number of plots available and, at current burial rates, there is no demand for additional land within the next 20 years, except for Richmond.

Long term there is a requirement to provide land for an alternative to the existing Richmond Cemetery. Due to social issues and the time it takes to develop cemeteries, it is preferable to purchase suitable land and to publicise the intended use well before any actual need.

We provide a small amount of funding for maintenance of privately-managed cemeteries (eg Urupa and trustee cemeteries).

#### Why we do it

Cemeteries are provided for the following reasons:

- Public health.
- Comply with the requirements of the Burial and Cremation Act 1964.

#### Our goal

We aim to provide an attractive and peaceful environment for the burial, memorial and remembrance of the deceased.

#### How this activity contributes to the Community Outcomes

- Provision of attractive and functional cemeteries.

#### Our levels of service

- Cemeteries that offer a range of burial options and adequate space for future burial demand.

## COMMUNITY SERVICES

### How we measure progress

Planning assessment of future burial demands predicts adequate space available for at least 20 years. [Target: Future acquisition of additional land is investigated in the Richmond area.	An informal investigation has begun regarding which areas in Richmond have the right soil conditions for future burial demands.
Cemeteries are maintained in accordance with the contractual standards in the Parks and Reserves Asset Management Contracts. [Target: 90% compliance with the contractual standards.]	This target has not yet been measured as some software system changes would be required to quantify the actual compliance level. There have been no issues with contractual standards. The appropriateness of the software system changes will be assessed in the next Long Term Plan in conjunction with the re-write of the Activity Management Plan to produce a progress measure that effectively measures the performance of this activity.

### Major Activities

Ongoing management and maintenance of Council cemeteries.	This is an ongoing function being performed to target.
No projects have been identified, although opportunities for the purchase of land for a new cemetery in Richmond need to be considered.	No projects have been identified at this stage.

### Comment:

The 2009/2010 Communitrak survey shows that 74% of residents are satisfied with the Cemeteries in the District, with 24% unable to comment. This measure was not surveyed in the current year.

The 2009/2010 Communitrak survey shows that visitors to the cemetery expressed a high level of satisfaction, with 93% of visitors satisfied or very satisfied. This measure was not surveyed in the current year.

# COMMUNITY SERVICES

## PUBLIC CONVENIENCES

### What we do

Council provides and maintains public conveniences throughout the District to meet community and visitor needs.

Currently there are a total of 63 toilet buildings located throughout the district. This includes seven in Richmond, 16 in Moutere/Waimea, 17 in Motueka, six in Lakes/Murchison, and 15 in Golden Bay. Most of the toilets have modern sanitary systems with a mix of reticulation, septic tank or containment systems.

Public conveniences have been divided into three categories as outlined in the Sanitary Services Assessment 2005:

- Toilet facilities in townships, predominantly to serve local shoppers.
- Toilet facilities in parks and reserves, predominantly to serve local users of the sport and recreational facilities.
- Toilet facilities on main visitor routes or at visitor attractions, predominantly to serve visitor groups.

Existing toilets appear to be meeting current demand and most are in good to excellent condition.

### Why we do it

Public conveniences are provided for the following reasons:

- To comply with the Health Act 1956 to provide sanitary conveniences for use by the public.
- For users of parks and reserves.
- For visitors to town centres.
- For the travelling public.

The private sector provides limited numbers of public conveniences, therefore provision by local government, as a public good, is required.

### Our goal

We aim to provide clean public toilet facilities to meet community and visitor needs, in appropriate locations.

### Key changes from the Ten Year Plan

There are no key changes from the Ten Year Plan to the public convenience activity over the coming year.

### How this activity contributes to the Community Outcomes

- Provision of attractive well maintained and functional toilet facilities.
- Facilities are designed and managed to ensure public safety.

### Our levels of service

- Public Conveniences at appropriate locations that meet the needs of users and are pleasant to use and maintained to a high standard of cleanliness.

## COMMUNITY SERVICES

### How we measure progress

Customers are satisfied with our Public toilets as measured by the Communitrak Survey undertaken at least three yearly. [Target: Customer satisfaction with public conveniences is 70% or above.]	81% of users were satisfied or very satisfied with the public conveniences as measured by Communitrak Survey undertaken in 2011. [2010: 81%]
Our toilets are cleaned and maintained to the appropriate contract specification as measured in the bi-monthly sample contract audit. [Target: At least 90% compliant with contract cleaning specifications.]	This target has not yet been measured as some software system changes would be required to quantify the actual compliance level. There have been no issues with contractual standards. The appropriateness of the software system changes will be assessed in the next Long Term Plan in conjunction with the re-write of the Activity Management Plan to produce a progress measure that effectively measures the performance of this activity.
New toilets are provided where there is a demonstrated need. [Target: New toilets will be built at: • Mapua Waterfront Park 2010/2011	Public consultation of the design of the toilets at Mapua Waterfront Park is currently being undertaken. Construction may be able to commence before the wastewater pump station project at the Waterfront Park has started.

### Major Activities

Ongoing management, maintenance and renewal of Council public conveniences.	This is an ongoing function being performed to target.
Undertake capital expenditure programme.	Capital expenditure programme is underway.
Finalise Building Maintenance Plan.	Information has been gathered and is being input into Council's Confirm Asset Management System. The Building Maintenance Plan will be finalised in conjunction with the Activity Management Plan reviews for the next Long Term Plan.
Undertake review of public conveniences.	This review has not commenced and is likely to occur in the 2011/2012 financial year.
Development of new facilities at Labyrinth Rock (Golden Bay), Rabbit Island (Conifer Park mountain bike area), Mapua Waterfront Park and Ben Cooper Park.	The development at Labyrinth Rock has been completed. New facilities were not developed at Rabbit Island with the funding being used for the wastewater upgrade at Rabbit Island. Mapua Waterfront Park design is progressing. The development at Ben Cooper Park has been deferred to the next Long Term Plan.

## COMMUNITY SERVICES

### SWIMMING POOLS

#### What we do

The Council owns and contracts out the management of the ASB Aquatic Centre in Richmond which is a modern, all year operation, indoor 25 metre pool with additional leisure features. The new learners pool will be opened during the 2010/2011 year.

Two other small community outdoor pools are provided at Rockville and Upper Takaka, which are managed by the local communities. Funding assistance is also provided by Council to secure community access to some school pools.

#### Why we do it

Public swimming pool provision provides recreation facilities with wide-ranging benefits:

- Learn to swim programmes which are considered a vital public service given our coastal and river environment and high rate of accidental drowning in New Zealand.
- Physical recreation activity to promote health and well-being.
- Sports and competitive activity.
- Leisure and play activity beneficial to families and children.
- A recreation activity available to all ages, gender and ability.

#### Our goal

We aim to provide swimming pools that assist in meeting the community demand for aquatic activities.

#### How this activity contributes to the Community Outcomes

- Provision of recreation facilities that cater for and promote healthy communities through social and recreation activity.
- Facilities are designed and managed to ensure their safety and cater for the needs of the whole community.
- Provision of high quality, recreation and cultural facilities that provides a range of leisure and cultural opportunities.

#### Our levels of service

- Swimming pools that meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programmes.

