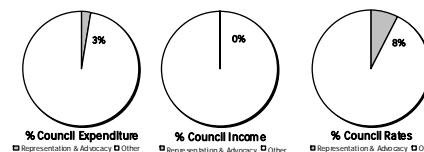


# Representation and Advocacy

*Aim: Represent communities and provide leadership and advocacy on their behalf. Provide for local decision-making and encourage local involvement to ensure decision-makers are aware of and understand local views. Provide opportunities for young people to participate and develop leadership skills.*



## What we do

The purpose of the Council is to enable democratic local decision-making and action by, and on behalf of local communities in an open and transparent manner and to promote the wellbeing of communities. The Mayor and Councillors fulfil a governance role, which involves representing the community, setting direction, and monitoring and reviewing Council performance. Council also encourages decision-making at a range of levels, centrally by Council (Mayor plus 12 Councillors elected via wards), and at local levels, through its 12 Community Boards, 16 Community Development Area Subcommittees (six members on each) and various other committees. This is to ensure, as far as practicable, that those paying for and receiving services are also making the decisions about those services. Council also seeks input from young people in the District through the Youth Council and provides support to other representative groups such as the Milford Community Trust.

Council also plays a strong advocacy role in representing local interest by way of submissions, deputations and lobbying to regional and central government and other relevant agencies. Council is proactive in ensuring there is appropriate representation on national working parties and organisations so that a southern and/or rural voice is heard.

Key aspects of the activity include three yearly elections for the Mayor, Councillors, Community Boards and Community Development Area Subcommittees, six yearly representation reviews to determine the representation structure, as well as Council's delegations for decisions.

## Why we do it

This activity primarily contributes to strong, effective leadership, by empowering and enabling local people to make decisions and encouraging youth participation. Decentralised decision-making structures tend to make community leaders more accessible therefore helping to build confidence in them and the Youth Council helps to build future leaders. It also contributes to Southland being a great place to live, by ensuring that local perspectives are considered in decisions and a Southland perspective is heard in national decision-making.

In the activity, the Council must comply with the legal requirements of the Local Government Act 2002, Local Government Official Information and Meetings Act 1987 and Local Electoral Act 2001.

## What are the key issues?

While Southland's decentralised representative structure works well for a large district with numerous diverse communities, it is heavily reliant on community members volunteering their time to contribute towards the business of Council and its decision-making processes. With anecdotal evidence suggesting that people are becoming less willing to volunteer their time and choosing to spend their spare time on other activities, this could affect the viability of the current representative structure in the longer term. In addition, while the structure provides for local input into decisions via Community Boards and Community Development Area Subcommittees, the Council does rely on them to represent the views of their community. However many communities have seen a notable demographic change linked with moves such as that towards dairy farming and it is unclear whether these changes are being reflected in the local representation structures.

The Local Government Act places a strong emphasis on ensuring that community views are reflected in decisions and that Council consults the community on significant issues. The community itself also has increased expectation about being involved in decisions which affect them. However, voter turnouts indicate that not everyone is interested in local government or the Council. So the challenge for Council is to engage people in the issues that affect them and that they are interested in rather than consulting everyone on everything. This also requires a willingness and interest to be expressed by the community as it is impossible for the Council to know who is interested or potentially affected in all the issues and decisions it faces.

Whilst the existing system of governance is a grassroots approach, it does come at a cost. Numerous committees and meetings require additional administration support and time from employed staff. While Council confirmed at its strategic workshop in 2008 that it considered that the benefits currently outweigh the costs, the preparation of this plan has acted as a reminder about the level of complexity involved in the current system. The Council is planning to look further at these issues when the next representation review is carried out which is scheduled to begin in 2011 and must be completed in 2013.

The Council also does its best to advocate for Southlanders nationally even though overall it is a relatively small provincial council with limited resources. This does affect what the Council can achieve on its own. As a result, the Council does work together with other councils in the region through the Shared Services Forum, WasteNet and Venture Southland in order to minimise duplication and increase the strengthen advocacy for Southland.

#### What level of service will Council provide?

Primary outcome: Strong, effective leadership taking us into the future (5)								
Intermediate Outcome: Citizens and communities are inspired, motivated and empowered (5.1)								
What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Access Maintain a structure that allows for local decision making.	Percentage of resident satisfaction with the performance of Community Boards and local committees (local decision-making and planning).	86%	87%	85%	85%	85%	85%	Survey - Resident
	Percentage of agreement that Council allows decisions to be made locally by local people.	77%	77%	75%	75%	75%	75%	Survey - Resident
Leadership Council to provide leadership and advocacy on major issues affecting residents.	Percentage of resident satisfaction with Council decision making and leadership.	88%	88%	85%	85%	85%	85%	Survey - Resident
	Percentage of residents who agree Council represents the interests, values and desires SDC residents.	92%	88%	85%	85%	85%	85%	Survey - Resident

#### What significant negative effects could the activity have?

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

Potential Negative Effect (on community wellbeing)	
Social	A potential negative effect is that some people may believe that they are not represented adequately. The extent to which this is significant depends on the proportion of people affected and is somewhat reduced through the decentralised governance structures and communication and consultation policies which the Council uses.

#### What assets are used?

#### What assets have we got and how are they managed?

No major assets are required for undertaking this group of activities, other than those used generally by the whole organisation.

#### Who benefits from the activity and how is it funded?

The whole community benefits from this activity, including residents and ratepayers. It ensures people can have input to establishing the policies of Council, and there is representation from communities of interest. This activity is funded by a mix of local rates and the Representation rate, which is a uniform annual charge per rateable unit district-wide. Capital costs for this activity are limited to the usual overheads - office buildings, vehicles and equipment - and are funded through accumulated depreciation (vehicles only), rate smoothing for small projects, and loans for large projects (usually internal), all of which are recovered through rates.

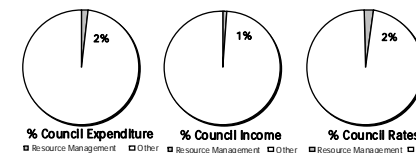
## What does it cost?



REPRESENTATION AND ADVOCACY										
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	2,372,358	2,449,466	2,540,995	2,646,547	2,723,956	2,820,500	2,934,906	3,064,635	3,165,575	3,286,931
Activity Revenue	39,430	81,607	39,289	41,236	87,283	24,841	42,842	109,392	26,621	44,718
<b>Total Operating Revenue</b>	<b>2,411,788</b>	<b>2,531,073</b>	<b>2,580,284</b>	<b>2,687,783</b>	<b>2,811,239</b>	<b>2,845,341</b>	<b>2,977,748</b>	<b>3,174,027</b>	<b>3,192,196</b>	<b>3,331,649</b>
<b>Operating Expenditure</b>										
Depreciation	15,238	15,189	15,101	14,895	14,614	14,614	14,614	14,614	14,614	14,614
Other Operating Costs	2,394,387	2,644,787	2,541,399	2,603,909	2,791,814	2,684,762	2,765,900	3,099,449	2,908,262	2,937,420
<b>Less Total Operating Expenditure</b>	<b>2,409,625</b>	<b>2,659,976</b>	<b>2,556,500</b>	<b>2,618,804</b>	<b>2,806,428</b>	<b>2,699,376</b>	<b>2,780,514</b>	<b>3,114,063</b>	<b>2,922,876</b>	<b>2,952,034</b>
<b>Operating Surplus/(Deficit)</b>	<b>2,163</b>	<b>(128,903)</b>	<b>23,784</b>	<b>68,979</b>	<b>4,811</b>	<b>145,965</b>	<b>197,234</b>	<b>59,964</b>	<b>269,320</b>	<b>379,615</b>
<b>Operating Surplus/Deficit transferred to/(from) Reserves</b>										
	2,163	(128,903)	23,784	68,979	4,811	145,965	197,234	59,964	269,320	379,615
<b>CAPITAL AND RESERVES</b>										
Renewals	43,566	-	39,336	43,566	-	-	43,566	39,336	-	43,566
<b>Total Capital Expenditure</b>	<b>43,566</b>	<b>-</b>	<b>39,336</b>	<b>43,566</b>	<b>-</b>	<b>-</b>	<b>43,566</b>	<b>39,336</b>	<b>-</b>	<b>43,566</b>
Transfers to Reserves	65,128	(47,051)	76,517	91,664	43,390	201,239	266,953	118,092	414,121	626,313
<b>Total Capital Movements</b>	<b>65,128</b>	<b>(47,051)</b>	<b>76,517</b>	<b>91,664</b>	<b>43,390</b>	<b>201,239</b>	<b>266,953</b>	<b>118,092</b>	<b>414,121</b>	<b>626,313</b>
Operating Deficit	-	128,903	-	-	-	-	-	-	-	-
<b>Total Funding Required</b>	<b>108,694</b>	<b>81,852</b>	<b>115,853</b>	<b>135,230</b>	<b>43,390</b>	<b>201,239</b>	<b>310,519</b>	<b>157,428</b>	<b>414,121</b>	<b>669,879</b>
Non Cash Expenditure	624	575	487	281	-	-	-	-	-	-
Transfers from Reserves	105,907	81,277	91,582	65,970	38,579	55,274	113,285	97,464	144,801	290,264
Operating Surplus	2,163	-	23,784	68,979	4,811	145,965	197,234	59,964	269,320	379,615
<b>Total Funding Applied</b>	<b>108,694</b>	<b>81,852</b>	<b>115,853</b>	<b>135,230</b>	<b>43,390</b>	<b>201,239</b>	<b>310,519</b>	<b>157,428</b>	<b>414,121</b>	<b>669,879</b>

# Resource Management

*Aim: To ensure the development of the District and use of its resources is carried out in a sustainable manner that is compatible with community values.*



## What we do

The Resource Management activity involves the preparation of and updating of the District Plan and processing resource consent applications. The District Plan is reviewed and changed to ensure it remains current, relevant, legally robust and addresses all relevant environmental issues appropriately. Resource consent applications are processed under the Resource Management Act 1991 (RMA) to ensure sustainable management of natural and physical resources is achieved.

## Why we do it

The Resource Management activity contributes to a treasured environment by ensuring sustainable management of natural and physical resources in a way that retains the unique values, character and biodiversity of the District. This is managed through the District Plan and resource consent processing, both of which help to ensure that land use is appropriate, that there is sound planning surrounding land development and any effects on the environment are monitored. The activity also contributes to healthy people (through a clean environment), a great place (by protecting significant heritage sites), safe places (by setting development standards), and a diverse economy (by having clear and stable regulation). The resource management activity also contributes to strong effective leadership by ensuring that people can have input into the management of Southland's natural resources. In the activity, the Council must comply with the legal requirements of the Resource Management Act 1991, Ngāi Tahu Claims Settlement Act 1998, Local Government Act 2002 and Local Government Official Information and Meetings Act 1987. The activity must also give effect to Environment Southland's Regional Policy Statement.

## What are the key issues?


Following on from a period of intensive growth and development pressure in the District, projections about what may happen in the future and increasing community expectations regarding environmental quality, there is a need to ensure that the District Plan remains relevant and robust. As a result, Council has started the process of reviewing its District Plan which is expected to continue through to 2012 (with statutory processes to follow). The first set of discussion papers regarding the review were released in May 2009. This review, which must have regard to regional and national environmental policies, is being carried out in conjunction with Environment Southland who are also reviewing their Regional Policy Statement in order to ensure consistency between the two organisations. Whilst the government has signalled its intention to remove the compulsory requirement to review District Plans within ten years of them becoming operational, the Council believes that regardless of whether this legislative change occurs it will be more efficient to review the whole plan rather than progressing with piecemeal changes.

In addition as Council also has duties under Section 6(c) of the Resource Management Act 1991 to maintain and enhance biodiversity, it has resolved to continue funding for the Biodiversity Southland coordinator position to ensure that appropriate regard is given to its responsibilities in this area. The coordinator continues to undertake important non-regulatory work to encourage private landowners to maintain and enhance indigenous biodiversity. In addition Council has agreed to provide \$15,000 per annum for five years toward the Southland Biodiversity Inventory project. In addition, in reviewing the District Plan, Council will aim to ensure that it reflects best practice surrounding protecting significant indigenous vegetation within the District.

While the current uncertainty in the economic climate may have a long term effect on the number of dairy farm related consents being processed (as well as subdivision and land use consents), at this stage, consent numbers remain high. There are also indications that significant land use consents could be on the horizon, particularly related to energy production which is becoming more viable with volatility in fuel prices internationally. Irrespective of whether these consents are lodged directly with Council or whether these are referred to the government's proposed new Environmental Protection Agency (Resource Management - Simplifying and Streamlining Amendment Bill 2009), the issues for Southland will still need to be worked through.

In addition, the Council has had issues processing consents within required timeframes. Ongoing efforts are being made to streamline processes and improve processing times, including using consultants to process consents in times of high workload. Growth within the District is a key factor in dictating demand for new residential allotments and new commercial and industrial activities. There has been considerable demand for new residential allotments in the past, particularly in the Te Anau Basin and around coastal parts of the District. However more recently this has moved to Winton and its surrounds and Edendale. In addition, strong interest in new development and construction has meant that not only is the Council processing a large number of large scale resource consents under the Resource Management Act 1991, but also it is processing large numbers of building consents under the Building Act 2004 for compliance with resource management requirements, and a large number of Land Information Memoranda under the Local Government Official Information and Meetings Act 1987, providing planning and resource management information for the property under consideration. These factors all affect processing times.

### What level of service will Council provide?

<b>Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)</b> 								
Intermediate Outcome: We have an environment protected from the negative effects of human activities (6.3)								
What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Sustainability Ensure that natural and heritage value of the District is protected and amenity levels for residents are maintained through the provisions in the District Plan.	Percentage of residents who agree that the quality of environment in Southland District is being maintained or getting better.	-	-	80%	80%	80%	80%	Survey – Resident
Quality Provide assistance and information to help applicants understand the District Plan rules and consent process.	Percentage of users satisfied with the overall service provided, performance of staff and the information provided.	Overall - 55% Staff - 60% Info - 61%	Not Measured	60%	65%	70%	75%	Survey – User
Quality Ensure adequate opportunities are provided for public and lwi input into policy development and consent processes.	Number of procedural errors.	New Measure	New Measure	0	0	0	0	Quarterly Report
Quality Provide and maintain an operative District Plan that is consistent with sustainability and community values.	Report on the appropriateness of the District Plan, any changes required and recommended implementation plan.	Not Achieved	Not Achieved	By 30 June	By 30 June	By 30 June	By 30 June	Report to Council
	Regularly review subdivision standards to reflect best practice.	New Measure	New Measure	-	By 30 June 2011	-	Two yearly (from 2013)	Report to Council
Quality Monitor resource consents to ensure that they comply with conditions.	Percentage of applications monitored where resource consent conditions are met or follow up action is taken.	100%	98%	100%	100%	100%	100%	Quarterly Report
Efficiency Ensure consents are processed efficiently.	Percentage of applications processed within required timeframes.	60%	53%	80%	85%	90%	95%	Quarterly Report <sup>2</sup>

What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Responsiveness Provide appropriate and timely guidance and advice as requested.	Percentage of users who agree that timely guidance and assistance is provided by Resource Planning staff.	56%	Not Measured	60%	65%	70%	75%	Survey – User
Responsiveness All public complaints about effects on the environment are investigated and reported on, in a timely/professional manner.	Percentage of complaints investigated within 5 working days or the timeframe advised.	56%	86%	100%	100%	100%	100%	Quarterly Report <sup>1</sup>
<p>1. Target investigation timeframes for 06/07, 07/08 and 08/09 were set at 48 hours rather than five working days.</p> <p>2. Timeframes for processing non-notified resource consent applications is 20 working days. "Receipt" means all the required information has been supplied.</p>								

### What significant negative effects could the activity have?

The potential significant negative effects of this activity shown in the table below.