#### How We Measure Progress

<p>Provision of one indoor facility serving the needs of the district at Richmond and assistance with the provision of outdoor pools in other communities, to provide basic access to a swimming facility at a local level. [Targets: In 2009/2010 a learn-to-swim pool will be constructed at the ASB Aquatic Centre.</p> <p>Council will continue to fund the school swimming pools to ensure public access.]</p>	<p>The learners pool was officially opened on 1 October 2010 at a total cost of \$1,910,169 (The total budget for the project is \$2m plus inflation spread over 2 years)</p> <p>Council continues to fund school swimming pools subsidies with 83% of the budget paid out as at 30 June 2011. [2010: 97%]</p>
<p>Customers are satisfied with the ASB Aquatic Centre, score above 80% as measured by Communitrak Survey undertaken at least three yearly. [Target: Customer satisfaction with the ASB Aquatic Centre is 80% or above, as measured by Communitrak Survey, undertaken at least three yearly.]</p>	<p>Not currently measured. However, the ASB Aquatic Centre carried out their annual leisure check survey in January 2011 which had customer satisfaction of 92%.</p>
<p>Council undertakes an annual assessment of the ASB Aquatic Centre compliance with the NZ Swimming Pool water standards. [Target: Annual assessment is undertaken.]</p>	<p>An annual Swimming Pool Audit has been undertaken and all areas of the operation complied with the New Zealand Swimming Pool Water Standards.</p>

## COMMUNITY SERVICES

### Major Activities

Continue to provide funding for the ASB Aquatic Centre.	The ongoing running is covered by funding from the Facilities Operating rate paid to CLM for management of the ASB Aquatic Centre.
Continue to provide funding for school pools to ensure public access.	Council continues to provide funding for this activity. The first funding round for this financial year has been completed with 83% of funding allocated. Twenty-one school pools were assisted to be available to the communities via this fund – access is by key purchase. Motueka High School, Golden Bay High School and Collingwood Area School are contracted under individual agreements to provide supervised swimming.
Investigate and plan for a pool for Motueka to be built in 2011/2012.	A Swimming Pool Committee is investigating the option of replacing Motueka High School's pool with a joint school/public facility. The committee has appointed a project manager and is about to appoint an architect. This team is looking at feasibility and siting and will report back to Council in due course.
Golden Bay school pool upgrade [Budget: \$64,013]	Funding has been approved for the assistance with the capital upgrade of the Golden Bay High School swimming pool heating system. These funds will be paid out in the next financial year once the project has been completed.

# COMMUNITY SERVICES

## Community Buildings

### What we do

Council provides buildings that assist in meeting the community demand for indoor meeting and recreation spaces. Our current list of Public Halls and Community Buildings includes 24 halls around the District. We provide multi-purpose halls in most small settlements throughout the District. This is a result of historic development and past community needs. In most cases the halls are well used, performing an important community function and are valued assets in the communities.

The quality of public halls varies dependent on their age and past maintenance and improvement history. In most cases they are maintained to a good standard with the assistance of volunteer Hall Management Committees.

Other facilities, like the Motueka Recreation Centre, have had the management of them contracted out. A few, like the Pohara Hall, are managed directly by Council.

The financial data for this activity also incorporates all the projects funded by the Facilities Rate.

### Why we do it

Public halls and community buildings are provided to deliver a range of benefits including:

- Meeting space for community organisations.
- Meeting space for community gatherings.
- Indoor space for community events.
- Indoor space for recreation and arts activities.

The benefits of community buildings are specifically or generally believed to enhance the community's health and well-being.

### Our goal

We aim to provide buildings that assist in meeting the community demand for indoor activities and recreation spaces.

### Key changes from the Ten Year Plan

There are no key changes from the Ten Year Plan for the community buildings activity over the coming year.

### How this activity contributes to the Community Outcomes

- Provision of recreation facilities that caters for and promotes healthy communities through social and recreation activity.
- Facilities are designed and managed to ensure users safety and cater for the needs of the whole community.
- Provision of high quality, recreation and cultural facilities that provide a range of leisure and cultural opportunities.

### Our levels of service

- Buildings that assist in meeting the community demand for indoor activities and recreation spaces.

### How we measure progress

<p>Halls and other buildings provided at a local community level provide reasonable access to indoor activities and recreation space and a central focal facility for all significant communities</p> <p>Targets: Investigating the provision of a new facility in Golden Bay during the first three years.</p> <p>Assist the Mapua community with the upgrade or replacement of the Mapua Hall in 2011/2012 owned by a community trust.</p> <p>Contribute to a community facility in Richmond, subject to the outcome of a needs analysis and further public consultation.</p>	<p>The Golden Bay Community Board has taken a lead role in this investigation and is currently working with the Golden Bay Recreational Park Development group on a proposed new facility at the Golden Bay Recreation Park.</p> <p>Funding for this project has been deferred to the 2012/2013 financial year with \$65,000 allocated in the 2011/2012 financial year to complete plans and necessary consents up to tender stage.</p> <p>A Needs Analysis and results were reported to Council in August 2010. The outcome of the Needs Analysis is that Council will not be proceeding with a community facility in Richmond.</p>
<p>We have a current hall strategy in place (hall strategy to be prepared by June 2011).</p>	<p>The Hall Strategy has been deferred to the 2011/2012 year due to other commitments taking priority.</p>

## COMMUNITY SERVICES

Residents satisfaction with community halls is 80% or above, as measured through the Communitrak Survey, at least three yearly (currently resident satisfaction with community halls and buildings 70%, whereas the satisfaction of users is 80% as measured through the Communitrak Survey 2009).	Currently measured in the survey as part of the general category of recreational facilities which achieved 91% satisfaction amongst users. (2010: 93% satisfied)
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### Major activities

Ongoing management and maintenance of Council public halls and community buildings, some of which are managed in association with volunteer committees.	This is an ongoing function being performed to target.
Undertake the capital works programme.	Capital expenditure programme is underway.
Investigate the need for a community facility at Golden Bay.	The Golden Bay Community Board has taken a lead role in this investigation and is currently working with the Golden Bay Recreational Park Development group on a proposed new facility at the Golden Bay Recreation Park.
Complete a Community Halls Strategy.	The Community Halls strategy has not yet commenced. The Hall Strategy has been deferred to the 2011/2012 year due to other commitments taking priority.
Finalise the Building Maintenance Plan.	Information has been gathered and is being inputted into Council's Confirm Asset Management System. The Building Maintenance Plan will be finalised in conjunction with the Activity Management Plan reviews for the next Long Term Plan.
Investigate the development and upgrade of the Wakefield Village Hall and Brightwater Public Hall.	Investigations have not commenced at this stage. The development and upgrades for these halls are in the Long Term Plan in future years.
Assist the Mapua community with the upgrade or replacement of the Mapua Hall.	Council is currently working with the hall committee (private trust) on its proposal. Funding for this project has been deferred to the 2012/2013 financial year. \$65,000 has been allocated in the 2011/2012 financial year to complete plans and necessary consents up to tender stage.



## COMMUNITY SERVICES

Jun-10 Actual \$	Parks and Reserves	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
4,284,043	General rates	4,621,426	4,601,166	100%
1,750,791	Reserve Financial Contributions	1,725,510	1,524,817	113%
709,334	Fees and Recoveries	775,346	485,894	160%
279,250	Sundry Income	272,563	265,835	103%
7,023,418	<b>TOTAL INCOME</b>	7,394,845	6,877,712	108%
	<b>OPERATING COSTS</b>			
242,451	Cemeteries	269,883	320,038	84%
510,993	Public Conveniences	534,152	610,428	88%
744,254	Urban Open Space & Amenity Reserves	906,429	796,315	114%
-	Gateway Projects	12,000	47,916	25%
149,406	Trees, Plots and Verges	192,065	199,157	96%
161,850	Formal Parks & Gardens	158,711	181,020	88%
64,553	Special Interest sites	49,538	81,991	60%
509,297	Sports Grounds	525,937	545,452	96%
396,806	Rabbit Island	372,239	360,717	103%
339,210	Rural Recreation & Esplanade Reserves	397,885	411,486	97%
170,385	Walkways	179,649	179,807	100%
102,820	Miscellaneous	149,393	130,921	114%
1,171,979	Asset Management	1,369,775	1,032,861	133%
576,203	Special Purpose Committees	543,604	530,768	102%
176,141	Loan Interest	166,725	251,386	66%
988,717	Reserve Financial Contributions Maintenance	848,275	1,573,880	54%
231,593	Depreciation	262,030	262,030	100%
6,536,658	<b>TOTAL OPERATING COST</b>	6,938,290	7,516,173	92%
(486,760)	<b>NET COST OF SERVICE (SURPLUS)</b>	(456,555)	638,461	-72%
	<b>TOTAL FUNDS REQUIRED</b>			
(486,760)	Net Cost of Service (Surplus)	(456,555)	638,461	-72%
1,826,512	Capital	1,916,382	2,457,686	78%
193,875	Loan Principal Repaid	207,028	482,135	43%
1,533,627		1,666,855	3,578,282	47%
	<b>SOURCE OF FUNDS</b>			
62,442	General Funds	234,317	-	-
133,931	Loans raised	286,052	2,032,565	14%
403,356	Allocation from Camping, Comm Housing & Forestry	405,654	416,845	97%
692,305	Restricted Reserves Applied	460,945	866,842	53%
10,000	Advances Repaid	17,857	-	-
1,302,034		1,404,825	3,316,252	42%
	<b>NON- FUNDED DEPRECIATION</b>			
231,593	Depreciation to be funded at income statement level	262,030	262,030	100%
1,533,627		1,666,855	3,578,282	47%

### Comment:

Fees and recoveries include insurance proceeds of \$119,500 from the 63 Commercial Street fire, Higgs Reserve damages income of \$85,000 and net forestry income of \$54,000 from harvesting in the Rabbit Island domain.