Potential Negative Effect (on community wellbeing)	
Social	Residents and the media may develop negative impressions of Council's environmental "policing" role under the RMA. However, the process is designed to benefit the community as a whole by managing natural resources for the current and future generations.
Cultural	Consent processes may not adequately recognise cultural values and requirements in terms of the Treaty of Waitangi. This is mitigated by ensuring that staff have a good understanding of cultural issues and refer to "Te Tangi a Taurira" – the Ngāi Tahu Murihiku Resource Management Plan when assessing resource consent applications, that relationships with local iwi are maintained and they have input into relevant consent decisions through Te Ao Mārama.
Economic	Customers may develop negative perceptions in relation to delays and costs of processes and "bureaucracy". There is a perception that excessive regulation could stifle the type of development that the wider community wants, particularly in changing economic climates. Significant costs could arise where customers are not satisfied with a decision in relation to either a resource consent application or a rule in the District Plan and they appeal to the Environment Court for resolution. This is mitigated by providing information to applicants on the anticipated costs and timeframes of resource management processes, so that they have realistic expectations.
Environmental	Potential significant negative effects on the environment if resources are not appropriately managed and monitored. Cumulative adverse environmental effects of inappropriate developments are allowed to occur which may have little effect individually but could have a great effect cumulatively (e.g. inappropriate structures being approved on prominent landforms, intensive development in unserviced areas leading to loss of groundwater quality from on-site effluent disposal systems). Environmental groups who may perceive Council to be "too enabling/too much of a soft touch". This is mitigated through regular monitoring of compliance for conditions of resource consents and responding to complaints in relation to situations where activities are generating adverse environmental effects. Monitoring emerging environmental issues to ensure the District Plan retains currency, and to ensure that it suitably regulates/addresses activities which could have significant adverse environmental effects. Regular reporting to the Council's elected members also ensures that they are kept informed of key major applications and other emerging environmental issues of relevance.

### What assets are used?

#### What assets have we got and how are they managed?

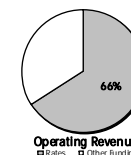
No major assets are required for undertaking this group of activities, other than those used generally by the whole organisation.

### Who benefits from the activity and how is it funded?

These benefits are distributed between the applicant (who has the legal certainty to proceed with their activity), and the general public (who are assured that environment is managed). Both rural and urban development create the need for this activity, as they use resources including land, and this use needs to be managed in a sustainable manner for the district as a whole. At least 85% of costs associated with resource consent applications (processing and scheduled monitoring) are to be funded through user pays (resource consent fees, PIM and LIM fees). Development and review of the District Plan; investigation of complaints (where not recoverable); any unrecovered costs associated with consents; and provision of general information are funded by the Strategy Policy and Planning rate, which is made up of a uniform annual charge per rateable unit and a capital value rate. Capital costs for this activity are limited to the usual overheads - office buildings and equipment - and are funded through accumulated depreciation (vehicles only), rate smoothing for small projects, and loans for large projects (usually internal), all of which are recovered through rates.

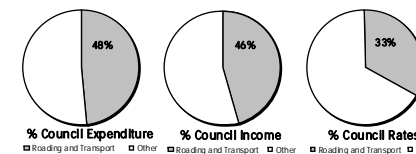
### What does it cost?

RESOURCE MANAGEMENT	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	772,803	898,934	1,057,768	1,173,454	1,348,429	1,534,561	1,725,639	1,877,185	2,178,170	2,518,060
Activity Revenue	400,215	413,423	422,508	444,408	441,736	451,451	461,835	472,458	495,556	495,891
<b>Total Operating Revenue</b>	<b>1,173,018</b>	<b>1,312,357</b>	<b>1,480,276</b>	<b>1,617,862</b>	<b>1,790,165</b>	<b>1,986,012</b>	<b>2,187,474</b>	<b>2,349,643</b>	<b>2,673,726</b>	<b>3,013,951</b>
Depreciation	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409
Other Operating Costs	1,861,369	1,901,149	1,919,026	1,862,295	1,882,256	1,464,751	1,503,234	1,543,051	1,586,646	1,622,739
<b>Less Total Operating Expenditure</b>	<b>1,865,778</b>	<b>1,905,558</b>	<b>1,923,435</b>	<b>1,866,704</b>	<b>1,886,665</b>	<b>1,469,160</b>	<b>1,507,643</b>	<b>1,547,460</b>	<b>1,591,055</b>	<b>1,627,148</b>
<b>Operating Surplus/(Deficit)</b>	<b>(692,760)</b>	<b>(593,201)</b>	<b>(443,159)</b>	<b>(248,842)</b>	<b>(96,500)</b>	<b>516,852</b>	<b>679,831</b>	<b>802,183</b>	<b>1,082,671</b>	<b>1,386,803</b>
Operating Surplus/Deficit transferred to/(from) Reserves	(692,760)	(593,201)	(443,159)	(248,842)	(96,500)	516,852	679,831	802,183	1,082,671	1,386,803
<b>CAPITAL AND RESERVES</b>										
Renewals	-	-	-	29,391	-	-	-	-	29,391	-
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,391</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,391</b>	<b>-</b>
Transfers to Reserves	-	-	-	11,760	-	530,654	697,241	816,698	1,118,829	1,448,406
<b>Total Capital Movements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,760</b>	<b>-</b>	<b>530,654</b>	<b>697,241</b>	<b>816,698</b>	<b>1,118,829</b>	<b>1,448,406</b>
Operating Deficit	692,760	593,201	443,159	248,842	96,500	-	-	-	-	-
<b>Total Funding Required</b>	<b>692,760</b>	<b>593,201</b>	<b>443,159</b>	<b>289,993</b>	<b>96,500</b>	<b>530,654</b>	<b>697,241</b>	<b>816,698</b>	<b>1,148,220</b>	<b>1,448,406</b>
Non Cash Expenditure	-	-	-	-	-	-	-	-	-	-
Transfers from Reserves	692,760	593,201	443,159	289,993	96,500	13,802	17,410	14,515	65,549	61,603
Operating Surplus	-	-	-	-	-	516,852	679,831	802,183	1,082,671	1,386,803
<b>Total Funding Applied</b>	<b>692,760</b>	<b>593,201</b>	<b>443,159</b>	<b>289,993</b>	<b>96,500</b>	<b>530,654</b>	<b>697,241</b>	<b>816,698</b>	<b>1,148,220</b>	<b>1,448,406</b>



# Roading and Transport

*Aim: Provide a land transport network that enables people and goods to be moved throughout the District safely, conveniently, comfortably and efficiently.*



## What we do

The activity involves the administration and maintenance of the District's roading and bridging network, excluding State Highways and National Park roads<sup>1</sup>. The activity also provides other infrastructure such as footpaths, car parks and streetlights and ensures that roadside pest plants are controlled as well as making a contribution to the Total Mobility scheme which helps to ensure that transportation is available for all members of our community, including those with limited mobility.

The activity ensures that the network is maintained through regular maintenance and is renewed and improved through a programme of resealing, pavement rehabilitation, widening and minor safety works. This work aims to ensure that the network provides safe and comfortable travel. The Council has prepared a Land Transport Activity Management Plan which determines the level of funding that is required to maintain the network to the required standard. The Council receives a subsidy for most transportation activities from the New Zealand Transport Agency (NZTA) which subsidises road maintenance, renewal and construction work between 54% and 64% which means that the true cost of the activity is around double that funded by rates.

## Why we do it

This activity contributes to a diverse economy by providing an effective network for moving goods and services and a corridor for utility companies to establish their networks. It also contributes to safe places, by maintaining the roads so that they are safe. The activity, through the total mobility scheme and disabled parking, contributes to healthy people by assisting with transport for those who are less mobile. Active aspects of the network (walkways, footpaths, cycleways) also assist people to be active and healthy. The activity also contributes to making Southland a great place to live by providing people with access to their land, homes, schools, social centres and recreational centres. In the activity, Council must comply with the New Zealand Transport Act 2003, Land Transport Act 1998, Transport Act 1962 and the Local Government Act 2002. The activity must also give effect to the New Zealand Transport Strategy, Government Policy Statement and Regional Land Transport Strategy.

## What are the key issues?

The District has an ageing network of sealed roads, many of which were built during a peak period in the 1960's and 1970's. These are rapidly coming to the end of their economic lives leading to the need to increase the amount of rehabilitation carried out each year (see further information under 'Will additional assets/services be needed?' below). In addition, the increasing amount of heavy traffic using the network is also accelerating the deterioration of the pavements and making the roads seem too narrow in many cases. A significant portion of the sealed roads have shoulders that are under width by a metre or more. General ratepayer expectations, combined with increased tourist use of the network, also puts pressure on Council to deliver a higher standard of roading network in terms of driving surfaces, road widths, delineation and signage.

Therefore, to get the most out of these roads, there is a need to allocate more funds annually to help prolong pavement life. However the amount of subsidy from the New Zealand Transport Agency and the ability to rate for roads largely determines "the size" of the roading programme each year. Given that the Council is not prepared to allocate additional ratepayer funds unless it can be satisfied that the New Zealand Transport Agency is prepared to pay a fair share, there is a limit to what the Council can achieve. While the Council believes that the level of subsidy should be significantly higher than the current level of 54%, recent decisions from the government suggest that any additional funding will be spent on infrastructure in places like Auckland. This means that even though Southland District has the largest roading network in New Zealand, it is unlikely that any more funding will be provided. While this continues to be a vital issue which needs to be addressed at a national level, in this plan the Council has had to look at what it can do itself to get on top of roading maintenance and renewals and also pay for the increasing cost of doing the work which has been affected by fluctuating price of oil and bitumen and an oversupply of work for contractors. As such, in order to keep the District's roads in good condition, the Council is planning to gradually increase the length of rehabilitation done each year by 1 km a year for the next ten years to reach 35 km's a year. It is also important to note that

<sup>1</sup> State Highways are operated and maintained by the New Zealand Transport Agency while National Park roads are owned and managed by the Department of Conservation.


Southland, compared to the rest of New Zealand, has relatively smooth roads. Whilst ideally the Council would like this to continue, given the increase in heavy traffic expected over the period, it is likely that the smoothness of sealed roads will gradually reduce.

In the last two years the Council kept expenditure within the levels set in the previous ten year plan (2006-2016). However because the cost of doing the work increased, the Council actually carried out less work than what was required. As a result the Council is planning to increase its expenditure on roads to the required level. This means that rates will gradually increase over the plan period to fund the work and higher costs. For the first few years of the plan the Council will essentially go into an overdraft to fund the extra work needed and then, by gradually increasing rates (from \$9.3 million in 2009/2010 to \$19.4 million in 2018/2019), the Council will repay this in later years of the plan as the level of expenditure required starts to flatten out.

In addition, in recent years extreme weather events have caused significant damage to roading infrastructure, particularly on Stewart Island and certain coastal areas. In some cases this damage can cause areas to be isolated or unable to be travelled for some time. While in this plan, the Council will be spending around \$1.3 million repairing damage to roads on Stewart Island caused by recent storms and erosion, there are no guarantees that it will be prevented from occurring again there, or on roads in other coastal areas of Southland. As a result, over the next few years the Council will be looking more closely at the location of coastal roads and identifying whether it is possible to develop any long term solutions to the issue.

Lastly, the previous government introduced a whole new structure for roading nationally, with the establishment of the New Zealand Transport Agency (combining of Land Transport New Zealand and Transit) and Regional Transport Committees. It also issued the first ever Government Policy Statement for roading which signalled an intention to move funding away from roads and towards passenger transport and sustainable/alternative transport modes such as walkways, cycleways, rail and shipping. While the Council has been working as part of the Regional Transport Committee to comply with the new requirements by preparing a three year regional transport programme (as well as an Alternative Transport Strategy<sup>1</sup>), many of the priority areas are not suited to Southland which, with a geographically spread population and large travelling distances, is likely to be reliant on roads. In addition, there is some uncertainty whether the new government will make any further changes which could affect subsidy rates or who is responsible for managing the national roading network. If changes do occur they could have a significant impact on the Council's roading activity.

#### What level of service will Council provide?

<b>Primary outcome:</b>	<b>A diverse economy built from our strengths for growth and prosperity (2)</b>	
	<b>Safe places in a caring society that is free from crime (3)</b>	
<b>Intermediate Outcome:</b>	We have a quality infrastructure with potential for growth (2.1) We have safe roads (3.1)	

What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Accessibility Roads to provide a smooth and comfortable ride quality.	Percentage of sealed roads providing a smooth and comfortable ride. <sup>1</sup>	99%	95%	95%	90%	85%	85%	Roughness Rating Survey RAMM Database
	Percentage of requests to fix roading surface faults are completed within the timeframe specified in contracts.	58%	76%	75%	80%	85%	100%	Pathways

<sup>1</sup> The Alternative Transport Strategy will provide a framework for walking and cycling facilities and potential passenger transport in the District with a draft of this strategy expected to be completed in November 2009.

What Council will provide Level of Service	How Council will measure the service provided Key Performance Indicator	Actual						Targets		Source
		06/07	07/08	09/10	10/11	11/12	12-19			
	Percentage of gravel road tests where the roughness of the road does not meet acceptable standards. <sup>3</sup>	New Measure	New Measure	95%	90%	85%	85%	Optigrade Survey - Contractor		
	Response to defects identified by customer service request system within timeframes (as measured by the time between receiving the complaint and the time that the customer is advised of response being taken). <sup>2</sup>	100%	54%	70%	75%	85%	95%	Pathways		
Accessibility To provide an adequate level of street lighting for safe and efficient movement of vehicles, cyclists and pedestrians.	Percentage of residents satisfied with basic lighting levels in urban streets.	84%	86%	80%	80%	80%	80%	Survey - Resident		
Accessibility Footpaths to be provided where needed - wide enough to carry the users, and free of overhanging obstructions.	Percentage increase of resident satisfaction with footpaths over the previous year.	7.2% increase	4.3% decrease	Increasing trend	Increasing trend	Increasing trend	Increasing trend	Survey - Resident		
Accessibility Roads to be maintained to an appropriate standard.	Percentage of residents that agree that sealed roads are adequately maintained.	80%	76%	75%	75%	75%	75%	Survey - Resident		
	Length (or percentage) of the roading network rehabilitated this year compared with targets.	Not Measured	55%	100%	100%	100%	100%	RAMM		
	Length (or percentage) of the roading network resealed this year compared with targets.	Not Measured	74%	100%	100%	100%	100%	RAMM		
Accessibility Assistance is provided for people with impairments to get around.	Funding assistance provided for transport within Southland via the Total Mobility initiative.	New Measure	New Measure	Yes	Yes	Yes	Yes	Quarterly Report		
Road Safety Roads and bridges to provide a safe roading network for all users.	Reducing number of total injury crashes due to road factors (average).	76 <sup>4</sup>	89 <sup>4</sup>	Reducing trend	Reducing trend	Reducing trend	Reducing trend	NZTA reports		
<p>1. "Smooth and comfortable" for sealed roads means roads that meet the NAASRA counts are lower than 220 for urban roads and 120 for rural roads.06/07 and 07/08 actuals relate to requests regarding debris on the road.</p> <p>2. Response times are set out in contracts and vary from two working days to several weeks depending on the type of fault and the type of road.</p> <p>3. The acceptable standard for gravel roads is a road which scores 90 or less in the Optigrade survey. The KPI compares the number of road sections scoring 90 or less (acceptable) versus the total number of road sections sampled in a six monthly survey.</p> <p>4. The '06/07, 07/08 and 08/09 figures referred to an average of the total injury crashes over a five year period. While the target is reported on annually, the indicator is best looked at over a five year period.</p>										

### What significant negative effects could the activity have?

The potential significant negative effects of this activity shown in the table below.

Potential Negative Effect (on community wellbeing)	
Social	Road deaths and injuries – mitigated by road safety strategy and action plan as well as renewals and maintenance projects which address potentially unsafe road surfaces (especially blackspots). Speed limits and assisting with road user education also helps reduce likelihood of deaths and injuries. Dissection of communities by road corridors – mitigated by ensuring adequate public consultation and proper attention is given to the compatibility of main roads and the adjoining neighbourhood when carrying out future planning. This is also avoided/mitigated by neighbourhood accessibility planning and applying the principles of the Urban Design Protocol.
Economic	Travel delays caused by road construction or upgrading works – mitigated by ensuring proper attention is paid to the preparation of, and adherence to, traffic management plans when carrying out upgrading or new roadworks. Vehicle damage caused by soil and cow excrement – mitigated by encouraging use of stock underpasses and enforcing the bylaw requiring the removal of soil and other material dropped on roads. Inefficiencies in roading caused by inappropriate development adjacent to the network or changes in the importance of parts of the system because of changes in use by the public – mitigated by better integration of transportation and land use planning and regular reviews of the roading hierarchy (particularly regarding the levels of service).
Environmental	Excessive Noise – mitigated through encouraging noise insulation of living areas and bedrooms in residential buildings (particularly for new subdivisions and developments) as well as through the use of noise barriers where appropriate, speed limits and surfacing on busy roads in residential areas. Contamination of waterways by stormwater discharged from road surfaces – mitigated by making allowance for water run-off / sediment control management when carrying out work on the roads, policing the discharge of effluent on to the roads from stock trucks and progressing to grassed shoulders. Environmental degradation from road construction or upgrading works – mitigated by consents and ensuring proper attention is paid to the environmental aspects when designing, upgrading, or new roadworks.

### What assets are used?

#### What assets have we got and how are they managed?

The activity involves 1,959 km of sealed roads, 3,002 km of unsealed roads, 191 km of footpaths, 860 bridges, 138 stock underpasses, and 2,416 streetlights. The activity also includes associated infrastructure like signs, culverts and other structures. The Council is responsible for the overall decision-making for roading with local Community Boards and Community Development Area subcommittees responsible for footpaths. The activity is managed by Council staff who also contract professional services from an external consultant. The physical work to maintain and operate the roading network has been outsourced to private contractors. There are three separate network contracts, the North Western Area (Te Anau, Five Rivers, Waikaia and Tuatapere Wards), Central Area (Wallace, Winton, Riverton and Wallacetown Wards) and South Eastern Area (Toetoes, Waihopai, Te Tipua and Stewart Island Wards). Most renewal and new capital work is let on a competitive tender basis.

#### Will additional assets/services be needed?

Road maintenance and renewal requirements are detailed in the Council's Land Transport Activity Management Plan. This plan has been prepared using computer deterioration models which take into account the age and condition of roads and how long they should last, and use this to determine the amount of work (and funding) required to maintain the roading asset. In reviewing the plan, the Council has also carried out further condition assessments on the roading network to confirm the current condition of roads and long term maintenance, renewal and upgrade requirements.

The District has an ageing network of sealed roads, many of which were built during a peak period in the 1960's and 1970's. Given that on average the sealed roads last around 48 years (with resealing needed on average every 13 years), many of the District's sealed roads are due to be rebuilt over the next ten years. As a result, this plan aims to gradually increase the length of rehabilitation from 25 km to 35 km per year within the period. Resealing of 150 km each year will also be required to continue at this level into the future to ensure that sufficient work is being annually to keep the District's 2,000 km of sealed roads from deteriorating.

The level of funding needed is also affected by additional maintenance planned for the 3,000 km of gravel roads in an attempt to meet growing community expectations. In addition, the cost of fuel and bitumen (used for seal) has increased over the past two years which has meant the cost of maintaining roads is significantly higher than what it used to be. As a result, while the amount of work the Council is planning is slightly increasing, the cost of this work has increased substantially. This has also lead to an increase in rates required to fund the additional costs of maintaining roads.

Overall, nearly \$3.4 million more is needed in year one of the plan to fund the programme. Around one third of this relates to the increase in costs associated with sealing and construction activities, another third relates to the increased sealed and gravel road maintenance. The other third relates to providing one-off funding for slip repairs on Stewart Island which were significantly affected by storm damage in 2008. Just over half of the extra will be paid for by the New Zealand Transport Agency, but Council still needs to rate for the rest.

#### Land Transport Programme –

The tables below and maps on the following pages summarise the Council's Land Transport Programme for the next three years. This forms the Southland District's contribution of the wider Southland Regional Land Transport Programme which is required to be prepared under the Land Transport Management Act. Details of the Southland Regional Land Transport Programme can be found on Environment Southland's website.

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
<b>Roading - Operating and Maintenance Projects</b>											Rates, Subsidies and Loans
Sealed Pavement Maintenance	3,172,220	3,264,214	3,358,877	3,439,490	3,518,598	3,596,007	3,678,715	3,767,004	3,857,412	3,942,276	
Unsealed Pavement Maintenance	1,762,980	1,814,106	1,866,716	1,911,517	1,955,482	1,998,502	2,044,468	2,093,535	2,143,780	2,190,943	
Routine Drainage Maintenance	588,000	605,052	622,599	637,541	652,204	666,553	681,884	698,249	715,007	730,737	
Structures Maintenance	539,000	554,631	570,715	584,412	597,854	611,007	625,060	640,061	655,423	669,842	
Environmental Maintenance	524,888	540,110	555,773	569,111	582,201	595,009	608,695	623,303	638,263	652,304	
Traffic Services Maintenance	245,000	252,105	259,416	265,642	271,752	277,730	284,118	290,937	297,919	304,474	
Cycle Path Maintenance	-	-	15,883	16,264	16,638	17,004	17,395	17,812	18,240	18,641	
Level Crossing Warning Devices	25,000	25,725	26,471	27,106	27,730	28,340	28,992	29,687	30,400	31,069	
Network and Asset Management	1,132,000	1,164,828	1,198,608	1,227,375	1,255,604	1,283,228	1,312,742	1,344,248	1,376,509	1,406,793	
Total Mobility Costs	5,000	5,145	5,294	5,421	5,546	5,668	5,798	5,937	6,080	6,214	
Studies & Strategies	120,000	123,480	158,826	81,319	-	113,359	86,975	-	-	124,275	
Bus Services	-	-	15,883	16,264	16,638	17,004	17,395	17,812	18,240	18,641	
PT Operations Maintenance	-	-	52,942	54,213	55,460	56,680	57,983	59,375	60,800	62,137	
<b>Total Operational Expenditure</b>	<b>8,114,088</b>	<b>8,349,396</b>	<b>8,708,003</b>	<b>8,835,675</b>	<b>8,955,707</b>	<b>9,266,091</b>	<b>9,450,220</b>	<b>9,587,960</b>	<b>9,818,073</b>	<b>10,158,346</b>	
<b>Roading – Renewal and Capital Expenditure Projects</b>											
Bridges - Acquisition LOS	55,000	56,595	58,236	59,634	61,006	62,348	63,782	65,312	66,880	68,351	
Bridges - Renewal	495,000	509,355	524,126	536,705	549,050	561,129	574,035	587,811	601,919	615,161	
Sealed Roads - Acq LOS	100,000	102,900	105,884	108,425	110,919	113,359	115,967	118,750	121,600	124,275	
Unsealed Rd Metal - Acq LOS	298,900	307,568	316,488	324,083	331,537	338,831	346,624	354,943	363,462	371,458	
Unsealed Rd Metal - Renewal	2,690,100	2,768,113	2,848,388	2,916,749	2,983,835	3,049,479	3,119,617	3,194,488	3,271,156	3,343,121	
Seal Rd Resurface - Renewal	5,336,000	5,490,744	5,649,976	5,532,944	5,401,760	4,992,344	5,107,168	5,229,740	5,921,909	6,631,313	
Drainage Renewals - Acq LOS	75,000	77,175	79,413	81,319	83,189	85,019	86,975	89,062	91,200	93,206	
Drainage Renewals - Renewal	75,000	77,175	79,413	81,319	83,189	85,019	86,975	89,062	91,200	93,206	

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Structure Component - Renewal	250,000	257,250	105,884	108,425	110,919	113,359	115,967	118,750	121,600	124,275	
Traffic Services - Acq LOS	56,840	58,488	60,185	61,629	63,046	64,433	65,915	67,497	69,117	70,638	
Traffic Services - Renewal	1,021,160	1,050,774	1,081,246	1,107,196	1,132,661	1,157,580	1,184,204	1,212,625	1,241,728	1,269,046	
Assoc Improvements - Acq LOS	620,000	663,499	709,000	752,905	797,730	843,393	891,551	942,398	995,173	1,047,887	
Pedestrian Facility - Acq LOS	-	-	52,942	54,213	55,460	56,680	57,983	59,375	60,800	62,137	
Cycle Facilities - Acq LOS	-	-	52,942	54,213	55,460	56,680	57,983	59,375	60,800	62,137	
Pavement Rehab - Renewal	4,241,000	4,538,549	4,849,788	5,150,116	5,456,732	5,769,083	6,098,497	6,446,308	6,807,302	7,167,882	
Minor Improvements Acq LOS	1,027,200	1,056,989	1,087,641	1,113,745	1,139,361	1,164,427	1,191,209	1,219,798	1,249,073	1,276,553	
Minor Improvements Renewals	684,800	704,659	725,094	742,497	759,574	776,285	794,139	813,199	832,715	851,035	
Road Reconstruction	1,160,000	-	-	-	-	-	-	-	-	-	
<b>Total Capital Expenditure</b>	<b>18,186,000</b>	<b>17,719,833</b>	<b>18,386,646</b>	<b>18,786,117</b>	<b>19,175,428</b>	<b>19,289,448</b>	<b>19,958,591</b>	<b>20,668,493</b>	<b>21,967,634</b>	<b>23,271,681</b>	
<b>Total</b>	<b>26,300,088</b>	<b>26,069,229</b>	<b>27,094,649</b>	<b>27,621,792</b>	<b>28,131,135</b>	<b>28,555,539</b>	<b>29,408,811</b>	<b>30,256,453</b>	<b>31,785,707</b>	<b>33,430,027</b>	

#### Projects - Operational & Management Projects

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Riverton - Landscape playground - 644.s	\$10,000										Rates

#### Maintenance, Renewal and Replacement Projects

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Edendale - Footpath upgrade - 633.s	\$10,000	\$10,330	\$10,568	\$10,821	\$11,048						Reserves
Ohai - Upgrade Footpaths - 681.z	\$4,000	\$3,099	\$3,170	\$3,246	\$3,315	\$3,387	\$3,465	\$3,545	\$3,630	\$3,721	Rates
Riverton - Footpaths - 717.A	\$40,000	\$41,320	\$42,270	\$43,285	\$44,194	\$45,166	\$46,205	\$47,268	\$48,402	\$49,612	Rates
Riverton Ward - Information Kiosk - 641.s	\$8,000										Rates
Riverton Ward - Orepuki footpath resurfacing - 699.b	\$8,000										Rates
Te Anau - Caswell upgrade - 603.s	\$180,000										Rates
Te Anau - Concrete kerbing - 604.s		\$6,715	\$6,869								Rates
Te Anau - Footpath repairs - 671.s	\$15,000	\$15,495									Rates
Te Anau - Footpath upgrades - 672.s						\$56,458	\$57,756	\$59,085	\$60,503	\$62,015	Rates
Tokanui - Upgrade existing footpaths - 635.s	\$5,000	\$5,165	\$5,284	\$5,411	\$5,524						Rates and Reserves
Tuatapere - Footpath upgrade - 701.s	\$60,000				\$16,573	\$16,937	\$17,327	\$17,725	\$18,151	\$18,605	Rates
Wallace (Otautau) - Footpaths Upgrade - 706.A	\$10,000	\$10,330	\$10,568	\$10,821	\$11,048	\$11,292	\$11,551	\$11,817	\$12,101	\$12,403	Rates
Winton - Footpaths - 626.s				\$270,530							Loan
Winton - Footpaths upgrade - 700.a	\$100,000										Reserves
Wyndham - Footpaths - 721.A	\$3,000	\$3,099	\$3,170	\$3,246	\$3,315	\$3,387	\$3,465	\$3,545	\$3,630	\$3,721	Reserves

#### Asset Acquisition Projects - Caused by changes in demand

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Te Anau - New carpark at rear of shops on Park Lane - 602.s	\$70,000										Rates

**Asset Acquisition Projects - Caused by changes to levels of service**

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Balfour - Footpath Upgrade - 693.z	\$37,000										Rates and Reserves
Colac Bay - New Footpath - 637.s	\$18,000										Rates
Edendale - Footpath - 634.s	\$15,000										Reserves
Manapouri - View Street Kerb Upgrade - 601.s	\$250,000										Subsidy, Rates and Reserves
Manapouri - View Street Footpath Upgrade - 600.s	\$250,000										
Nightcaps - Footpath Upgrade - 686.A			\$52,838								Reserves
Nightcaps - New Concrete Kerbing - 638.s					\$11,048					\$12,403	Rates
Riverton - Streetlights - 718.A	\$525	\$542	\$555	\$568	\$580	\$593	\$606	\$620	\$635	\$651	Rates
Stewart Island - New footpaths - 657.A	\$10,000	\$10,330	\$10,568								Rates
Stewart Island - Streetlights - 658.A	\$12,000		\$8,454								Rates
Te Anau - Streetlights - 719.A	\$10,000	\$10,330									Rates
Thornbury - Footpath opposite museum - 648.s	\$6,000										Rates
Tuatapere - Concrete kerbs - 702.s	\$2,550	\$2,634	\$2,695	\$2,759	\$2,817	\$2,879	\$2,946	\$3,013	\$3,086	\$3,163	Rates
Wallacetown - Footpath upgrade - 668.s	\$40,000		\$42,270		\$44,194		\$46,205		\$48,402		Reserves, Rates and Loan
Wallacetown - Kerb and channel - Dunlop Street upgrade - 665.s			\$52,838			\$56,458		\$60,503			
Winton - Concrete kerbs - 720.A	\$5,000	\$5,165	\$5,284	\$5,411	\$5,524	\$5,646	\$5,776	\$5,908	\$6,050	\$6,202	Rates
Woodlands - New footpath - 636.s	\$7,000										Rates

**Who benefits from the activity and how is it funded?**

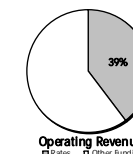
These benefits are distributed between the community as a whole, utility companies, commercial enterprises and individuals. Freight of goods is a significant generator for the need for the level of this activity, particularly in maintenance and upgrade of the roads, as trucks do the most structural and pavement damage. Roading is funded from a mix of rates and central government subsidy. Roading costs are funded from central government subsidy; uniform annual charge set at 10% of roading costs funded by rates; and Targeted roading rate for each of the following sectors - commercial, dairy, farming, forestry, industrial, lifestyle, mining, residential, and 'other'. The targeted rate is calculated as follows and covers both capital and operating expenditure:

- General roading costs are allocated between sectors by capital value.
- Structural/pavement costs, which are generated by heavy traffic, are allocated by tonnage in the case of rural sectors, and apportioned between the commercial and industrial sectors by the number of properties.
- A percentage share of costs is then established for each sector.
- A targeted rate is set for each sector based on their share of costs and levied on the capital value of each rateable unit.

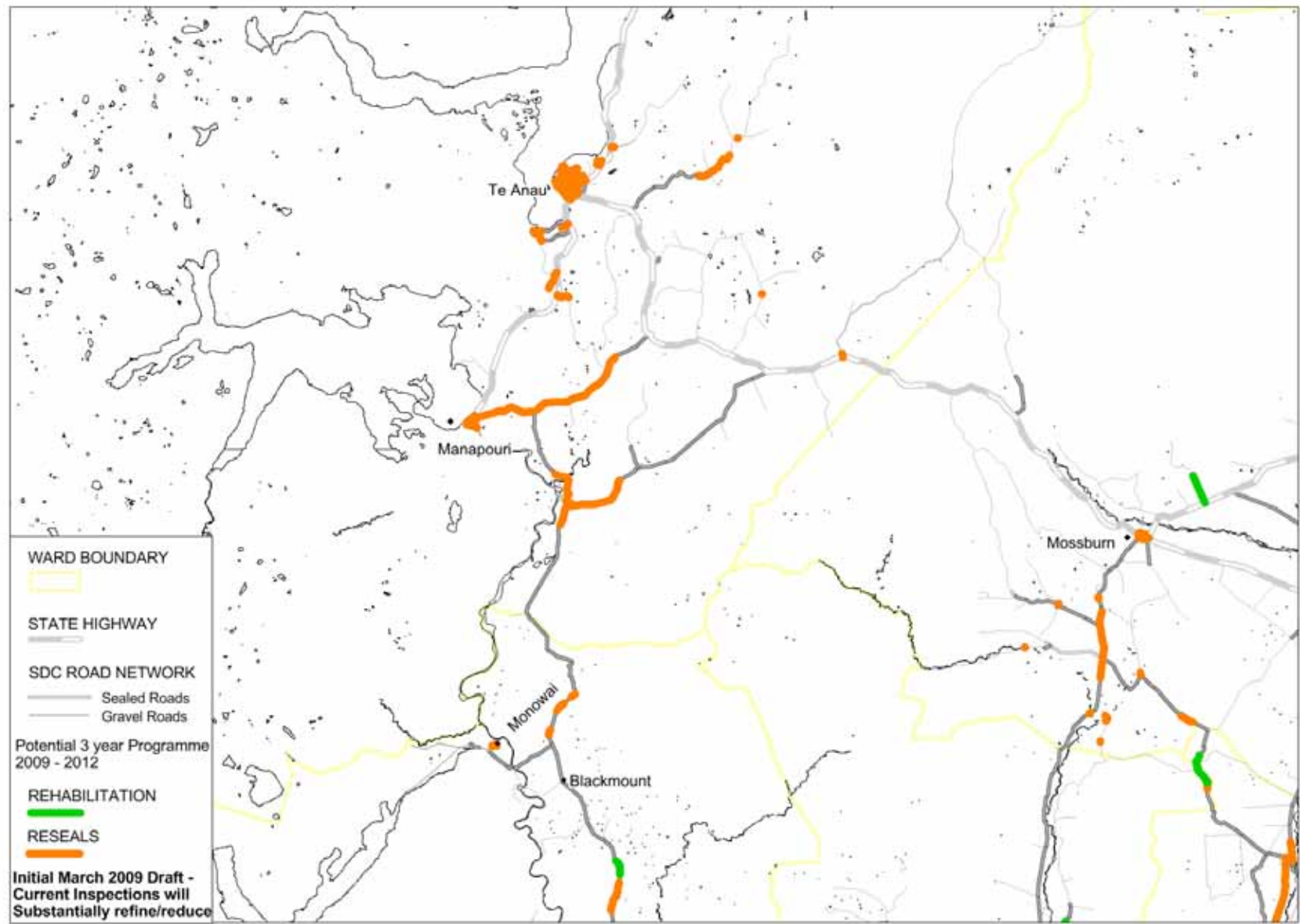
Local amenities are funded through local rates (street works and noxious plant control), with some capital projects and emergency repairs (such as slips) funded through loans (recovered from rates subsequently). The Council may require subdividers and developers to pay a financial contribution under the Resource Management Act 1991 towards the capital cost of upgrade works required to cater for the increased demand generated by the development, the lending costs associated with capital works may also be recovered through financial contributions. The amount of the contribution is assessed on a case by case basis, (District Plan, Financial and Development Contributions Policy refer). There are also some services provided on a user pays basis and these charges are described in the Fees and Charges section page 234.