Reserve Financial Contributions are up on budget. This is a timing issue dependent on when building development occurs.

## COMMUNITY SERVICES

Loans raised are down on budget. The loan funding relates to the work being undertaken at the Mapua Waterfront Park. Due to the timing of work there has been \$286,000 spent on this project for the year ended 30 June 2010 against a budget of \$532,565. There was also loan funding budgeted for of \$1.5m for reserve financial contribution funding which was not required.

The net effect of reserve financial contribution transactions is a reduction in the overall balance of the Reserve Financial Contributions balance of \$474,000 for the year (against a budgeted reduction of \$867,000).

## COMMUNITY SERVICES

### COMMUNITY FACILITIES

Council introduced the concept of a Community Facilities Rate in the 2003/2004 financial year to provide a unique funding source for a wide range of community, recreational, sporting and cultural projects that were being proposed throughout the District, and for the benefit of residents of the District.

Completed projects that have been funded to date by the Community Facilities Rate include the Rotoiti Community Hall, the Moutere Hills Community Centre, ASB Aquatic Centre, the Grandstand at Sports Park Motueka, the Murchison Sport, Recreation and Cultural Centre, the Tasman Tennis Centre upgrades and new courts, a contribution to the Maruia Hall, the purchase of 3000 temporary seats for use at various sporting and other events, contributions under an agreed funding formula for ongoing developments at Saxton Field, and contributions to the upgrade of the Theatre Royal and to the upgrade of the Trafalgar Centre.

In 2005 Council split the Community Facilities Rate into a District Facilities Rate and a Regional Facilities Rate to cover the wide range of projects both within the Tasman District and also in Nelson City. Council proposes to continue with the two Facilities Rates covering both the previous District and Regional Facilities. However the Regional Facilities will be renamed Shared Facilities as this recognises that most of the regional facilities are actually shared facilities that are used by many residents of both districts. Each of these rates is charged on all properties within Tasman District.

Note: All rate figures listed in this section include GST and Inflation.

<b>Proposed District Facilities Rate Funded Projects</b>	
<p><b>Sports field land Motueka</b></p> <p>An allowance of up to \$335,000 has been made in 2009–2010 for the purchase of additional land for sports fields in Motueka (total project budget \$681,600). The project will be loan funded and the rating impact is \$1.38 per rateable property from 1 July 2009.</p>	<p>Property staff are in negotiations with the property owners and it is anticipated that this purchase will now occur in the 2011/2012 financial year.</p>
<p><b>Fitness centre at the ASB Aquatic Centre</b></p> <p>The Council is considering adding a fitness centre at the ASB Aquatic Centre, in response to a submission on the Draft Annual Plan. Such a facility would help reduce the operating costs of the Aquatic Centre. There is a saving from the construction of the Learners Pool and the Council is considering using this saving and some additional funding (total of around \$325,000) for its contribution towards a fitness centre. The fitness centre would need to be provided in association with a partner. Council will call for expressions of interest in the proposal from fitness centre operators. Council is adding the funding into the Annual Plan for the project from the District Facilities Rate.</p>	<p>A tender was let and construction work commenced on Monday 24 January 2011. The work was completed in May 2011 at a total cost of \$515,506 with outside funding of \$233,432 received.</p>
<p><b>Richmond community facility</b></p> <p>An allowance of \$1.58 million was made in 2009/2010 towards a new community facility in Richmond. The Council started collecting a rate for this project in the 2009/2010 year. A project has not yet been determined, as Council is finalising a needs analysis looking at what, if any, facilities are needed in Richmond. Council will not collect the rate in 2010/2011 and will use some of the money collected from the previous year to fund the needs analysis. The rate will need to be collected again from 2011/2012, if the project proceeds.</p>	<p>The Richmond Community Facility Needs Analysis has been completed by Strategic Leisure NZ Ltd. The outcome of this report is that there is not a need for Council to contribute to any facility in the foreseeable future.</p>

## COMMUNITY SERVICES

<b>Proposed Shared Facilities Rate Funded Projects</b>	
<p><b>Saxton Field continued development</b></p> <p>In conjunction with Nelson City Council, Saxton Field is continuing to be developed and this work is expected to continue over the next 10 years as new areas are developed and opened up for public use. The total cost to Tasman District of this work is expected to be approximately \$4.9 million by 2018/2019. The work will be loan funded and the rating impact in 2010/2011 is \$11.14 per rateable property.</p>	<p>Council, in conjunction with Nelson City Council continues to fund infrastructure development at Saxton Field. Council has spent \$221,133 on this project for the year ended 30 June 2011.</p>
<p><b>Motorsport Park</b></p> <p>An allowance of \$630,500 has been made in 2010/2011 towards the cost of providing a Motorsport facility within the District. This will be loan funded and the rating impact is \$1.16 per rateable property from 1 July 2010 at the earliest, increasing to about \$2.39 per rateable property from 1 July 2011.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>No funds have been required at this stage. The motorsport proposal is currently going through the resource consent stage.</p>
<p><b>Athletics/cricket pavilion at Saxton Field</b></p> <p>An allowance of \$1,216,000 has been made in 2010/2011 towards the building of a joint pavilion for athletics and cricket at Saxton Field. This will be loan funded. The rating impact is \$1.92 per rateable property from 1 July 2010, increasing to about \$3.95 per rateable property from 1 July 2011. The budget has increased by \$170,000 over what was allowed for in the Draft Annual Plan, as a result of receiving more up-to-date costings from Nelson City Council.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>A tender was let in late December 2010 for this project, with completion expected in December 2011. There has been \$682,694 spent on this project for the year ended 30 June 2011.</p>
<p><b>Saxton Field Stadium</b></p> <p>The Saxton Field Sports Stadium Society requested Council provide an additional \$114,015 towards the final cost of the Saxton Stadium, in its submission on the Draft Annual Plan. Council has agreed to the additional funding and included it in this final Annual Plan.</p>	<p>The additional \$114,015 funding requested has been paid.</p>
<p><b>Brook Waimarama Sanctuary fence</b></p> <p>A pest-proof fence is to be erected around the 700 hectare sanctuary at a total projected cost of \$3.5 million (non inflated). Council has agreed to provide the sum of \$293,390 in 2010/2011 towards this project. This will be loan funded and the rating impact is \$1.13 per rateable property from 1 July 2010.</p>	<p>No funds have been required at this stage. The Brook (Waimarama) Sanctuary Trust is continuing to undertake fundraising for their share of the project. The fence is expected to be constructed in 2012/2013.</p>

## COMMUNITY SERVICES

Jun-10 Actual \$	Community Facilities Rate	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
89,656	General Rates	90,556	90,159	100%
3,029,764	Targeted Rates	3,241,335	3,206,412	101%
340,913	Fees and Recoveries	655,754	500,000	131%
3,460,333	<b>TOTAL INCOME</b>	3,987,645	3,796,571	105%
	<b>OPERATING COSTS</b>			
2,822,525	Operational Expenses	2,623,925	3,875,153	68%
1,259,074	Loan Interest	1,326,824	1,504,061	88%
85,787	Depreciation	97,172	97,172	100%
4,167,386	<b>TOTAL OPERATING COST</b>	4,047,921	5,476,386	74%
707,053	<b>Net Cost of Service (Surplus)</b>	60,276	1,679,815	4%
	<b>TOTAL FUNDS REQUIRED</b>			
707,053	Net Cost of Service (Surplus)	60,276	1,679,815	4%
2,148,507	Capital	2,096,150	2,236,297	94%
-	Transfer to Restricted Reserves	573,652	-	-
468,503	Loan Principal Repaid	551,284	565,482	97%
3,324,063		3,281,362	4,481,594	73%
	<b>SOURCE OF FUNDS</b>			
579,264	Restricted Reserves Applied	183,817	335,527	55%
2,659,012	Loans raised	3,000,373	4,048,895	74%
3,238,276		3,184,190	4,384,422	73%
	<b>NON- FUNDED DEPRECIATION</b>			
85,787	Depreciation to be funded at income statement level	97,172	97,172	100%
3,324,063		3,281,362	4,481,594	73%