## What does it cost?

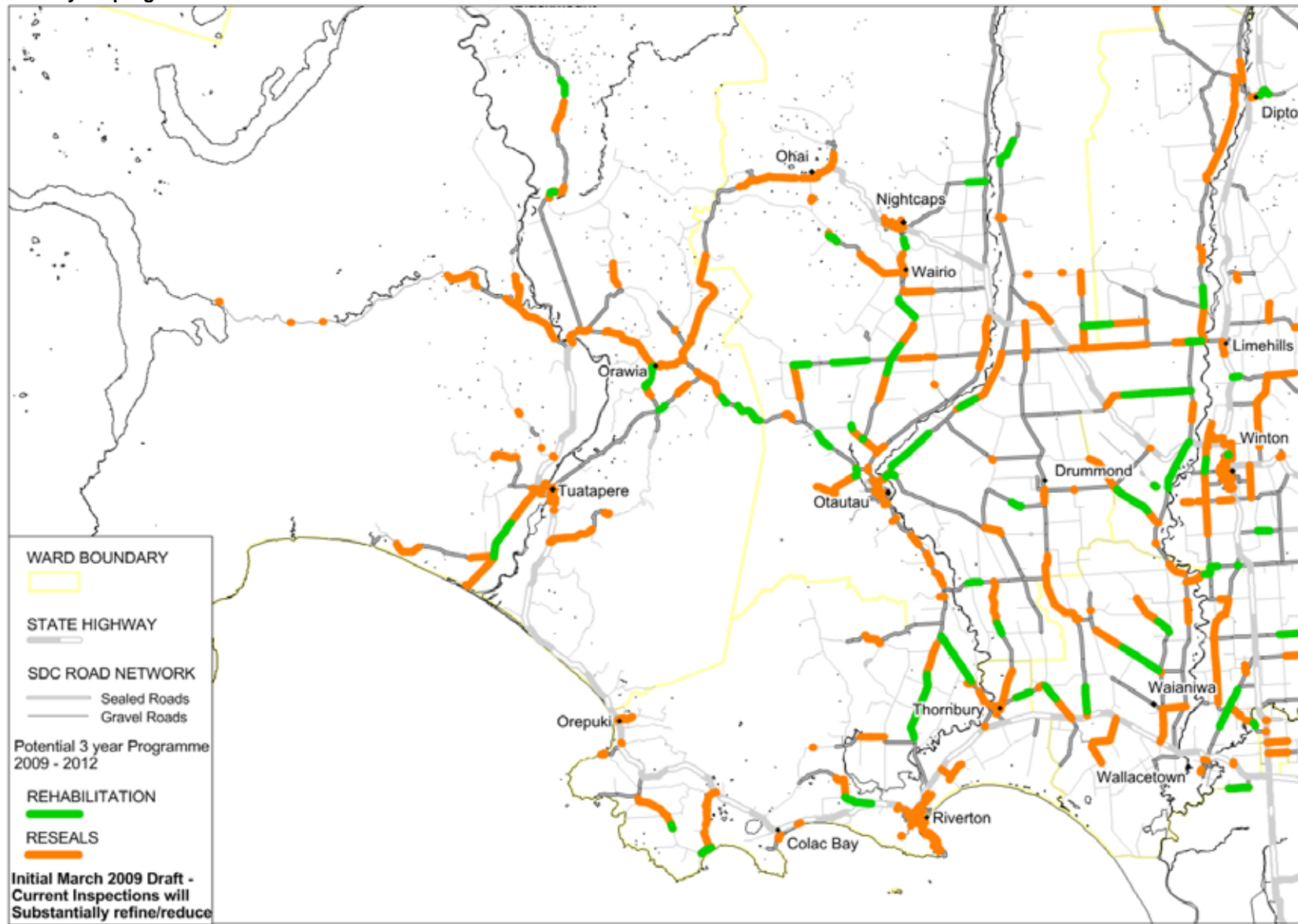
ROADING AND TRANSPORT										
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	10,390,921	10,709,769	11,560,561	12,377,559	13,392,237	14,534,230	15,596,014	16,753,517	18,025,642	19,400,500
Activity Revenue	53,914	65,795	56,975	69,081	69,908	60,876	72,377	63,709	75,977	77,211
NZ Transport Agency	15,002,773	14,840,615	15,439,720	15,722,333	15,993,890	16,266,191	16,741,693	17,199,898	18,056,129	19,005,821
Development & Financial Contributions	70,000	-	-	-	-	-	-	-	-	-
Grants & Donations	802,920	351,220	359,298	367,921	375,648	383,912	392,742	401,775	411,417	421,703
<b>Total Operating Revenue</b>	<b>26,320,528</b>	<b>25,967,399</b>	<b>27,416,554</b>	<b>28,536,894</b>	<b>29,831,683</b>	<b>31,245,209</b>	<b>32,802,826</b>	<b>34,418,899</b>	<b>36,569,165</b>	<b>38,905,235</b>
Depreciation	16,367,248	16,982,836	17,608,212	18,140,608	18,645,529	19,142,476	19,670,935	20,221,191	20,738,221	21,339,388
Finance Costs	251,698	221,715	189,341	154,384	137,069	104,658	76,926	56,927	42,345	31,225
Other Operating Costs	9,143,524	9,676,329	10,025,820	10,221,856	10,250,153	10,711,438	10,914,097	11,066,735	11,372,547	11,589,800
<b>Less Total Operating Expenditure</b>	<b>25,762,470</b>	<b>26,880,880</b>	<b>27,823,373</b>	<b>28,516,848</b>	<b>29,032,751</b>	<b>29,958,572</b>	<b>30,661,958</b>	<b>31,344,853</b>	<b>32,153,113</b>	<b>32,960,413</b>
<b>Operating Surplus/(Deficit)</b>	<b>558,058</b>	<b>(913,481)</b>	<b>(406,819)</b>	<b>20,046</b>	<b>798,932</b>	<b>1,286,637</b>	<b>2,140,868</b>	<b>3,074,046</b>	<b>4,416,052</b>	<b>5,944,822</b>
Operating Surplus/Deficit transferred to/(from) Reserves	558,058	(913,481)	(406,819)	20,046	798,932	1,286,637	2,140,868	3,074,046	4,416,052	5,944,822
<b>CAPITAL AND RESERVES</b>										
Acquisition-Demand	70,000	-	-	-	-	-	-	-	-	-
Acquisition-Level of Service	2,896,015	2,352,215	2,698,233	2,618,904	2,761,871	2,850,746	2,933,522	2,986,051	3,196,781	3,199,061
Vested Assets	462,920	-	-	-	-	-	-	-	-	-
Renewals	16,396,060	15,522,776	15,945,814	16,555,849	16,604,058	16,640,905	17,250,975	17,834,968	19,068,484	20,276,437
<b>Total Capital Expenditure</b>	<b>19,824,995</b>	<b>17,874,991</b>	<b>18,644,047</b>	<b>19,174,753</b>	<b>19,365,929</b>	<b>19,491,651</b>	<b>20,184,497</b>	<b>20,821,019</b>	<b>22,265,265</b>	<b>23,475,498</b>
Loans Repaid	492,000	531,252	573,637	604,070	670,958	500,272	529,433	277,401	197,351	215,327
Transfers to Reserves	409,197	23,199	13,170	23,998	88,290	1,027,068	1,765,158	2,787,185	3,374,444	4,214,918
<b>Total Capital Movements</b>	<b>901,197</b>	<b>554,451</b>	<b>586,807</b>	<b>628,068</b>	<b>759,248</b>	<b>1,527,340</b>	<b>2,294,591</b>	<b>3,064,586</b>	<b>3,571,795</b>	<b>4,430,245</b>
Operating Deficit	-	913,481	406,819	-	-	-	-	-	-	-
<b>Total Funding Required</b>	<b>20,726,192</b>	<b>19,342,923</b>	<b>19,637,673</b>	<b>19,802,821</b>	<b>20,125,177</b>	<b>21,018,991</b>	<b>22,479,088</b>	<b>23,885,605</b>	<b>25,837,060</b>	<b>27,905,743</b>
Loans Raised	-	-	-	270,530	44,194	-	46,205	-	60,000	-
Non Cash Expenditure	16,353,739	16,969,327	17,594,703	18,127,099	18,632,020	19,128,967	19,657,426	20,207,682	20,724,712	21,325,879
Transfers from Reserves	3,814,395	2,373,596	2,042,970	1,385,146	650,031	603,387	634,589	603,877	636,296	635,042
Operating Surplus	558,058	-	-	20,046	798,932	1,286,637	2,140,868	3,074,046	4,416,052	5,944,822
<b>Total Funding Applied</b>	<b>20,726,192</b>	<b>19,342,923</b>	<b>19,637,673</b>	<b>19,802,821</b>	<b>20,125,177</b>	<b>21,018,991</b>	<b>22,479,088</b>	<b>23,885,605</b>	<b>25,837,060</b>	<b>27,905,743</b>



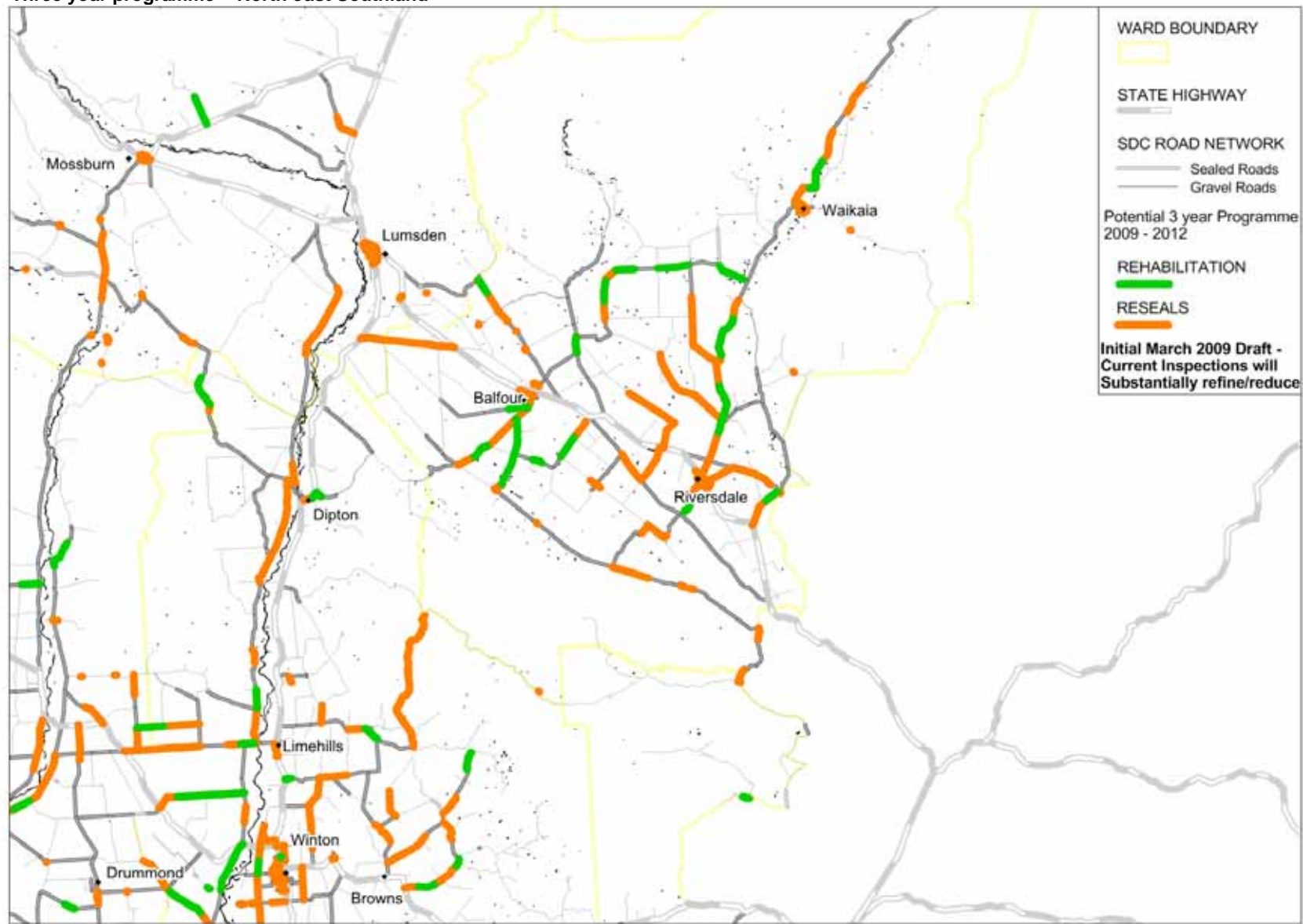
Three year programme – North-west Southland