### Comment:

During the year work was also undertaken on the Motueka Recreation Centre upgrade (a 2009/2010 Annual Plan project which was carried over into the 2010/2011 financial year). This project has received funding to date of \$2,050,000 which included \$1.2m from Tasman District Council, \$750,000 from the Lotteries Commission, and \$100,000 from the Canterbury Community Trust. Without these donations from the Lotteries Commission and the Canterbury Community Trust, the project would not have been able to commence. Currently, there has been \$1,845,557 spent on the project, with the remaining \$204,443 of funding to be used in the 2011/2012 on outstanding works (currently estimated at \$206,000).

Fees and recoveries include Motueka Recreation Centre grants received of \$410,000 and ASB Aquatic Centre Fitness Centre contribution received of \$233,000 (less than budget due to the final cost of the project being well under budget).

Projects not undertaken during the year which were budgeted for include land for Sportspark Motueka and the funding contribution towards the Brook Sanctuary fence. Funding requests towards the Softball/Hockey pavilion at Saxton Field was below budget due to the timing of the project.

## COMMUNITY SERVICES

### CAMPING GROUNDS

#### What We Do

Council owns four commercially operated camping grounds on reserve land in Collingwood, Motueka, Pohara and Murchison. These camping grounds assist in meeting the demand for camping at popular holiday destinations in Tasman District for both visitors and residents.

Eventually all the camping grounds will be operated on long-term commercial lease arrangements.

#### Why Do We Do It

The camping grounds are located on reserve land at popular holiday destinations. They provide an opportunity for low cost holiday and visitor accommodation and deliver a range of benefits including:

- Providing unique recreation and holiday experiences.
- Providing facilities to cater for local residents and visitors to the District.
- Providing low cost access to riverside and coastal camping.

These reserves have historically been used as camping grounds – a permitted activity under the Reserves Act 1977. Council recognises that operating camping grounds is not core business and has endeavoured to enter into long-term lease arrangements to limit its involvement in the day-to-day running of these businesses.

#### Our Goal

Our aim is to ensure that Council-owned camping grounds provide holiday opportunities for visitors and residents and that they continue to be commercially viable and provide good financial returns to Council.

#### Key changes from the Ten Year Plan

- Collingwood camping ground will not be put on a long-term commercial lease footing until after 2010/2011.

#### How this activity contributes to the Community Outcomes

- Provision of camping grounds that enable people to have affordable and enjoyable holidays in the outdoors.

#### Our Level of Service

- Camping grounds to provide the opportunity for people to have holidays in the outdoors.

#### How we measure progress

Camping grounds are well used, measured through annual dividends returned to Council. [Target: Dividend increased to \$234,577]	Annual dividend of \$234,577 returned to Council.
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#### Major Activities

Deliver capital expenditure programme.	The upgrade of the Pohara Store was completed in January 2011. At the time of the assignment of the lease of the Pohara Store, Council agreed to undertake reasonably significant improvements and necessary upgrades to the building which included such things as having to fire proof the exterior wall that backs onto the Camp staff building. There has been \$273,875 spent on this project for the year ended 30 June 2011.
Organise long-term lease for Collingwood camping ground.	The Collingwood long-term commercial lease has been deferred until outstanding land ownership issues have been resolved with iwi. Instead, a three year management contract starting 1 October 2011 has recently been awarded.

## COMMUNITY SERVICES

Jun-10 Actual \$	Camping Grounds	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	INCOME			
639,665	Fees and Recoveries	610,554	632,348	97%
27,061	Sundry Income	24,625	24,017	103%
666,726	TOTAL INCOME	635,179	656,365	97%
	OPERATING COSTS			
24,697	Motueka Top 10 Holiday Park	26,344	40,559	65%
37,173	Pohara Beach Top 10 Holiday Park	40,031	54,793	73%
143,793	Collingwood Motor Camp	133,414	172,275	77%
29,917	Riverview Holiday Park	30,704	30,425	101%
35,162	General	36,082	44,118	82%
51,239	Loan Interest	56,939	47,027	121%
58,610	Depreciation	51,156	51,156	100%
380,591	TOTAL OPERATING COST	374,670	440,353	85%
(286,135)	NET COST OF SERVICE(SURPLUS)	(260,509)	(216,012)	121%
	TOTAL FUNDS REQUIRED			
(286,135)	Net Cost of Service (Surplus)	(260,509)	(216,012)	121%
437,132	Capital	291,480	20,000	1457%
227,700	Transfer to Parks & Reserves Account	234,577	234,577	100%
52,545	Loan Principal Repaid	56,730	54,818	103%
431,242		322,278	93,383	345%
	SOURCE OF FUNDS			
272,922	Loans Raised	140,000	-	-
99,710	Restricted Reserves Applied	131,122	42,227	311%
372,632		271,122	42,227	642%
	NON- FUNDED DEPRECIATION			
58,610	Depreciation to be funded at income statement level	51,156	51,156	100%
431,242		322,278	93,383	345%

### Comment:

Capital includes the completion of the upgrade at the Pohara Beach Top 10 Holiday Park, which included the Pohara Store upgrade. Approval has been granted by the Community Services Committee to loan fund \$140,000 of the Pohara Store upgrade. (Total project spend for the current year was \$274,000)

## COMMUNITY SERVICES

### COMMUNITY HOUSING

#### What we do

This activity involves providing housing predominantly for elderly and other people who comply with the Council's Policy on Pensioner Housing. Council owns 30 cottages in Richmond, seven each in Brightwater and Wakefield, 45 cottages in Motueka and four cottages each in Takaka and Murchison, giving a total of 97. Three additional cottages will be completed in Richmond in 2010/2011.

Housing allocation is carried out as per Tasman District Council's Policy on Pensioner Housing. This policy also sets income and asset limits and eligibility criteria.

This activity is provided at no cost to the ratepayers, as rental income covers the total operating costs.

#### Why We Do It

Prior to 1992 Government provided subsidies and low interest loans to local authorities to provide housing for the elderly. When these subsidies ceased Council resolved to continue with the provision of housing.

Council considers it has a social responsibility to provide affordable cottages for pensioners.

#### Our Goal

To provide housing for elderly and other people who meet the criteria of Council's Policy on Pensioner Housing that is affordable, accessible and appropriate.

#### How this activity contributes to the Community Outcomes

- By providing good quality affordable housing for the elderly and others who meet the criteria of Council's Policy on Pensioner Housing.

#### Our Levels of Service

- Housing that helps meet the needs of the elderly and people with disabilities.

#### How We Measure Progress

The tenants are satisfied with the standard, quality and management of cottages. [Target: Tenant satisfaction with standard, quality and management of cottages is 80% as measured through a biennial survey].	There were 95 surveys sent out, with 84 completed surveys returned. Of the completed surveys returned, 100% were satisfied with how their tenancy is managed. There were also an overall 91% satisfaction with the condition of the cottage, and 98% satisfaction with how their enquiries are dealt with when they contact Council.
Three new cottages may be built in 2009/10	Tenders closed in January 2011 for the design and build of four units in Richmond. The tender has been let and preliminary ground-works have been undertaken ready for building consent. The building consent is expected to be granted on Monday 5 September 2011 and construction will begin the same day.
Our cottage rents do not exceed 80% of market rentals, as measured at least three yearly by a registered valuer.	Rent is currently set at 70% of the 2007 market rate for couples, and 60% of the 2007 market rate for the rest, at all locations. A market assessment was undertaken in November 2010 by registered valuer – Duke & Cooke.



## COMMUNITY SERVICES

### Major Activities

Completion of three additional cottages in Richmond in 2010/2011.	Tenders closed in January 2011 for the design and build of four units in Richmond. Original plan was to build three cottages. Had enough room and budget to do four. The tender has been let and construction commenced in September 2011. Construction is scheduled to be completed by the end of December 2011. There has been \$32,685 spent on this project for the year ended 30 June 2011.
Continue provision and management of existing housing.	This is an ongoing function being performed to target.

Jun-10 Actual \$	Community Housing	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
488,070	Fees and Recoveries	490,547	529,671	93%
41,893	Sundry Income	38,503	37,552	103%
529,963	<b>TOTAL INCOME</b>	529,050	567,223	93%
	<b>OPERATING COSTS</b>			
324,225	General	398,832	438,091	91%
23,186	Loan Interest	16,806	13,977	120%
72,792	Depreciation	62,251	62,251	100%
420,203	<b>TOTAL OPERATING COST</b>	477,889	514,319	93%
(109,760)	<b>NET COST OF SERVICE (SURPLUS)</b>	(51,161)	(52,904)	97%
	<b>TOTAL FUNDS REQUIRED</b>			
(109,760)	Net Cost of Service (Surplus)	(51,161)	(52,904)	97%
128,953	Capital	61,835	-	-
-	Transfer to Restricted Reserves	-	15,635	0%
24,871	Transfer to Parks & Reserves Account	26,077	26,077	100%
76,543	Loan Principal Repaid	77,614	73,443	106%
120,607		114,365	62,251	184%
	<b>SOURCE OF FUNDS</b>			
47,815	Restricted Reserves Applied	52,114	-	-
47,815		52,114	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
72,792	Depreciation to be funded at income statement level	62,251	62,251	100%
120,607		114,365	62,251	184%

# GOVERNANCE

## GOVERNANCE

### What We Do

This activity involves running the electoral process to provide the District with a democratically elected Mayor, Council and Community Boards and the governance of the District by its elected representatives. It also involves:

- Support for councillors.
- Organising and preparation for Council meetings.
- Preparing Council's strategic plans and annual financial reports.
- Running elections and democratic processes.

### Why We Do It

We undertake this function to support democratic processes and Council decision-making, while meeting our statutory functions and requirements.

### Electoral process

Tasman District is divided into five electoral wards – Golden Bay, Lakes/Murchison, Motueka, Moutere/Waimea and Richmond. Councillors are elected by ward. The Mayor is elected from across the District. We have Community Boards in Golden Bay and Motueka.

Elections are held every three years under the Local Electoral Act 2001.

Council comprises a Mayor and 13 Councillors elected as follows:

Ward	Councillors
Golden Bay	2
Lakes/Murchison	1
Motueka	3
Moutere/Waimea	3
Richmond	4

### Friendly towns

Tasman District Council enjoys Friendly Town relationships with three cities, two in Japan and one in Holland. Motueka has a relationship with Kiyosato, Japan and Richmond with Fujimi-Machi, Japan. There are regular exchanges of students and adults between the towns. A District-wide friendly town arrangement exists between Grootegaast in Holland and Tasman District. Both parties are using this arrangement to encourage economic and cultural relations between our two districts.

### How this activity contributes to the Community Outcomes

- The Governance activity contributes to the community outcomes by ensuring democratic processes and strategic planning are undertaken, and by supporting the work of elected members.

## GOVERNANCE

### Our Levels of Service

- Support for Iwi to enable them to be consulted on Council statutory issues.
- Support for economic development in the Tasman District.
- Good strategic and annual planning for the Council.
- Effectively run election processes.

Jun-10 Actual \$	GOVERNANCE	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
3,462,605	Governance	3,994,964	3,768,227	106%
3,462,605	TOTAL COSTS	3,994,964	3,768,227	106%

### How We Measure Progress

Funding is provided to enable Iwi consultation with Council on a wide range of statutory issues. [Target: 90% of funding budgeted is allocated during any given year.]	Council continues to provide funding and engage with Iwi on a wide range of issues. At 30 June 2011, 63% of funding budgeted for the year had been allocated. Funding had been allocated for preparation of an Iwi management plan, and work has commenced on preparation of the plan.
Funding is provided for economic development opportunities in Tasman District. [Target: 90% of funding budgeted is allocated during any given year.]	Council continues to provide funding for economic development. At 30 June 2011, all funding budgeted for the year had been allocated (including a shortfall in the amount invoiced from the 2009/2010 financial year)
The Ten Year Plan is prepared within statutory timeframes. Variations to this Ten Year Plan through the 2010/2011 draft Annual Plan process are well managed. [Target: All Ten Year Plan statutory timeframes are met. Variations are managed to meet statutory requirements.]	Council reviewed its Ten Year Plan Year 3 and detailed the variations in its Draft Annual Plan 2011/2012. An amendment to the Treasury Management Policy in the Ten Year Plan was undertaken concurrently with the Annual Plan 2011/2012. All statutory requirements and timeframes were met.
The election process is carried out effectively and there are no successful challenges (there are no successful challenges to the 2010 election processes)	The election process was undertaken effectively and there were no challenges to the process.

## GOVERNANCE

Jun-10 Actual \$	Governance	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
3,124,723	General Rates	3,243,623	3,229,403	100%
312,445	Targeted Rates	333,662	347,929	96%
16,334	Fees and Recoveries	90,293	37,320	242%
159,244	Sundry Income	158,220	154,314	103%
3,612,746	<b>TOTAL INCOME</b>	3,825,798	3,768,966	102%
	<b>OPERATING COSTS</b>			
3,013,948	Council and Community Boards	3,298,571	3,148,181	105%
270,288	Community Assistance	338,112	325,972	104%
49,632	Elections	99,353	97,792	102%
123,600	Economic Development	254,684	192,038	133%
5,137	Depreciation	4,244	4,244	100%
3,462,605	<b>TOTAL OPERATING COST</b>	3,994,964	3,768,227	106%
(150,141)	<b>NET COST OF SERVICE (SURPLUS)</b>	169,166	(739)	-22891%
	<b>TOTAL FUNDS REQUIRED</b>			
(150,141)	Net Cost of Service (Surplus)	169,166	(739)	-22891%
41,400	Transfers to Disaster Fund	42,650	42,650	100%
-	Transfer to Restricted Reserves	9,963	-	-
-	Capital	1,668	-	-
(108,741)		223,447	41,911	533%
	<b>SOURCE OF FUNDS</b>			
(113,878)	General Funds	219,203	37,667	582%
(113,878)		219,203	37,667	582%
	<b>NON- FUNDED DEPRECIATION</b>			
5,137	Depreciation to be funded at income statement level	4,244	4,244	100%
(108,741)		223,447	41,911	533%

### Comment:

Governance operating expenditure includes a \$50,000 contribution towards Council's share of the Local Government Debt Vehicle.

Economic development expenditure is over budget as it includes \$62,000 allocated last year but only paid this year.

Council and Community Boards expenditure also includes any costs relating to the proposed amalgamation with Nelson City Council.

Fees and recoveries is over budget due to election income being \$24,000 higher than budgeted with Newline income now being shown in governance along with its associated costs.

## COUNCIL ENTERPRISES

### Policy and Objective

The activities encompassed within Council Enterprises are operated with a commercial focus, based on providing a desired level of return to Council on the assets employed.

### Nature and Scope

There are two significant areas under which this activity is performed by Council.

- a) **Property** – administration of all Council-owned properties and buildings. Assistance and advice on acquisition, development or disposal of Council's property assets.
- b) **Forestry** – the management and development of forests owned by Council, principally as a commercial undertaking but with associated recreational and environmental benefits. The forest resource currently totals around 2,800 planted hectares in seven locations, namely Rabbit Island (Moturoa), Motupiko (Borlase), Wai-iti (Tunnickliff), Richmond Hills (Kingsland), Howard Valley, Sherry River and Eves Valley.

### Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our growing and sustainable economy provides opportunities for us all.
- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.