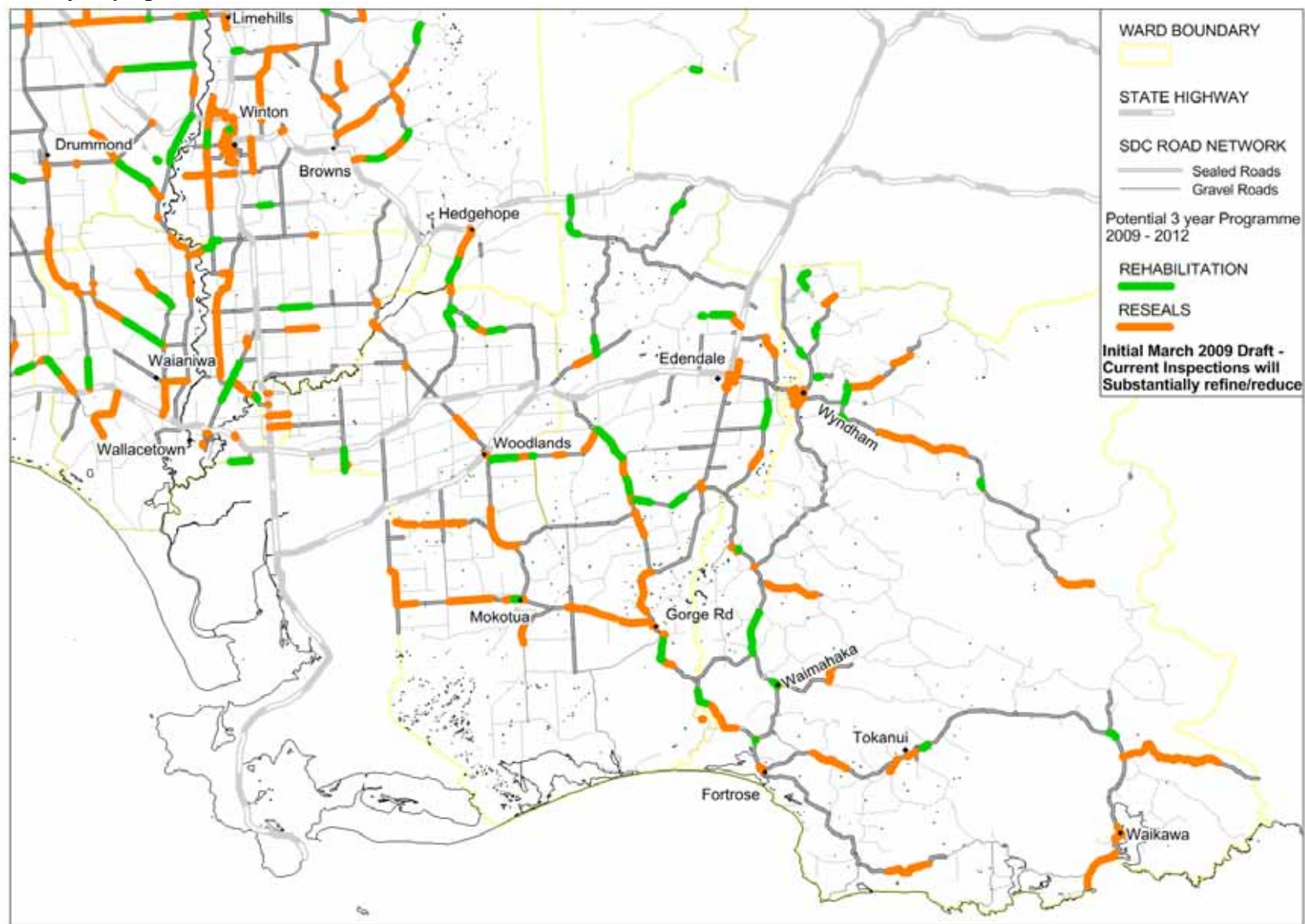
Three year programme – South-west Southland



Three year programme – North-east Southland

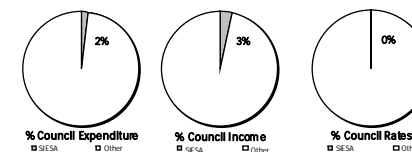


Three year programme – South-east Southland



# SIESA (Stewart Island Electrical Supply Authority)

*Aim: To provide a reliable and viable electricity supply for Stewart Island.*



## What we do

The Stewart Island Electrical Supply Authority (SIESA) activity involves the supply of electricity and installation of reticulation to consumers on Stewart Island. This activity also involves the investigation and development of power generation infrastructure from renewable resources and the investigation and development of a 'healthy-homes' initiative. SIESA also undertakes other commercial activities on Stewart Island, including waste collection and operation of the Rakiura Resource Recovery Centre.

## Why we do it

A reliable and economically viable electricity supply is an important component of community wellbeing and as such contributes to several outcomes. The supply contributes to a diverse economy by generating and supplying electricity which enables both business and industry to operate on Stewart Island. By providing a single electricity supply with multiple consumers, the committed costs are shared, which reduces costs to individuals thereby assisting the local economy. The service also contributes to healthy people through energy efficient initiatives which have benefits by creating warmer, healthier homes as well as providing electricity to health services located on the Island. In addition, one reliable electricity supply also contributes to a treasured environment by negating the necessity of each individual supplying their own generating system which could generate more carbon emissions and noise.

In the activity, Council must comply with the Electricity Act 1992. The activity must also give effect to the New Zealand Energy Strategy to 2050 – Powering Our Future.

## What are the key issues?

In the past three years SIESA's operations have been affected by increasing oil prices which in turn have affected the prices of diesel for operating the generators. This has made it increasingly difficult to keep electricity prices low, particularly given the Island's small population and limited number of consumers which means that the cost of electricity is much higher there than in the rest of New Zealand. In recent times fuel costs have risen in magnitude to make alternative generation sources more viable. In addition, the introduction of the Climate Change Response (Emissions Trading) Amendment Act 2008 confirmed the push towards reducing greenhouse gases which is likely to impact on the cost of liquid fossil fuels (including diesel) from 2012. Whilst there is still some uncertainty around the emissions trading scheme, these influences provide incentives for SIESA to move towards alternative generation and reduce other costs of generation. As a result, the Council is working with PowerNet and Righthouse to trial renewable wind energy on the Island. While it is unlikely that wind energy will be able to provide for all of Stewart Island's energy needs, Council is hopeful that it over the next ten years it will be possible to generate around 30% of the electricity through renewable sources.

## What level of service will Council provide?

<b>Primary outcome: A diverse economy built from our strengths for growth and prosperity (2)</b>									
Intermediate Outcome: We have a quality infrastructure with potential for growth (2.1)									
What Council will provide		How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source	
		06/07	07/08	09/10	10/11	11/12	12-19		
Affordability SIESA is able to operate in a cost effective manner.	Ongoing reduction in financial deficit.	New Measure	New Measure	Decrease	Decrease	Decrease	Decrease	Financial Accounts	
Responsiveness SIESA is responsive to customers needs.	Percentage of complaints/requests responded to within agreed timeframes.	New Measure	New Measure	80%	85%	90%	100%	Monthly reports	

What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Reliability All SIESA consumers connected are provided with reliable and continuous service.	Number of unplanned interruptions.	8	5	Less than 10	Less than 8	Less than 6	Less than 6	Monthly reports
	Percentage of service interruptions reinstated within 8 hours.	100%	100%	100%	100%	100%	100%	Monthly reports
Sustainability Maximise the use of renewable energy sources for electricity generation.	Reduce the amount of diesel used to generate electricity per kilowatt. <sup>1</sup>	New Measure	New Measure	10%	10%	10%	14/15 – 10% 15/16 – 10% 18/19 - 10%	Financial Accounts
1. The target to reduce diesel use is dependent on the economic viability of obtaining funding for additional wind turbines as well as encouraging reduced energy use through initiatives such as home insulation. Over the next ten years there is a programme of investigation and implementation for wind turbines which sees the targets of reduction in diesel use changing over the period depending on the phase.								

### What significant negative effects could the activity have?

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

Potential Negative Effect (on community wellbeing)	
Social	Risks to public health associated with the construction, maintenance or operation of the electricity infrastructure – mitigated through using appropriately qualified staff and having emergency procedures in place.
Economic	Property damage resulting from any electricity faults – mitigated by maintaining the network and minimising disruptions.
Environmental	Dependence on diesel to generate the power and the associated emissions – mitigated by initiatives to look at renewable energy sources.

### What assets are used?

#### What assets have we got and how are they managed?

Stewart Island has around 440 permanent electricity consumers connected to a network powered by five diesel generators at a central power station. The types of infrastructure assets used to deliver this service include 30 km of overhead lines, 10 km of underground cables and 35 distribution transformers. The electricity network comprises around 19 km of 11 kV overhead wiring and four km of 400 V and 230 V overhead and underground wiring with around thirty 11 kV / 400 V 230 V transformers. The Stewart Island Community Board (as representative of Stewart Island electricity consumers) is responsible for the overall policy decision-making for the scheme. Management decisions within this policy are delegated to a management team of Council staff. The physical work to maintain and operate the supply has been outsourced to a private contractor.

#### Will additional assets/services be needed?

The existing plant that generates the power for the Island uses diesel generators which are relatively expensive and are ageing. The majority of the equipment on the network was installed in 1987, with much of the distribution equipment being up to 15 years old at that time. Consequently many of the mechanical plant items such as generators and ancillaries are showing their age and will need replacement. The plan includes an increase in general maintenance costs, plus funding for one-off projects such as the purchase of a replacement generator (\$300,000 funded from reserves), reviewing the scheme's alarm system as well as projects to reduce the risk of unplanned outages. In addition, the Council has also been working closely with PowerNet and Righthouse to investigate long term sustainable energy options for the Island in an effort to reduce the cost of electricity to the Island's residents. At the current time trials are being carried out with wind turbines, and if successful it is hoped that renewable sources will provide up to 30% of the Island's electricity needs by 2019.

### Who benefits from the activity and how is it funded?

Residents, businesses, and visitors on Stewart Island both create the need for and benefit from this activity. Electricity generation and distribution is recovered through a tariff structure applicable to consumers. Waste management (including recycling) is funded through a uniform annual charge per separately used or inhabited part of a rating unit (the Stewart Island Waste Management Rate). In general, capital expenditure is funded from reserves and asset sales, though loans may also be used for urgent repairs or upgrades. The renewable energy and energy efficiency sub-activities are (or will be) funded from a range of sources, including tariff structure applicable to consumers, externally sourced subsidies, reserves, and loans. The details will be determined based on the results of the 2008/2009 trial, and available funding opportunities.

### What does it cost?

SIESA	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Activity Revenue	1,191,600	1,221,204	1,251,552	1,286,734	1,321,081	1,360,679	1,401,815	1,444,240	1,489,414	1,537,514
Interest & Dividends	18,292	11,984	9,913	10,254	10,951	12,033	13,619	15,921	18,759	22,190
<b>Total Operating Revenue</b>	<b>1,209,892</b>	<b>1,233,188</b>	<b>1,261,465</b>	<b>1,296,988</b>	<b>1,332,032</b>	<b>1,372,712</b>	<b>1,415,434</b>	<b>1,460,161</b>	<b>1,508,173</b>	<b>1,559,704</b>
Depreciation	148,068	152,068	152,068	152,068	152,068	152,068	152,068	152,068	152,068	152,068
Other Operating Costs	1,271,973	1,254,277	1,245,803	1,269,269	1,290,895	1,313,812	1,331,184	1,355,938	1,381,461	1,409,125
<b>Less Total Operating Expenditure</b>	<b>1,420,041</b>	<b>1,406,345</b>	<b>1,397,871</b>	<b>1,421,337</b>	<b>1,442,963</b>	<b>1,465,880</b>	<b>1,483,252</b>	<b>1,508,006</b>	<b>1,533,529</b>	<b>1,561,193</b>
<b>Operating Surplus/(Deficit)</b>	<b>(210,149)</b>	<b>(173,157)</b>	<b>(136,406)</b>	<b>(124,349)</b>	<b>(110,931)</b>	<b>(93,168)</b>	<b>(67,818)</b>	<b>(47,845)</b>	<b>(25,356)</b>	<b>(1,489)</b>
Operating Surplus/Deficit transferred to/(from) Reserves	(210,149)	(173,157)	(136,406)	(124,349)	(110,931)	(93,168)	(67,818)	(47,845)	(25,356)	(1,489)
<b>CAPITAL AND RESERVES</b>										
Renewals	410,000	46,485	5,284	5,411	5,524	5,646	5,776	5,908	6,050	6,202
<b>Total Capital Expenditure</b>	<b>410,000</b>	<b>46,485</b>	<b>5,284</b>	<b>5,411</b>	<b>5,524</b>	<b>5,646</b>	<b>5,776</b>	<b>5,908</b>	<b>6,050</b>	<b>6,202</b>
Transfers to Reserves	28,803	29,695	30,016	30,481	30,756	31,103	32,123	32,356	32,867	33,279
<b>Total Capital Movements</b>	<b>28,803</b>	<b>29,695</b>	<b>30,016</b>	<b>30,481</b>	<b>30,756</b>	<b>31,103</b>	<b>32,123</b>	<b>32,356</b>	<b>32,867</b>	<b>33,279</b>
Operating Deficit	210,149	173,157	136,406	124,349	110,931	93,168	67,818	47,845	25,356	1,489
<b>Total Funding Required</b>	<b>648,952</b>	<b>249,337</b>	<b>171,706</b>	<b>160,241</b>	<b>147,211</b>	<b>129,917</b>	<b>105,717</b>	<b>86,109</b>	<b>64,273</b>	<b>40,970</b>
Transfers from Reserves	648,952	249,337	171,706	160,241	147,211	129,917	105,717	86,109	64,273	40,970
<b>Total Funding Applied</b>	<b>648,952</b>	<b>249,337</b>	<b>171,706</b>	<b>160,241</b>	<b>147,211</b>	<b>129,917</b>	<b>105,717</b>	<b>86,109</b>	<b>64,273</b>	<b>40,970</b>



# Solid Waste Management

*Aim: To reduce waste to landfill and provide reliable and convenient waste collection methods to ensure proper disposal.*



## What we do

The activity involves promoting waste minimisation, collecting waste from households and transfer stations, collecting recyclables from drop-off centres and creating compost from greenwaste sites. The activity also involves the safe disposal of hazardous substances. The Council provides a weekly kerbside collection for solid waste through a wheelie bin service to townships and voluntary refuse collections to properties on vehicle travel routes, with the exception of Stewart Island, where Council provides a weekly kerbside refuse bag, recycling and food scrap collection. In addition, the District is serviced by seven transfer stations with integrated refuse, green waste and recycling services, eleven recycling drop-off centres with unrestricted access (including three at transfer stations) and two greenwaste sites. Residual waste is transported to the regional landfill operated by AB Lime at Kings Bend (near Winton) for disposal.

## Why we do it

Solid waste management contributes to a treasured environment which we care for, through the controlled disposal of waste (kerbside collections and transfer stations), reducing litter and illegal dumping and ensuring resources are used efficiently through initiatives to minimise waste such as recycling drop-off centres and possible kerbside collection of recyclables and organics. Solid waste management also contributes to healthy people (by reducing the risk of diseases spreading), safe public places and quality places to go (by reducing litter and illegal dumping) as well as a diverse economy (by ensuring that business and industry have access to secure waste disposal services to support their operations).

In the activity, Council must comply with the Waste Minimisation Act 2008 and Health Act 1956. The activity must also give effect to the New Zealand Waste Strategy and Regional Solid Waste Management Plan. A summary of the Council's Waste Management Plan is included on page 314. This plan makes provision for the collection of waste produced within the District and the reduction, reuse, recycling, recovery, treatment and disposal of waste.

## What are the key issues?

Waste minimisation is becoming an increasingly important sustainability issue in New Zealand. Recycling has been consistently identified as a top priority by Southland residents<sup>1</sup> and last year the Waste Minimisation Act 2008 was passed into law with the aim of encouraging a reduction in the amount of waste we generate and dispose of in New Zealand and lessen the environmental harm of waste. The new Act makes more use of regulatory and price-based mechanisms to reduce waste. One of the key price mechanisms is a levy on waste going to landfill which is being introduced to influence the amount of waste people generate by shifting the cost away from those who take action to reduce waste, and on to those who do not. The levy has been set at \$11.25 (including GST) for every tonne of rubbish going to landfill. Around half of the money that is generated by the levy nationally will go back to local authorities, on a population basis, so that they can improve waste minimisation in their area. The remaining funds are put into a contestable fund to which councils, communities, businesses and other organisations can apply for funding to set up new waste minimisation activities.

Over the next three years, the Council, through WasteNet<sup>2</sup>, intends to develop a new Southland Waste Management and Minimisation Plan to comply with the requirements of the new Act. Once completed, this will provide the basis for which the Council will apply to the government for levy funding to carry out various waste minimisation initiatives.

<sup>1</sup> Southland District Council Residents' Satisfaction and Opinion Survey (2005, 2006, 2007, 2008).

<sup>2</sup> WasteNet is made up of the Invercargill City Council, Gore District and Southland District who work jointly to provide waste management solutions for the region.

In the mean time, in line with the current Solid Waste Strategy and the Southland Solid Waste Management Plan, Council is looking at providing a regional kerbside recycling, organics and refuse collection service in conjunction with the WasteNet Councils. Options for providing additional collection services for recycling and organics were identified and consulted on as part of the Draft Annual Plan 2008/2009 and trialled in Winton. The trial, investigations and feedback from community consultation indicated that the preferred and most cost effective option was a regional three bin kerbside service made up of a weekly organic collection with alternative fortnightly collection of refuse and recyclables. This combination was seen to provide the best way of reducing the volume of refuse going to landfill for a reasonable cost. As a result, the three Southland Councils asked WasteNet to begin planning and investigations for joint procurement of a regional waste service that could commence in 2010.