Jun-10 Actual \$	COUNCIL ENTERPRISES	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
1,142,862	Property	1,468,368	1,430,301	103%
1,262,136	Forestry	878,738	1,344,966	65%
2,404,998	TOTAL COSTS	2,347,106	2,775,267	85%

# COUNCIL ENTERPRISES

## PROPERTY

### What We Do

This activity encompasses the provision of property related services to the Council. This includes:

- The provision of facilities for Council's properties (libraries and administration offices), their management, maintenance and development.
- The acquisition and disposal of property for Council purposes.
- The management, maintenance and development of Council's commercial property portfolio.
- The provision of property services to other activities of the Council including lease and rental services, property valuation services, property advisory services and the provision of a Council property register.
- Property associated with infrastructural assets.

### Why We Do It

The Council is the owner or custodian of a substantial property portfolio and has identified the need for quality property services and professional expertise within the Council to meet its ongoing property requirements

### Our Goal

We aim to provide quality and timely services for Council and Council facilities, which satisfy community needs and expectations.

### Key changes from the Ten Year Plan

There are no key changes from the Ten Year Plan for the property activity over the coming year. Additional funding of \$1.2 million has been added for the expansion and refurbishment of the Richmond Council Office in this final Annual Plan.

### How this activity contributes to the Community Outcomes

- We will support the development or sale of Council property where appropriate to provide business or employment opportunities.
- Our offices and libraries and other public facilities will be accessible for persons with disabilities, and will provide a safe and welcoming environment.
- The activity can be managed so the impact of any property development upon the environment is minimised and any future developments have environment sustainability as an expectation.

### Our Levels of Service

- Effective management of Council property services to enable other Council activities to carry out their functions.
- Buildings and property services that comply with legislative and resource and building consent requirements.

### How We Measure Progress

Other departments reasonable expectations of the property services are delivered as measured by a three yearly survey of selected customers. [Target: 70% of customers surveyed are fairly or very satisfied.]	An internal survey has been completed. The target has been achieved.
All buildings meet all legislative, resource consent and building consent requirements. [Target: 100% compliance.]	Currently 90% compliance with 100% compliance expected by November 2011.

## COUNCIL ENTERPRISES

### Major Activities

Facilities management and maintenance of Council properties and buildings.	Scheduled and unscheduled maintenance is performed as required. Facility management contracts are in place for security, cleaning and painting. All properties needing building warrants of fitness have them.
Maintenance of leases and management of Council properties.	All leases are reviewed monthly. Inspections are undertaken at least on an annual basis.
Property acquisition for asset management.	Property staff meet regularly with asset managers and staff from MWH New Zealand Ltd to update each other on their property acquisition requirements. Individual files are maintained for each project and a separate database is maintained showing progress with each project.
The development, sale or leasing of Tourism Services zoned land at Champion Road Richmond and land at Port Mapua.	The Champion Road site has been cleared but is waiting on the economy to improve before any development is to occur.  Developer proposals for Port Mapua will go out once the economy has improved.
The proposal to sell the freehold of certain endowment lands at Port Motueka.	The freehold of six properties have been sold to the existing lessees.
Expansion or refurbishment of the Main Office at Richmond to provide for growth.	A report was taken to the September 2011 Full Council meeting recommending acceptance of a tender for this project. Following the decision of Council, the tender for the main office extensions at 189 Queen Street, Richmond has been let to Gibbons Construction Ltd.

## COUNCIL ENTERPRISES

Jun-10 Actual \$	Property	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	<b>INCOME</b>			
530,440	General Rates	512,848	510,599	100%
681,942	Fees and Recoveries	936,476	1,017,685	92%
32,349	Sundry Income	29,437	28,710	103%
1,244,731	<b>TOTAL INCOME</b>	1,478,760	1,556,994	95%
	<b>OPERATING COSTS</b>			
498,400	Operational Property	571,036	519,063	110%
469,630	Commercial Property	595,973	479,071	124%
97,315	Loan Interest	163,813	294,621	56%
77,517	Depreciation	137,546	137,546	100%
1,142,862	<b>TOTAL OPERATING COST</b>	1,468,368	1,430,301	103%
(101,869)	<b>NET COST OF SERVICE (SURPLUS)</b>	(10,393)	(126,693)	8%
	<b>TOTAL FUNDS REQUIRED</b>			
(101,869)	Net Cost of Service (Surplus)	(10,393)	(126,693)	8%
2,203,234	Capital	324,740	1,815,390	18%
81,373	Loan Principal Repaid	155,267	237,611	65%
2,182,738		469,614	1,926,308	24%
	<b>SOURCE OF FUNDS</b>			
1,881,732	Loans raised	447,992	1,788,762	25%
223,489	General Funds	(115,924)	-	-
2,105,221		332,068	1,788,762	19%
	<b>NON- FUNDED DEPRECIATION</b>			
77,517	Depreciation to be funded at income statement level	137,546	137,546	100%
2,182,738		469,614	1,926,308	24%

### Comment:

Fees and recoveries are down on budget due to receiving less rental and lease income than budgeted.

Under accounting rules we are allowed to accrue June invoices which are received in July into expenditure for June. However, if some of this expenditure relates to capital expenditure which was to be funded by bank loans then we are unable to 'accrue' this loan funding. There is \$Nil of loan funding which has not been taken up at year end, and \$106,000 of loan funding which relates to the 2010 financial year.

Capital works projects for the year included a budget of \$1.789m for the expansion or refurbishment of the Main Office at Richmond to provide for growth. There was \$72,000 spent on this project for the year ended 30 June 2011. The project is 100% loan funded. This allocation has been deferred and was being carried forward to 2011/2012 for consideration. The September 2011 Full Council meeting recommended acceptance of a tender for this project.



## COUNCIL ENTERPRISES

### FORESTRY

#### What We Do

This activity involves the management of approximately 2,800 stocked hectares of commercial plantation forest. The current preferred species for the forests is Radiata Pine. Council forests are currently managed under contract by P F Olsen Ltd.

#### Why We Do It

- To provide a steady income to offset rates.
- To provide recreational opportunities where appropriate.

#### Our Goal

To provide a commercial forestry operation that will contribute towards the enhancement of Council's recreational assets and maximise net returns on a sustainable basis to provide a contribution to rates.

#### How this activity contributes to the Community Outcomes

- Our plantation forests assist in reducing the carbon footprint for Tasman District.
- We provide walkways and cycleways in our plantation forests where appropriate.
- Plantation forestry assists in providing green space and the retention of rural character.
- We provide business opportunities for planting and tending of forests, plantation management and the logging and sale of logs.
- We endeavour to supply the majority of product to local markets where financially appropriate.

#### Our Levels of Service

- We will responsibly manage liabilities for any carbon credits.
- We will endeavour to provide recreational access where it is appropriate and does not interfere with forestry operations.
- A product which is saleable on local and international markets.
- Our forestry operations will be managed on a commercial basis recognising any component of public good.

#### How We Measure Progress

We meet the requirements laid down by government. [Target: Will depend on the policies of the new government.]	Council has appointed P F Olsen Ltd in the interim to manage the Emissions Trading Scheme (ETS) on our behalf.
We develop and implement a policy on recreational access to our plantation forests. [Target: Reviewed as required.]	A policy on recreational access is in place but a more comprehensive policy is needed and is intended to be presented for adoption by March 2012.
Our projected annual harvesting targets are met within a tolerance of 15%.	This target was not achieved in the current year. Harvesting was centred at Rabbit Island (1,906 tonnes) and Eves Valley (2,432 tonnes). Total harvested volume was 4,338 tonnes. The remaining harvesting which was initially scheduled for this year is now planned to occur in the 2011/2012 financial year due to the age of the trees.
A business plan for forestry has been approved and implemented by the Council. [Target: The plan will be reviewed as required.]	A business plan for forestry is scheduled for the near future.

#### Major Activities

Planting, tending and harvesting of exotic forests.	Planting, tending and harvesting of exotic forests was undertaken in accordance with the management plan currently set under contract with P F Olsen Ltd.
Policy on recreational access to be adopted by June 2010.	A policy on recreational access is in place but a more comprehensive policy is needed and is intended to be presented for adoption by March 2012.

## COUNCIL ENTERPRISES

Jun-10 Actual \$	Forestry	Jun-11 Actual \$	Jun-11 Budget \$	% of Budget
	INCOME			
1,741,599	Revaluation Increment	937,200	-	-
1,780,789	Fees and Recoveries	455,065	787,680	58%
3,522,388	TOTAL INCOME	1,392,265	787,680	177%
	OPERATING COSTS			
733,837	Rabbit Island	283,603	617,172	46%
129,277	Borlase Forest	123,379	164,096	75%
3,890	Tunnickliff Forest	6,818	23,222	29%
3,701	Eves Valley	108,576	5,763	1884%
103,109	Howard Valley	28,010	108,312	26%
45,379	Sherry River	77,824	104,876	74%
50,426	Kingsland	53,655	79,529	67%
192,517	General	196,873	241,996	81%
1,262,136	TOTAL OPERATING COST	878,738	1,344,966	65%
(2,260,252)	NET COST OF SERVICE (SURPLUS)	(513,527)	557,286	-92%
	TOTAL FUNDS REQUIRED			
(2,260,252)	Net Cost of Service (Surplus)	(513,527)	557,286	-92%
150,785	Domain Entitlement	145,000	145,000	100%
-	Contribution to General Rates	276,211	275,000	100%
(2,109,467)		(92,316)	977,286	-9%
	SOURCE OF FUNDS			
(2,109,467)	General Funds	(92,316)	977,286	-9%
(2,109,467)		(92,316)	977,286	-9%

### Comment:

Fees and recoveries are down on budget due to the remaining harvesting scheduled for this year now planned to occur in the 2011/2012 financial year.

The forestry activity has been budgeted to have a deficit in the current year. Due to the age profile of the Council's trees there is not the same number of mature trees to be harvested as in previous years. The forestry closed account has a positive balance of \$858,342 as at 30 June 2011.

**APPENDIX ONE**

**Environment and Planning Department  
Applications Processed  
1 July 2010 to 30 June 2011**

<b>1. Resource Management Act</b>				
<b>Type of Consent</b>	<b>Outcomes 2009/10</b>		<b>Outcomes 2010/11</b>	
Land Use	583		444	
Subdivision	170		118	
Title Plans	146		103	
Completion Certificates	133		111	
Certificates of Compliance	2		4	
Water	58		221	
Discharge	133		115	
Coastal	16		15	
Resource Consent Transfers	120		65	
<b>2. Building Act</b>				
<b>Type of Consent</b>	<b>2009/10</b>		<b>2010/11</b>	
	<b>No. Issued</b>		<b>No. Issued</b>	
Dwelling	275	78.6M	339	77.4M
Commercial	31	14.6M	33	17.1M
Other	1,193	45.8M	1,155	30.5M
<b>1.1 Totals</b>	<b>1,499</b>	<b>\$139M</b>	<b>1,527</b>	<b>\$125M</b>
<b>3. Licences</b>				
<b>Type</b>	<b>2009/10</b>		<b>2010/11</b>	
	<b>No. of</b>	<b>Certificates</b>	<b>No. of</b>	<b>Certificates</b>
	<b>Issued</b>	<b>Issued</b>	<b>Issued</b>	<b>Issued</b>
Food Premises	304		279	
Hairdressers	37		31	
Camp Grounds	31		19	
Hawkers/Mobile Shops	46		37	
Others	16		46	
Commercial Vessel Operators	30		36	
<b>4. Sale of Liquor</b>				
<b>Type of Licence</b>	<b>2009/10</b>		<b>2010/11</b>	
	<b>No. of</b>	<b>Licences Issued</b>	<b>No. of</b>	<b>Licences Issued</b>
Manager's Certificate	304		285	
On and Off Licence	90		125	
Club Licence	15		13	
Special Licence	95		119	
Temporary Authority Order	39		21	
<b>5. Other</b>				
<b>Type</b>	<b>2009/10</b>		<b>2010/11</b>	
Land Information Memoranda	483		467	
Complaints Received	2131		1992	
Abatement Notices Issued	74		95	
Infringement Notices Issued	45		36	
Enforcement Orders	3		0	
Excessive Noise Direction	51		39	

**Committees and Responsibilities  
For the year ended 30 June 2011**

***COMMITTEES AND RESPONSIBILITIES***

There are four standing Committees of Council, each having delegated powers to handle their affairs. All Councillors have membership on all committees. Mayor Kempthorne is an ex officio member of all committees. Committees normally meet six-weekly.

**Engineering Services Committee**

This Committee has responsibility for roads, bridges, water supply, wastewater treatment and disposal, solid waste collection/disposal and waste minimisation, coastal protection, stormwater collection and disposal, ports/wharves and boat ramps (excludes Port Tarakohe), aerodromes (excludes Motueka Airport), rivers and waterways, public transport.

This Committee is chaired by Cr T E Norriss.

**Community Services Committee**

This Committee has responsibility for recreation and development, parks and reserves, sports grounds, public halls, libraries, walkways, camping grounds, cemeteries, community and cultural facilities, property management, public conveniences, rural fire, grants, community housing and customer services.

This Committee is chaired by Cr J L Edgar.

**Environment and Planning**

This Committee has responsibility for resource management, policy, consents, environmental health, building control, sale of liquor, biosecurity, maritime safety, Council's response to climate change, animal control and compliance.

This Committee is chaired by Cr S G Bryant.

**Corporate Services Committee**

This Committee is responsible for providing financial and administrative services to the Council and other departments, including rate collection and financial management.

This Committee is chaired by Cr T B King.

## APPENDIX TWO

### **SUBCOMMITTEES**

In addition to these standing committees, Council also has a number of special purpose subcommittees. These have delegated powers and only meet as required. Their function is to examine specific areas of Council operations and then make recommendations to their parent committee or full Council. The Mayor is ex-officio on all Subcommittees.

The current subcommittees are:

#### **Council Enterprises**

(reporting to Corporate Services) – Crs N Riley (Chair), S G Bryant, J L Inglis, T E Norriss, G A Glover.

#### **Communications**

(reporting to Corporate Services) – Crs E J Wilkins (Chair), J L Edgar, M L Bouillir, Z S Mirfin.

#### **Creative Communities**

(reporting to Community Services) – Crs J L Edgar (Chair), E J Wilkins plus community representatives.

#### **CEO Review**

(reporting to Council) – Mayor R G Kempthorne (Chair), Crs B W Ensor, J L Edgar.

#### **Audit**

(reporting to Corporate Services) – Crs G A Glover (Chair), J L Inglis, C M Maling, M L Bouillir, T E Norriss, T B King.

#### **Grants and Community Facilities**

(reporting to Community Services) – Crs E J Wilkins (Chair), S G Bryant, M L Bouillir, J L Edgar, T B King.

#### **Community Awards**

Crs J L Edgar, E J Wilkins.

#### **Mature Persons**

Crs N Riley, E J Wilkins.

#### **Development Contributions**

Crs S G Bryant, T E Norriss.

#### **Tasman Regional Transport Committee**

This committee is responsible for preparing for Tasman District a regional land transport strategy, a regional land transport programme, and any advice and assistance Council may request in relation to its transport responsibilities.

This Committee is chaired by Cr T E Norriss, and its membership consists of four other councillors (Crs Riley, Dowler, Edgar and Mirfin), an NZTA representative and five appointed members.

**Council Representatives  
For the year ended 30 June 2011**

**TASMAN DISTRICT COUNCIL REPRESENTATIVES & APPOINTMENTS**

**Joint Shareholders**

Mayor R G Kempthorne, Crs T B King, G A Glover.

**Nelson Airport Limited**

Mr M J Higgins.

**Port Nelson Limited**

Council Director Cr T B King.

**Nelson Regional Sewerage Business Unit**

Cr G A Glover, and Mr M J Higgins.

**Tasman Regional Sports Trust Board**

Mayor R G Kempthorne.

**Nelson Tasman Business Trust**

Cr C M Maling.

**Appointments Committee (Tasman Bays Heritage Trust)**

Mayor R G Kempthorne, and Mr D Bush-King (Acting Chief Executive).

**Positive Ageing Forum**

Cr J L Edgar.

**Tasman Youth Council**

Crs Z S Mirfin, and G A Glover.