With the Act placing a greater emphasis on minimising waste to landfill (including financial incentives via landfill levies to promote waste minimisation) the Council believes that the three bin service provides the most efficient way to reduce waste going to landfill, particularly given that organic material forms the largest single portion of the waste currently going into the regional landfill. Council has included funding in the plan to begin a three bin kerbside collection service in 2010/2011. The total service is estimated to cost around \$310 (including GST) and includes the current refuse collection costs (urban - \$167.40; rural - \$238) as well as additional costs for the new \$11.25 per tonne landfill levy. While the Council has not yet made a final decision on the proposal it will consider the submissions to the draft plan in addition to feedback from previous years submissions (2006, 2007, 2008) when making a decision on the service later this year. At the current time, documentation is being prepared about the three Council's operational, contractual and financial requirements for a kerbside system for refuse, recyclables and organics. This documentation will be advertised in June to invite requests for proposals from appropriate contractors/organisations. These proposals will then be evaluated by WasteNet so that recommendations can be presented to each of the Council's in October with each Council possibly considering and making decisions on the systems for its area in November/December 2009.

If the kerbside service does not proceed, the volume of waste being disposed of at transfer stations is expected to be higher than that allowed for in the plan (remaining at current levels), which will have an effect on the activities projected the revenue and rates requirement.

#### What level of service will Council provide?

What Council will provide		How Council will measure the service provided						Source
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
<b>Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)</b> Intermediate Outcome: We have an environment protected from the negative effects of human activities (6.3) <div style="float: right; text-align: right;"> </div>								
Access Provide convenient solid waste management facilities and solutions throughout the District.	Percentage of resident satisfaction with the services provided. <sup>1</sup>	W Bins - 96% TS Lcn - 83% TS Hrs - 74% Rec Lcn - 76%	W Bins - 96% TS Lcn - 79% TS Hrs - 72% Rec Lcn - 72%	W Bins - 80% TS Lcn - 80% TS Hrs - 80% Rec Lcn - 80%	W Bins - 80% TS Lcn - 80% TS Hrs - 80% Rec Lcn - 80%	W Bins - 80% TS Lcn - 80% TS Hrs - 80% Rec Lcn - 80%	W Bins - 80% TS Lcn - 80% TS Hrs - 80% Rec Lcn - 80%	Survey - Resident
Quantity Provide for the sustainable minimisation and management of solid waste quantity being generated within the District.	Percentage of residents that agree that the amount of waste going to landfill is being minimised.	68%	54%	80%	80%	80%	80%	Survey - Resident
	Percentage of waste recovered at transfer stations and recycling drop off centres which is saved from landfill.	11%	4%	8%	10%	15%	8%	Quarterly Report

What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
	Percentage of waste collected at kerbside that is diverted from landfill.	New Measure	New Measure	0%	15%	20%	55%	Quarterly Report
Quantity Provide guidance to the public about quality solid waste management practices.	Number of public education initiatives completed. <sup>2</sup>	12 school visits	9 school visits	10 school visits	10 school visits	10 school visits	10 school visits	Quarterly Report
Responsiveness Provide new or replacement wheelie bins in response to legitimate requests.	Percentage of wheelie bins provided within 7 working days of a request being received. <sup>3</sup>	84%	84%	90%	90%	90%	90%	GEAC Pathway
<p>1. "Services provided" means wheelie bins, transfer stations (locations and hours) and recycling centres (location).</p> <p>2. "Public education initiatives" include at least one additional information brochure every two years and at least 10 school visits per year.</p> <p>3. Request timeframes will only be met where all the appropriate information is provided to the Council.</p>								

### What significant negative effects could the activity have?

The potential negative effects of this activity shown in the table below.

Potential Negative Effect (on community wellbeing)	
Social	Noise generated by vehicles entering and operating at transfer stations. Odour can be generated when solid waste is decomposing. These are mitigated by operating the site within approved opening hours and disposing the litter into containers as soon as possible and regularly cleaning the tipping faces.
Environmental	Actual physical effect of decomposing waste has a negative effect upon the environment with regard to odour, leachate and methane gas emissions. This is managed by disposing of waste direct into containers/compactors that are transported to the regional landfill as soon as possible, and regular cleaning of the tipping face. In addition, litter may result from overflowing waste receptacles, windblown materials and illegal disposal of waste. This is reduced by litter fences and operational procedures which ensure receptacles are replaced when full. Pests and rodents are also a potential problem and are managed by steel constructed perimeter fences and use of approved pest control methods.

### What assets are used?

#### What assets have we got and how are they managed?

As the Council contracts out this activity there are minimal assets for the Council to manage. The assets include seven transfer stations, eleven recycling drop-off centres (including three at transfer stations), two greenwaste sites, over 60 closed refuse sites. The activity also utilises compaction equipment, wheelie bins, collection vehicles, bulk haulage containers and a regional landfill which are assets not owned by the Council. The Council has overall decision making responsibility for the activity. Some local Community Boards and Community Development Area Subcommittees are contributing additional funding for enhanced recycling/waste services in their local area. The Council also works closely with others in the region under the banner of WasteNet to work towards regional waste services and jointly providing waste minimisation promotion/education initiatives. The operation and maintenance of transfer stations, greenwaste sites, kerbside wheelie bin collections and the management of closed refuse sites are contracted out. The recycling drop off centres are serviced on a regular basis by Council's Work Scheme crew. Any significant renewal and new capital work is let on a competitive tender basis.

### Will additional assets/services be needed?

Landfill – Council has a 35 year contract (through the WasteNet group) with AB Lime who operate a privately owned regional landfill which takes waste exclusively through WasteNet from around the region. It is expected that the landfill will be secure in the medium to long term and Council will not need to acquire any landfill assets in the period of the plan.

Recycling/Waste Minimisation – Growing environmental awareness continues to increase the demand for alternatives to waste disposal such as recycling, greenwaste and refuse centres. As a result of this demand, seven new recycling drop-off centres have been established in the last two years. In addition, Te Anau's peak population (usually resident and visitor population) is expected to increase due to the growing popularity of the township as a holiday and tourist destination, and increasing residential development. To cater for possible eventual increased waste resulting from higher peak population in summer, Council plans to establish a temporary tipping head with open top containers, which would be transferred to the existing compacting equipment outside public opening hours or directly to the landfill as appropriate. This would increase the capacity of the transfer station. This project will cost around \$237,000 and is programmed for 2015/2016 funded from reserves. It is noted however that a region wide enhanced kerbside collection, using three bins (Recycling, Organics and Refuse), will reduce the quantities of refuse through the Te Anau transfer station which may in turn delay the need for capital expenditure to upgrade capacity during peak periods.

If the enhanced kerbside collection service is implemented, any additional capital items are likely to be owned by the contractor. However, with the new contestable fund being established for waste minimisation projects (funded by the landfill levy), there may be an opportunity to apply for funding to offset some of these capital costs.

The amount of waste generated across Southland District and received through Council's transfer stations and kerbside collection services is relatively low (approximate average of 370kg/person/annum of which two thirds is collected at the kerbside and one third is collected through transfer stations). This low amount may be attributed to several factors including the alternatives available to people such as the current permitted activities for landfills on farms. Should these influences and habits change the demand on Council services and infrastructure can also be expected to change. Dramatic changes beyond the current capacity of Council's assets and services are not anticipated in the planning period, with the exception of Te Anau.

### Who benefits from the activity and how is it funded?

All residents and visitors to Southland create the need for this activity. There is also a need for, and education about, waste minimisation. The benefits are distributed between residents of the area, and the district as a whole where the environment is kept clean and waste is minimised. Litter collection from street bins should be fully funded from local rates. Rubbish collection services (wheelie bins, and if introduced, kerbside recycling) shall be funded from targeted rates. Other operating expenditure under this activity should be funded:

- 40-75% funded through the Waste Management rate levied district-wide based on a targeted uniform annual charge per rateable unit and a capital value rate; and
- 25-60% user charges via transfer station charges, these charges are standardised across the District.

There is a wide range in funding sources due to the potential introduction of multi-bin kerbside recycling, and the impacts that may have on transfer station volumes. Capital expenditure (such as land acquisition) is funded from reserves or rates, as appropriate.

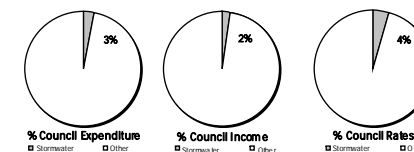
## What does it cost?



SOLID WASTE MANAGEMENT										
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	2,741,568	4,136,611	4,367,017	4,607,561	4,814,588	5,037,807	5,278,557	5,536,877	5,815,699	6,116,735
Activity Revenue	535,456	411,501	412,265	440,619	452,929	469,872	470,819	499,541	500,636	515,141
<b>Total Operating Revenue</b>	<b>3,277,024</b>	<b>4,548,112</b>	<b>4,779,282</b>	<b>5,048,180</b>	<b>5,267,517</b>	<b>5,507,679</b>	<b>5,749,376</b>	<b>6,036,418</b>	<b>6,316,335</b>	<b>6,631,876</b>
<b>Operating Expenditure</b>										
Depreciation	74,344	74,344	74,323	72,851	34,018	34,018	55,810	52,407	49,534	49,386
Finance Costs	342,642	434,798	462,480	485,290	469,604	452,666	434,377	414,629	393,305	370,280
Other Operating Costs	3,196,463	4,481,398	4,580,314	4,706,323	4,784,674	4,910,940	5,040,769	5,154,606	5,288,694	5,409,673
<b>Less Total Operating Expenditure</b>	<b>3,613,449</b>	<b>4,990,540</b>	<b>5,117,117</b>	<b>5,264,464</b>	<b>5,288,296</b>	<b>5,397,624</b>	<b>5,530,956</b>	<b>5,621,642</b>	<b>5,731,533</b>	<b>5,829,339</b>
Plus/(Less) Forestry Revaluation	-	-	-	-	-	-	-	-	-	-
Plus/(Less) Income Tax	-	-	-	-	-	-	-	-	-	-
<b>Operating Surplus/(Deficit)</b>	<b>(336,425)</b>	<b>(442,428)</b>	<b>(337,835)</b>	<b>(216,284)</b>	<b>(20,779)</b>	<b>110,055</b>	<b>218,420</b>	<b>414,776</b>	<b>584,802</b>	<b>802,537</b>
Operating Surplus/Deficit transferred to/(from) Reserves	(336,425)	(442,428)	(337,835)	(216,284)	(20,779)	110,055	218,420	414,776	584,802	802,537
<b>CAPITAL AND RESERVES</b>										
Acquisition-Level of Service	-	-	-	-	-	-	236,960	-	-	-
Renewals	-	-	-	-	34,930	-	-	-	-	34,930
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,930</b>	<b>-</b>	<b>236,960</b>	<b>-</b>	<b>-</b>	<b>34,930</b>
Loans Repaid	127,960	156,388	176,012	196,612	212,298	229,236	247,525	267,273	288,594	311,621
Transfers to Reserves	7	-	-	-	11,530	84,415	111,632	407,152	716,274	1,089,308
<b>Total Capital Movements</b>	<b>127,967</b>	<b>156,388</b>	<b>176,012</b>	<b>196,612</b>	<b>223,828</b>	<b>313,651</b>	<b>359,157</b>	<b>674,425</b>	<b>1,004,868</b>	<b>1,400,929</b>
Operating Deficit	336,425	442,428	337,835	216,284	20,779	-	-	-	-	-
<b>Total Funding Required</b>	<b>464,392</b>	<b>598,816</b>	<b>513,847</b>	<b>412,896</b>	<b>279,537</b>	<b>313,651</b>	<b>596,117</b>	<b>674,425</b>	<b>1,004,868</b>	<b>1,435,859</b>
Non Cash Expenditure	49,151	59,185	58,675	56,689	17,317	16,751	45,298	41,639	38,496	38,065
Transfers from Reserves	415,241	539,631	455,172	356,207	262,220	186,845	332,399	218,010	381,570	595,257
Operating Surplus	-	-	-	-	-	110,055	218,420	414,776	584,802	802,537
<b>Total Funding Applied</b>	<b>464,392</b>	<b>598,816</b>	<b>513,847</b>	<b>412,896</b>	<b>279,537</b>	<b>313,651</b>	<b>596,117</b>	<b>674,425</b>	<b>1,004,868</b>	<b>1,435,859</b>

# Stormwater

*Aim: Provide a reliable stormwater system with adequate capacity, to protect people and property from flooding.*



## What we do

Twenty-seven towns within the District have reticulated stormwater infrastructure that is owned and maintained by Council. This infrastructure manages the disposal of surface water, particularly after periods of sustained heavy rainfall. This helps reduce surface flooding that can lead to risks to public health and safety, damage to property and to avoid dangerous road conditions. A number of other smaller towns have partial services, and the Council manages open watercourses in several rural catchments.

## Why we do it

Stormwater makes a contribution to ensuring a treasured environment by preventing rainfall from causing flooding. As such, the activity protects people's property (the built environment), improves safety by reducing likelihood of flooding, and prevents accessibility problems which may otherwise be caused during flooding events. In addition, the system helps to protect the environment and protect public health by disposing of stormwater (usually into water) in a controlled and where necessary, treated process. The prevention of flooding also contributes to a diverse economy by protecting businesses and infrastructure from flooding. In the activity, the Council must comply with the legal requirements of Local Government Act 2002 and the Health Act 1956. The activity must also give effect to the Regional Water Plan.

## What are the key issues?

There is increasing emphasis on ensuring that stormwater systems also help protect natural waterways from potential contamination. Environment Southland's Regional Water Plan (RWP) no longer permits discharge of stormwater from reticulated systems into natural waterways. This means all reticulated systems will be required to have a discharge permit. In order to meet this requirement, the Council has included funding in this plan to apply for consents and undertake monitoring for the affected areas<sup>1</sup>. At this stage it is unclear what conditions/requirements will need to be met and this is expected to be better understood once resource consents are granted. More details about this issue can be found below under the heading 'Will additional assets/services be needed?'

## What level of service will Council provide?

<b>Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)</b>									
Intermediate Outcome: We have a healthy, safe and accessible built environment (6.2)									
What Council will provide		How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source	
		06/07	07/08	09/10	10/11	11/12	12-19		
Reliability Maintain the drainage system to protect public and property during periodic rainfall events.	Number of complaints about flooding in urban areas. <sup>1</sup>	28	65	Less than 50	Less than 50	Less than 50	Less than 50	Pathways	
Responsiveness Prompt response to complaints about flooding.	Percentage of complaints that meet response timeframes. <sup>2</sup>	21%	17%	90%	90%	90%	90%	Pathways	

<sup>1</sup> Discussions with Environment Southland indicate that any township with more than two houses with stormwater finding its way into the reticulation will require a consent for discharge, e.g. any house with a connection to the kerb and channel, or perhaps where runoff from the driveway would find it to the kerb and channel. In this plan a service connection is understood to be a piped connection from the downpipe into the pipes in the street. At this stage, townships to be included are Te Anau, Manapouri, Winton, Tuatapere, Otatau, Ohai, Nightcaps, Wallace town, Edendale, Balfour, Lumsden, Browns, Dipton, Mossburn, Riversdale, Tokanui and Waikaia.

What Council will provide	How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Quality Minimise effects on the environment by complying with discharge permits and resource consents.	Percentage of monitoring results that show compliance with resource consent conditions.	New Measure <sup>3</sup>	New Measure <sup>3</sup>	40%	50%	60%	90%	Quarterly Report
Quantity Provide a drainage system with adequate capacity to protect public and property from major storms. <sup>4</sup>	Percentage of scheme improvement projects completed in order to maintain safe and adequate collection and disposal of stormwater.	7%	13%	90%	90%	90%	90%	Quarterly Report
<p>1. Urban areas are townships that are serviced by a piped stormwater network with service connections. Rural areas are townships and rural areas serviced by roadside ditches, swales and sumps.</p> <p>2. Response times vary according to the type of problem.</p> <p>3. Council has a new requirement (under Environment Southland's Regional Fresh Water Plan) to obtain resource consents for, and monitor discharges from, reticulated stormwater systems. As the Council is in the initial phases of working towards this requirement, the targets that have been set are indicative only. These targets will be revised once further information is known.</p> <p>4. "Major storms" means a 1 in 50 ARI year event. This does not cover flooding of areas influenced by river flooding or failure of river works. Council has yet to establish the percentage of properties protected from major storms and as such the targets aim at reaching 100% compliance by 2015.</p>								

#### What significant negative effects could the activity have?

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

Potential Negative Effect (on community wellbeing)	
Social / Economic	Localised flooding in some areas due to overloading of the stormwater system. Mitigated by regular maintenance of assets.
Cultural / Environmental	The discharge of untreated stormwater to rivers, streams and lakes. Mitigated by building consents and trade waste processes which set out the requirements which must be met, Council's emergency response plan, monitoring, public education and regular improvement/maintenance works.