**Mayors Taskforce for Jobs – Nelson Tasman Connections Steering Group**

Mayor R G Kempthorne.

**Saxton Field Working Group**

Crs J L Edgar, B W Ensor, and C M Maling.

## APPENDIX TWO

### Councillor Portfolios For the year ended 30 June 2011

#### COUNCILLOR PORTFOLIOS

**Civil Defence/Emergency Management**

Mayor R G Kempthorne, and Cr T B King.

**Friendly Towns**

Cr E J Wilkins.

**Golden Bay Patriotic Welfare Committee**

Cr N Riley.

**Local Government New Zealand (LGNZ) Regional Affairs Committee**

Mayor R G Kempthorne, Chief Executive.

**LGNZ Zone 5 (top-half of South Island)**

Mayor R G Kempthorne, Chief Executive.

**LGNZ Rural and Provincial Sector**

Strategic Development Manager, Cr T B King.

**Maori Liaison/Ethnic Affairs**

Mayor R G Kempthorne.

**Patriotic Council**

Cr J L Inglis.

**TB Free/Animal Health Board**

Cr T E Norriss.

**Talking Heads**

Mayor R G Kempthorne, Chief Executive.

**Tenders**

Crs S G Bryant, J L Edgar, T E Norriss, Chief Executive.

**Accessibility for All**

Cr J L Edgar.

**Native Tasman Habitats**

Cr B W Ensor.

**Regional Funding Forum**

Crs T B King, and J L Edgar.

**Rugby World Cup**

Cr J L Inglis.

**Tasman Environmental Trust**

Cr B W Ensor.

**Tasman Regional Sports Trust Board**

Mayor R G Kempthorne.

**Economic Development Agency**

Mayor R G Kempthorne, and Cr T E Norriss.

## APPENDIX THREE

Community Boards are separately elected advisory bodies and are not Council Committees. Their main role is to represent, and act as an advocate for, the interests of its community.

There are two Community Boards in the Tasman District, namely the Golden Bay Community Board serving the Golden Bay Ward and the Motueka Community Board serving the Motueka Ward.

### Membership of the Golden Bay Community Board:



Carolyn McLellan (Chair)  
Symmons



Leigh Gamby (Deputy Chair)



Karen Brookes Mik



Cr Noel Riley  
(Resigned July 2011)



Cr Martine Bouillir



## APPENDIX THREE

### Membership of the Motueka Community Board:



David Ogilvie (Chair)  
Satherley



Paul Hawkes (Deputy Chair)



Mark Chapman Cliff



Cr Eileen Wilkins



Cr Jack Inglis



Cr Barry Dowler

## APPENDIX FOUR

### Management Staff

#### Chief Executive Officer

P Wylie

#### Environment and Planning Manager

D C Bush-King

#### Corporate Services Manager

M W Staite

#### Engineering Services Manager

P W Thomson

#### Community Services Manager

L L Kennedy

#### Strategic Development Manager

S Edwards

#### Bankers

ASB Bank Ltd  
Queen Street, Richmond

#### Solicitors

Fletcher Vautier Moore  
2 Cambridge Street, Richmond

#### Auditors

Audit New Zealand, on behalf of the Office of the Auditor-General

## **Employment Policy Statement**

### ***Equal Employment Opportunities***

#### ***Charter***

In accordance with Schedule 7, Part 1, Clause 36 of the Local Government Act 2002, the Tasman District Council has a policy of Equal Employment Opportunity for all workers and regards the identification and elimination of any discrimination and the provision of equal opportunities as essential principles in the management of its staff resources.

The Council affirms this commitment through a policy of positive action by adopting constructive policies and practices for equal opportunities in all aspects of employment, including recruitment and selection, training and development, education, career path planning and promotions. The objective of this policy is to ensure that for any given position, the best available person gets the job.

#### ***Application***

This Charter shall apply equally to all employees of the Tasman District Council. No employee, or potential employee, shall be discriminated against by reason of their race, colour, national or ethnic origin, union membership, age, sex, marital status, religious or political beliefs, physical disability where these are not related to the person's ability to carry out the job.

#### ***Executive Responsibility***

It is the responsibility of the Chief Executive, through each manager and supervisor, to promote this policy. All employees are invited to contribute suggestions for ongoing action under this programme.

The various elements in this policy, while compiled to meet the requirements of the Local Government Act 2002, are all to be consistent with:

- Good personnel policy and practices
- Human Rights Act 1993
- Other legislation concerning employment
- Race Relations Act 1971
- Privacy Act 1993
- Health and Safety Act 1992
- Employment Relations Act 2000

During this financial year, Council encouraged staff to attend a series of training courses, both in-house and externally, with the specific intention of providing work place situations, and enhancing staff knowledge for the benefit of Council's customers.

### Maori participation in Decision-Making Processes

As required by Schedule 10, Part 3, Clause 21 of the Local Government Act 2002 Council reports on the process undertaken to provide Maori with opportunities to contribute to decision-making in the Council. Council recognises its obligations to Maori under various enactments, and has in place mechanisms to provide for Maori input into decision-making.

Council acknowledges Manawhenua (Iwi), meaning specifically those people claiming customary and ancestral ties to this land in Tasman District. They are:

Ngati Rarua  
Te Ati Awa  
Ngati Koata  
Ngati Kuia  
Ngati Apa  
Ngati Tama  
Kati Waewae, Te Koti  
Ngati Toa

Council attends regular liaison meetings with Maori groups in the community, including attendance at the Tiakina Te Taiao and Manawhenua ki Mohua meetings. This and other meeting attendances enable service delivery issues and other matters of concern to be identified and fed back into the organisation to be considered and addressed at the appropriate level.

Council also has a formal arrangement with iwi in regard to the review of resource management consent applications and actively works with the various iwi concerned in regard to planning issues.

In order to support its work, Council has within its workforce, policy and liaison expertise to enable it to respond to issues raised by the Maori community.

Council continues to liaise with iwi in regard to enhancing relationships and involvement in appropriate issues.

### Statement on Fostering Maori Participation in Council Decision-Making

#### Purpose

This statement outlines the steps Council intends to take to foster Maori capacity to contribute to Council decision-making processes over the period of this LTCCP, as required by Schedule 10(5) of the Local Government Act 2002.

#### Background

For some time, Council has been increasingly aware of the importance of furthering a close working relationship between the District's Maori community and itself. The Council recognises the wealth of special values that the tangata whenua hold for the places, the resources, the history and the long-term sustainability of the District. Council further recognises that its activities and services impinge daily on these values and that in order to make appropriate decisions, Council must account for the values of Maori as a special set of community values. Council consult and engage with Maori on a regular basis. In certain cases, these are ongoing processes required by legislation such as the Resource Management Act 1991. Other cases are a way of recognising the spirit of partnership inherent in the Treaty of Waitangi.

Steps Council is taking to foster Maori participation in Council decision-making

The Local Government Act 2002 places a number of obligations and responsibilities on Council in regard to Maori. These include the need to establish and maintain processes to:

- Provide opportunities for Maori to contribute to the decision-making processes of Council.
- Consider ways in which we may foster the development of Maori capacity to contribute to the decision-making processes of Council.
- Provide relevant information to Maori for the above purposes. There are a number of methods being put forward by Maori and local authorities around New Zealand to improve their

## APPENDIX SIX

relationships. The methods set out below are not exhaustive, but represent some of the steps that could be considered following meetings with each iwi and Maori, to improve our relationship:

- a) Committing to regular hui/liaison meetings with iwi and Maori to develop the relationship further and to discuss specific and general issues of relevance to both parties.
- b) Through the hui in a) above, working with iwi/Maori to identify how to gain input into issues of relevance to iwi and Maori, including the opportunity to be involved in relevant working groups.
- c) Providing assistance to iwi to prepare an Iwi Management Plan.
- d) Appointing a Councillor as a Maori/iwi portfolio holder.
- e) In conjunction with iwi, continue providing some future structured training/familiarisation courses to improve Councillors' and staff understanding of iwi perspectives.
- f) Consulting with iwi on the formation of the Long term Council Community Plan, the Annual Plan and on relevant changes to the Tasman Resource Management Plan.