#### What assets are used?

##### What assets have we got and how are they managed?

The stormwater systems consist of 106 km of stormwater pipes, 818.3 km of open drains, 2,644 sumps and 1,073 manholes and other drainage structures. The operation and maintenance of the stormwater services is contracted out as part of roading maintenance contracts. The contractor carries out all routine maintenance, non-urgent work, and emergency work. Significant capital works are also tendered to external contractors.

##### Will additional assets/services be needed?

An activity management plan has been prepared for stormwater assets. This plan identifies localised stormwater issues associated with a lack of capacity, poor condition, or poor performance of assets and whether any capital (or non-capital) expenditure is required to meet the proposed levels of service or future demand. In most instances the existing infrastructure is generally expected to be sufficient for the next ten years, however in a number of areas projects have been programmed to carry out further investigations prior to the end of asset design life to verify condition of assets and allow renewal or optimisation strategies to be developed.

As discussed above the establishment of Environment Southland's Regional Water Plan and growing community expectations regarding the quality of freshwater may result in the need to monitor the quality of discharges into natural waterways. A resource consent application required for stormwater discharge is likely to be needed for Balfour, Browns, Dipton, Edendale, Lumsden, Manapouri, Mossburn, Nightcaps, Ohai, Otautau, Riversdale, Te Anau, Tokanui, Tuatapere, Waikaia, Wallacetown and

Winton. Other township issues such as renewals and asset acquisition projects to meet future demand or to improve levels of service are discussed below and listed in the tables that follow. Further information is also available on request from the Stormwater Activity Management Plan.

- Balfour - Reticulation begins to meet the end of its design life in 2012 and is scheduled for replacement. A condition assessment is planned prior to this to prioritise renewals.
- Colac Bay - A strategic assessment is required in order to improve catchment and capacity knowledge so that an integrated and efficient approach can be taken to further development.
- Lumsden - Reticulation, soakholes and manholes begin to meet the end of design life within this planning period. A condition assessment is programmed prior to the failure dates. An upgrade project is planned to upgrade open drains to piped reticulation in the south eastern catchment (subject to future investigations).
- Manapouri - The reticulation meets the end of its design life in 2024-29 however; it is believed that the condition of the reticulation may not be as good as predicted. A programme to renew the pipe work has been established. Preliminary investigations have also identified that the View Street area, Hillside Road/lake outlet area and eastern catchment areas will require upgrading to meet the proposed levels of service and/or predicted growth. The upgrade project is programmed subject to further investigations.
- Mossburn - Soak holes began to meet the end of their design life in 2005. Renewals have been programmed within this planning period.
- Nightcaps - An issue of localised flooding has been identified in the High Street West area. Reticulation is expected to meet the end of its design life between 2015 and 2020. A condition assessment will be carried out to determine the actual condition of the pipes prior to undertaking any work.
- Ohai - Reticulation is expected to meet the end of its design life between 2010 and 2015. A condition assessment will be carried out to determine the actual condition of the pipes prior to undertaking any work and if required, the renewals will be carried out in two stages with the first stage programmed in 2016/2017.
- Otautau - The majority of reticulation is expected to meet the end of its design life between 2009 and 2014. A project is programmed to commence pipe and manhole renewals in 2018/2019. These renewals will be subject to a condition assessment programmed prior to the failure dates. In addition, the Clitheroe Street area does not currently meet the proposed level of service and an upgrade is programmed to convert the roadside ditches into piped stormwater reticulation (subject to a detailed assessment being undertaken).
- Riversdale - The reticulation meets the end of its design life in 2019-24. An amount has been set aside for pipe renewals pending closed circuit television (CCTV) investigations.
- Riverton - Reticulation near the Sound Shell is in poor condition and needs renewal. In addition, preliminary investigations indicate that some stormwater ditches should be upgraded to piped reticulation (planned for 2012/2013).
- Stewart Island - Reticulation renewals have been identified in localised areas of Main Road and Ayr Street. Also an area of Argyle Street requires improvements to meet levels of service; this will be completed in conjunction with a footpath upgrade.
- Te Anau - Reticulation is expected to meet the end of its design life between 2026 and 2031 and require renewal. It is proposed that the renewals be carried out in stages with the first three programmed in 2009/2010, 2014/2015 and 2017/2018. Preliminary investigations have identified that reticulation in the town and Department of Conservation centre areas both require upgrading. Further investigations will be carried out prior to undertaking any work to identify actual requirements. CCTV work will also be undertaken to older areas of the township to verify the condition of pipelines. Preliminary investigations have identified that the Pukatahi Boulevard area does not meet the proposed level of service and will require upgrading. In addition, a project to identify 'crossed over' house connections has been planned for 2009/2010 to improve discharge quality.
- Wallacetown - The south-eastern and western outlets do not currently meet the proposed level of service and require upgrades. These have been planned over the next ten years.
- Winton - Reticulation is expected to meet the end of its design life between 2016 and 2021. In addition, preliminary investigations have identified that drainage south of Church Street and in Albert and Meldrum Streets is not meeting the level of service and will require upgrading (scheduled for 2009/2010, 2013/14 and 2016/2017).
- Woodlands - The sumps and manholes meet the end of their design life in 2009. A condition assessment is programmed in 2013/2014 prior to the failure dates.
- Wyndham - The reticulation is expected to meet the end of the design life from 2002-2026. A programme for renewals has been scheduled. Renewals will be subject to CCTV condition assessment.

**Projects****Operational & Management Projects**

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Limehills - Mechanical cleaning of open drains - 726.A	\$10,000					\$11,292					Reserves

**Maintenance, Renewal and Replacement Projects**

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Balfour - Condition Assessment - pls2.A			\$6,076								Rates
Balfour - Reticulation Renewal - pls3.A						\$138,748					Loan
Lumsden - Condition Assessment - pls13.A									\$6,958		Rates
Lumsden - Reticulation Upgrade - pls14.A										\$184,712	Loan
Manapouri - Reticulation Renewal - pls71.A, pls72.A				\$10,821					\$12,101		Rates
Mossum - Reticulation Renewal - pls25.A, pls26.A, pls27.A, pls28.A				\$5,600		\$5,843			\$6,262	\$6,419	Rates
Nightcaps - Condition Assessment - pls31.B						\$12,737					Rates
Nightcaps - Reticulation Renewal - pls30.A	\$5,750										Rates
Ohai - Condition Assessment - pls31.A						\$12,985					Loan and Reserves
Ohai - Reticulation Renewal - pls36.A, pls36.B								\$656,525		\$689,089	Rates and Loan
Riversdale - Reticulation Renewal - pls49.A									\$20,873		Rates
Riversdale - Reticulation Renewal - pls48.A							\$19,926				Reserves
Riverton - Reticulation Renewal - pls56.A							\$187,823				Rates
Stewart Island - Reticulation Renewal - 551.A, pls61.A	\$24,300			\$64,278							Rates
Te Anau - Condition Assessment - pls65.A, pls77.A, pls80.A	\$10,840					\$132,111			\$15,513		Rates
Te Anau - Reticulation Renewal - pls65.B, pls77.B, pls80.B	\$133,860					\$163,817			\$190,946		Rates
Tuatapere - Reticulation Renewal - pls86.A	\$3,450										Reserves
Wallace (Otautau) - Condition Assessment - pls41.A								\$14,736			Rates
Wallace (Otautau) - Reticulation Renewal - pls42.A, pls42.B										\$751,906	Loan
Wallace (Otautau) - Reticulation Renewal - 655.a		\$103,300									Rates and Reserves
Winton - Reticulation Renewal - pls99.A			\$121,527								Rates
Woodlands - Condition Assessment - pls104.A					\$1,105						Reserves
Woodlands - Reticulation Renewal - pls104.B, pls106.A					\$40,879				\$44,772		Reserves
Wyndham - Condition Assessment - pls114.A			\$36,458								Rates
Wyndham - Reticulation Renewal - pls107.A										\$1,240,303	Loan

**Asset Acquisition Projects - Caused by changes in demand**

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Manapouri - Reticulation Upgrade - pls23.A										\$349,765	Dev Cont
Te Anau - Improve Discharge Quality - pls67.A, pls73.A, pls75.A, pls78.A			\$238,405	\$269,881	\$283,282	\$296,967					Dev Cont
Te Anau - Reticulation Upgrade - pls82.B										\$699,531	Dev Cont

## Asset Acquisition Projects - Caused by changes to levels of service

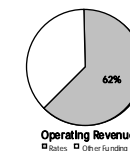
Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Balfour - Resource Consent Project - pls1.A	\$15,000										Rates
Browns - Resource Consent Project - pls115.A	\$5,000										Reserves
Colac Bay - Strategic assessment - pls4.B					\$11,048						Rates
Dipton - Resource Consent Project - pls5.A	\$1,000										Rates
Edendale - Resource Consent Project - pls7.A	\$15,000										Reserves
Lumsden - Resource Consent Project - pls10.A	\$7,500										Reserves
Lumsden - Reticulation Upgrade - pls12.A								\$357,166			Loan
Lumsden - Strategic Assessment - pls11.A	\$7,500										Reserves
Manapouri - Improve Discharge Quality - pls22.A				\$175,953							Rates
Manapouri - Resource Consent Project - pls17.A	\$20,000										Rates
Manapouri - Reticulation Upgrade - pls21.A	\$153,939										Rates and Reserves
Mossburn - Resource Consent Project - pls24.A	\$15,000										Rates
Nightcaps - Resource Consent Project - pls29.A	\$15,000										Rates
Ohai - Resource Consent Project - pls34.A	\$15,000										Reserves
Riversdale - Resource Consent Project - pls46.A	\$15,000										Reserves
Riversdale - Reticulation Upgrade - pls43.A, pls68.A				\$3,733			\$3,985				Rates
Riversdale - Reticulation Upgrade - pls47.A	\$3,450										Reserves
Riverton - Resource Consent Project - pls51.A										\$18,605	Rates
Riverton - Reticulation Upgrade - pls54.A				\$130,828							Rates
Stewart Island - Reticulation Upgrade - 662.A	\$15,000										Rates
Te Anau - Improve Discharge Quality - pls67.B, pls73.B, pls75.B, pls78.B			\$238,405	\$269,881	\$283,282	\$296,967					Rates
Te Anau - Resource Consent Project - pls62.A	\$30,000										Rates
Te Anau - Reticulation Upgrade - pls63.A, pls66.A, pls82.A	\$340,750								\$1,075,590		Rates
Te Anau - Stormwater Connection Identification Project - pls83.A	\$30,000										Rates
Te Anau - Strategic Assessment - pls64.A	\$120,000										Rates
Tokanui - Resource Consent Project - pls84.A	\$5,000										Rates
Tuatapere - Resource Consent Project - pls85.A	\$20,000										Reserves
Waikaia - Resource Consent Project - pls88.A	\$15,000										Rates
Wallace (Otautau) - Resource Consent Project - pls37.A	\$15,000										Rates
Wallace (Otautau) - Reticulation Upgrade - pls40.A, pls40.B	\$60,450	\$62,445									Rates
Wallacetown - Outfall Improvement - pls101.A, pls95.A										\$148,836	Loan
Wallacetown - Outfall Improvement - pls103.A	\$6,900										Rates
Wallacetown - Resource Consent Project - pls94.A	\$15,000										Rates
Winton - Resource Consent Project - pls96.A	\$20,025										Rates and Reserves
Winton - Reticulation Upgrade - pls100.A, pls102.A					\$267,152			\$437,078			Rates
Winton - Reticulation Upgrade - pls97.A	\$69,000										Rates and Reserves

### Who benefits from the activity and how is it funded?

Property owners benefit from flood protection and the community as a whole benefits from environmental, health, and economic outcomes. Increasingly, spillage of chemicals (including detergents) into stormwater systems is creating a need to treat stormwater discharges. Local stormwater systems are funded through local rates. Rooding stormwater systems (not in townships) are funded through the rooding rate (refer to the Rooding and Transport section). Rates are used for both capital and operating expenditure, loans and reserves may also be used. New developments may also contribute to capital works, or financing costs, through financial or development contributions where applicable.

### What does it cost?

STORMWATER										
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	1,400,957	480,206	755,673	1,022,200	752,448	806,126	406,112	757,386	557,811	1,410,151
Development & Financial Contributions	-	-	238,405	269,881	283,282	296,967	-	-	-	1,049,296
Grants & Donations	854,368	-	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>2,255,325</b>	<b>480,206</b>	<b>994,078</b>	<b>1,292,081</b>	<b>1,035,730</b>	<b>1,103,093</b>	<b>406,112</b>	<b>757,386</b>	<b>557,811</b>	<b>2,459,447</b>
Depreciation	495,783	527,772	548,888	576,123	609,576	642,665	675,385	709,477	746,319	813,698
Finance Costs	-	-	-	-	-	-	10,607	10,198	79,241	76,093
Other Operating Costs	330,743	330,728	336,262	343,109	171,828	185,571	176,873	180,023	184,243	188,952
<b>Less Total Operating Expenditure</b>	<b>826,526</b>	<b>858,500</b>	<b>885,150</b>	<b>919,232</b>	<b>781,404</b>	<b>828,236</b>	<b>862,865</b>	<b>899,698</b>	<b>1,009,803</b>	<b>1,078,743</b>
<b>Operating Surplus/(Deficit)</b>	<b>1,428,799</b>	<b>(378,294)</b>	<b>108,928</b>	<b>372,849</b>	<b>254,326</b>	<b>274,857</b>	<b>(456,753)</b>	<b>(142,312)</b>	<b>(451,992)</b>	<b>1,380,704</b>
Operating Surplus/Deficit transferred to/(from) Reserves	1,428,799	(378,294)	108,928	372,849	254,326	274,857	(456,753)	(142,312)	(451,992)	1,380,704
<b>CAPITAL AND RESERVES</b>										
Acquisition-Demand	-	-	238,405	269,881	283,282	296,967	-	-	-	1,049,296
Acquisition-Level of Service	1,050,514	62,445	238,405	580,395	561,482	296,967	3,985	794,244	-	1,243,031
Vested Assets	854,368	-	-	-	-	-	-	-	-	-
Renewals	178,200	103,300	164,061	80,699	41,984	466,241	207,749	671,261	297,425	2,872,429
<b>Total Capital Expenditure</b>	<b>2,083,082</b>	<b>165,745</b>	<b>640,871</b>	<b>930,975</b>	<b>886,748</b>	<b>1,060,175</b>	<b>211,734</b>	<b>1,465,505</b>	<b>297,425</b>	<b>5,164,756</b>
Loans Repaid	28,047	30,284	13,521	14,600	15,765	17,023	23,500	5,527	38,195	41,244
Transfers to Reserves	16,874	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
<b>Total Capital Movements</b>	<b>44,921</b>	<b>33,784</b>	<b>17,021</b>	<b>18,100</b>	<b>19,265</b>	<b>20,523</b>	<b>27,000</b>	<b>9,027</b>	<b>41,695</b>	<b>44,744</b>
Operating Deficit	-	378,294	-	-	-	-	456,753	142,312	451,992	-
<b>Total Funding Required</b>	<b>2,128,003</b>	<b>577,823</b>	<b>657,892</b>	<b>949,075</b>	<b>906,013</b>	<b>1,080,698</b>	<b>695,487</b>	<b>1,616,844</b>	<b>791,112</b>	<b>5,209,500</b>
Loans Raised	-	-	-	-	-	138,748	-	907,166	-	3,014,846
Non Cash Expenditure	495,783	527,772	548,888	576,123	609,576	642,665	675,385	709,477	746,319	813,698
Transfers from Reserves	203,421	50,051	76	103	42,111	24,428	20,102	201	44,793	252
Operating Surplus	1,428,799	-	108,928	372,849	254,326	274,857	-	-	-	1,380,704
<b>Total Funding Applied</b>	<b>2,128,003</b>	<b>577,823</b>	<b>657,892</b>	<b>949,075</b>	<b>906,013</b>	<b>1,080,698</b>	<b>695,487</b>	<b>1,616,844</b>	<b>791,112</b>	<b>5,209,500</b>



# Strategy and Communication

*Aim: Ensure Council's direction is in line with community expectations and that communities are kept informed of Council issues and have the opportunity to contribute to decisions which affect or interest them.*



## What we do

The Council's planning processes, along with the development of policy, are the main ways that Council, Community Boards and Community Development Area Subcommittees have of ensuring community requirements and priorities are identified and met. The Council's Ten Year Plan (LTCCP) which is produced every three years (as required under the Local Government Act 2002) sets out the communities' desired outcomes and how Council activities will contribute to their achievement, including associated 10-year financial forecasts and targets to achieve these. In other years an Annual Plan is prepared, which contains the proposed annual budget and performance targets, noting any variation from the Ten Year Plan in particular. An Annual Report is prepared that details achievement against targets for the previous year. In addition, Council is required to monitor and report on progress being made towards community outcomes every three years.

Public input is a vital element in the formation of plans and policies that relate to community requirements. The Council communicates with residents and ratepayers in a variety of ways, to keep the public informed and enable people to participate in the consultation process from a sound base of knowledge.

## Why we do it

The Strategy and Communication activity contributes to strong, effective leadership by ensuring decisions are forward looking and in line with the communities' expectations. As this activity enables the community to engage with decision-making, it also empowers citizens. Robust strategy and communication in particular also enhance the communities' confidence in their leaders by ensuring that people are informed of Council's decisions and have the opportunity to participate. In the activity, the Council must comply with the legal requirements of Local Government Act 2002 and Local Government Official Information and Meetings Act 1987.

## What are the key issues?

Finding the right balance between over and under consulting and planning can be difficult for Council. Council has many planning and reporting responsibilities under the legislation and it takes considerable resource and time to fulfil these requirements while doing them in a way that is understandable for the community. This is complicated further by the fact that there are many different communities in the District, with diverse views and opinions. Keeping them informed of issues which may affect or interest them is a challenge in itself. As a result Council relies on these communities to let the Council know their views, whether informally or formally. The Council invests in regular newsletters and advertising to make sure people are aware of what is going on and provides them with opportunities to become involved if they choose.

Council is aware of the push to provide e-services, but is also very conscious of the number of District residents who do not use the internet and are not interested in online services. Council's website has been revamped and will continue to be monitored for usage and demand.

In the next three years Council is also required to work with the communities to review their outcomes before the next Ten Year Plan review. With the first monitoring report on the Our Way Southland community outcomes recently released, work has really only just started on working towards the outcomes identified in 2005. As such, in the next few years, Council will continue to work with others in the region to test the currency of the Our Way Southland community outcomes while also focussing on working with other agencies to deliver on these.

Overall, Council will be looking at ways to simplify its own planning processes to sure that everything is linked and heading in the same direction. Over time, this may result in changes to Council's own plans, strategies, activities and levels of service as it finds better ways to do things to improve the outcomes.

### What level of service will Council provide?

**Primary outcome: Strong, effective leadership taking us into the future (5)**

Intermediate Outcome: Citizens and communities are inspired, motivated and empowered (5.1)



What Council will provide	How Council will measure the service provided								
	Level of Service	Key Performance Indicator	Actual		Targets				Source
			06/07	07/08	09/10	10/11	11/12	12-19	
Quantity The community is regularly kept informed of Council issues and matters of interest.	Percentage of residents satisfied with how well they have been kept informed of Council activities.	90%	88%	85%	85%	85%	85%	Survey – Resident	
	Percentage of residents who have read at least one issue of the Council's newsletter First Edition.	87%	85%	85%	85%	85%	85%	Survey – Resident	
	Number of publications of Council's newsletter First Edition produced annually.	3	4	4	4	4	4	Quarterly Report	
	Percentage of media releases published. <sup>1</sup>	New Measure	New Measure	90%	90%	90%	90%	Quarterly Report	
Quantity Ensure that community volunteers are recognised.	Number of community service awards.	New Measure	New Measure	2	2	2	2 per annum	Quarterly Report	
Quality The community is provided with opportunities to input into decisions and Council encourages feedback.	Percentage of residents who agree that their views and preferences have been received with an open mind and given due consideration by Council.	78%	73%	80%	80%	80%	80%	Survey – Resident <sup>1</sup>	
	Percentage of residents satisfied with the level of consultation with the community, undertaken by Council, over important issues.	83%	76%	80%	80%	80%	80%	Survey – Resident	
Quality Council encourages input into its planning.	Percentage of residents satisfied with Council (decision-making, planning and leadership)	88%	88%	85%	85%	85%	85%	Survey – Resident	
	Percentage of submitters to the Ten Year Plan or Annual Plan satisfied with the content and readability of the plan.	74%	84%	70%	80%	80%	70%	Survey – User	
Quality Council planning looks long term and considers future generations.	Ten Year Term Plan is prepared in accordance with the Local Government Act.	New Measure	New Measure	Unqualified audit	N/A	N/A	Unqualified audit	Audit Opinion	

1. The number of press releases produced annually varies depending on the issues.

**What significant negative effects could the activity have?**

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

<b>Potential Negative Effect (on community wellbeing)</b>	
Social	If communication is not done well residents may develop views based on misperception. This activity includes balancing the needs and wants of many community members to help achieve wellbeing for the District overall. This means that some decisions made for the wider public good might have a negative effect on individuals or groups.
Economic	If strategy and policy is not aligned with desired community outcomes, resources may not be used effectively.

**What assets are used?****What assets have we got and how are they managed?**

No major assets are required for undertaking this group of activities, other than those used generally by the whole organisation.

**Who benefits from the activity and how is it funded?**

The whole District benefits from long term and robust plans and activities that meet the needs of the community. Council believes that the activity should be largely funded by the Strategy, Policy and Planning rate which is made up of a uniform annual charge per rateable unit and a capital value rate. Additional funding may come from projects for external organisations that Council has connections with and may provide support to, from time to time. Capital costs for this activity are limited to the usual overheads - office buildings, vehicles and equipment - and are funded through accumulated depreciation (vehicles only), rate smoothing for small projects, and loans for large projects (usually internal), all of which are recovered through rates.

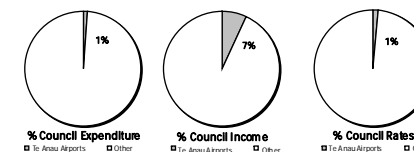
## What does it cost?

STRATEGY AND COMMUNICATION										
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	1,159,116	1,181,606	1,182,365	1,239,415	1,249,124	1,260,270	1,280,489	1,352,331	1,291,965	1,208,530
<b>Total Operating Revenue</b>	<b>1,159,116</b>	<b>1,181,606</b>	<b>1,182,365</b>	<b>1,239,415</b>	<b>1,249,124</b>	<b>1,260,270</b>	<b>1,280,489</b>	<b>1,352,331</b>	<b>1,291,965</b>	<b>1,208,530</b>
Depreciation	1,341	236	48	18	-	-	-	-	-	-
Other Operating Costs	1,166,142	1,206,682	1,242,899	1,253,687	1,296,258	1,307,263	1,359,356	1,401,787	1,446,845	1,447,628
<b>Less Total Operating Expenditure</b>	<b>1,167,483</b>	<b>1,206,918</b>	<b>1,242,947</b>	<b>1,253,705</b>	<b>1,296,258</b>	<b>1,307,263</b>	<b>1,359,356</b>	<b>1,401,787</b>	<b>1,446,845</b>	<b>1,447,628</b>
<b>Operating Surplus/(Deficit)</b>	<b>(8,367)</b>	<b>(25,312)</b>	<b>(60,582)</b>	<b>(14,290)</b>	<b>(47,134)</b>	<b>(46,993)</b>	<b>(78,867)</b>	<b>(49,456)</b>	<b>(154,880)</b>	<b>(239,098)</b>
Operating Surplus/Deficit transferred to/(from) Reserves	(8,367)	(25,312)	(60,582)	(14,290)	(47,134)	(46,993)	(78,867)	(49,456)	(154,880)	(239,098)
<b>CAPITAL AND RESERVES</b>										
Transfers to Reserves	5,022	7,926	-	8,287	-	8,664	-	9,075	-	9,311
<b>Total Capital Movements</b>	<b>5,022</b>	<b>7,926</b>	<b>-</b>	<b>8,287</b>	<b>-</b>	<b>8,664</b>	<b>-</b>	<b>9,075</b>	<b>-</b>	<b>9,311</b>
Operating Deficit	8,367	25,312	60,582	14,290	47,134	46,993	78,867	49,456	154,880	239,098
<b>Total Funding Required</b>	<b>13,389</b>	<b>33,238</b>	<b>60,582</b>	<b>22,577</b>	<b>47,134</b>	<b>55,657</b>	<b>78,867</b>	<b>58,531</b>	<b>154,880</b>	<b>248,409</b>
Non Cash Expenditure	1,341	236	48	18	-	-	-	-	-	-
Transfers from Reserves	12,048	33,002	60,534	22,559	47,134	55,657	78,867	58,531	154,880	248,409
Operating Surplus	-	-	-	-	-	-	-	-	-	-
<b>Total Funding Applied</b>	<b>13,389</b>	<b>33,238</b>	<b>60,582</b>	<b>22,577</b>	<b>47,134</b>	<b>55,657</b>	<b>78,867</b>	<b>58,531</b>	<b>154,880</b>	<b>248,409</b>



# Te Anau Airports

*Aim: Provide a safe and reliable airport in the Te Anau Basin.*



## What we do

The Council owns and manages the Te Anau airport at Manapouri as well as the old Waiau airport site. Currently the Te Anau airport (Manapouri) functions as an airport for heavy aircraft, some operated by Pionair Adventures under charter to tour companies. Occasional one-off flights are carried out by other operators on an as-needed basis. While the Council owns both airfields, it is in the process of exiting the operation of the Waiau site. The Airport must meet standards associated with Civil Aviation rules and safety monitoring programmes.

## Why we do it

The airport contributes to the community outcome of a diverse economy as it provides a transportation service to local tourism operators, industries and residents. The activity also contributes to safe places as the airports provide for air-based emergency access which can act as an alternative to road transport in an emergency.

## What are the key issues?

The consolidation of activities at the Manapouri site is continuing with the intention to sell the old site at Waiau. Work is currently underway to ensure that the two types of fuel required by the aviation community is available at the Manapouri airport. Once this is completed fuel supplies will be withdrawn from the Waiau site. Hangar space at Manapouri is expected to be available as demand dictates. Whilst growth of operations at Manapouri is expected to be slowed by the current economic climate, work is being directed towards establishing limited commercial passenger and airfreight services.

With the new Te Anau airport operational, the Te Anau Community Board is working towards selling the old Waiau site to offset the cost of the new site. Until the Waiau site is sold, bridging finance has had to be used to fund the new development which has resulted in interest not previously allowed for. This, combined with the fact that there are fewer properties paying the rate than expected (due to fewer subdivisions than projected), higher operational and maintenance costs and reduced revenue, mean the rate for the airport has increased from \$61 to \$176.60 (paid by ratepayers in the Te Anau Ward). This situation and level of rate required will be reviewed as circumstances change.

## What level of service will Council provide?

**Primary outcome: A diverse economy built from our strengths for growth and prosperity (2)**

Intermediate Outcome: We have a quality infrastructure with potential for growth (2.1)



What Council will provide	How Council will measure the service provided							Source
	Level of Service	Key Performance Indicator	Actual		Targets			
			06/07	07/08	09/10	10/11	11/12	
Reliability and Safety Provide accessible, reliable and safe air facilities and operations for the Te Anau Basin.	Percentage of Civil Aviation Authority guidelines complied with.	Waiau - 89.5% Manapouri - 91%	Not measured	100%	100%	100%	100%	Audit - Civil Aviation Authority
	Number of airports servicing the Te Anau Basin.	2	2	1	1	1	1	Council Property Records

### What significant negative effects could the activity have?

Potential Negative Effect (on community wellbeing)	
Social / Environmental	Noise from airport operations which is controlled by consent conditions.
Economic	Cost to ratepayer with limited public good have been identified as possible significant negative effects.

### What assets are used?

#### What assets have we got and how are they managed?

The only assets involved are the land and basic infrastructure (for example, drains, roads, and fencing) as well as the runways and terminal building. In particular the most significant cost is in the maintenance of the runway. The Manapouri site is 75 hectares and the Waiiau site is 97 hectares. The management of the airport operation is delegated to the Te Anau Community Board who has contracted an external consultant to manage the airport part-time.

### Will additional assets/services be needed?

The Waiiau land will be sold with income received to be used to repay the loan on the Manapouri airport. Following consultation with the aviation community in the Te Anau Basin, the layout of the hangar and taxiway area will be changed to accommodate perceived safety concerns. This work has been included as stage two and is expected to be carried out as activity at the airport increases. Work is also programmed to maintain the pre-existing runway components which are essential to the airport operation.

### Projects

#### Maintenance, Renewal and Replacement Projects

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Airports - Apron slurry - 623.a									\$19,361		Rates
Airports - Asphalt rejuvenation - 621.a							\$277,229				Rates
Airports - Pavement Repairs - 624.a			\$45,652								Rates
Airports - Clip on reseals - 622.a								\$18,907			Rates
Airports - Entrance and carpark reseals - 625.a					\$76,234						Rates
Airports - Old runway rejuvenation - 619.a	\$136,000										Rates
Airports - Slurry reseal - 620.a						\$191,956					Rates

#### Asset Acquisition Projects - Caused by changes to levels of service

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Airports - Stage 2 of Airport - AIR1.a	\$400,000					\$143,402					Rates

### Who benefits from the activity and how is it funded?

The Te Anau Ward gains economic benefit from moving goods and people in and out of the Te Anau Basin. Council aims to fund operating costs through user charges, with contributions from local rates by uniform annual charge on all rateable units in the Te Anau Ward (Airport Rate) to make up any shortfall. Capital costs of the development of the Manapouri - Te Anau Airport are funded from the sale of the Te Anau airport land and loans to be repaid via the Airport Rate (as above).

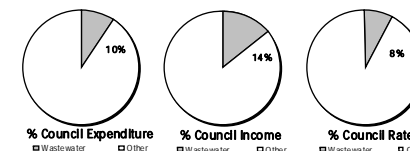
## What does it cost?



TE ANAU AIRPORTS	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	412,067	141,841	141,838	141,838	141,838	141,838	141,838	141,838	141,838	141,838
Activity Revenue	2,412,790	150,142	198,982	157,409	234,601	502,105	442,938	191,245	195,751	181,213
<b>Total Operating Revenue</b>	<b>2,824,857</b>	<b>291,983</b>	<b>340,820</b>	<b>299,247</b>	<b>376,439</b>	<b>643,943</b>	<b>584,776</b>	<b>333,083</b>	<b>337,589</b>	<b>323,051</b>
Depreciation	518,641	518,641	518,641	518,641	512,223	516,936	516,001	515,115	397,998	100,237
Other Operating Costs	282,861	150,144	198,981	157,408	234,600	358,702	442,937	191,244	195,750	181,212
<b>Less Total Operating Expenditure</b>	<b>801,502</b>	<b>668,785</b>	<b>717,622</b>	<b>676,049</b>	<b>746,823</b>	<b>875,638</b>	<b>958,938</b>	<b>706,359</b>	<b>593,748</b>	<b>281,449</b>
<b>Operating Surplus/(Deficit)</b>	<b>2,023,355</b>	<b>(376,802)</b>	<b>(376,802)</b>	<b>(376,802)</b>	<b>(370,384)</b>	<b>(231,695)</b>	<b>(374,162)</b>	<b>(373,276)</b>	<b>(256,159)</b>	<b>41,602</b>
Operating Surplus/Deficit transferred to/(from) Reserves	2,023,355	(376,802)	(376,802)	(376,802)	(370,384)	(231,695)	(374,162)	(373,276)	(256,159)	41,602
<b>CAPITAL AND RESERVES</b>										
Acquisition-Level of Service	400,000	-	-	-	-	143,402	-	-	-	-
<b>Total Capital Expenditure</b>	<b>400,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>143,402</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfers to Reserves	4,141,996	141,839	141,839	141,839	141,839	141,839	141,839	141,839	141,839	141,839
<b>Total Capital Movements</b>	<b>4,141,996</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>	<b>141,839</b>
Operating Deficit	-	376,802	376,802	376,802	370,384	231,695	374,162	373,276	256,159	-
<b>Total Funding Required</b>	<b>4,541,996</b>	<b>518,641</b>	<b>518,641</b>	<b>518,641</b>	<b>512,223</b>	<b>516,936</b>	<b>516,001</b>	<b>515,115</b>	<b>397,998</b>	<b>141,839</b>
Non Cash Expenditure	518,641	518,641	518,641	518,641	512,223	516,936	516,001	515,115	397,998	100,237
Transfers from Reserves	2,000,000	-	-	-	-	-	-	-	-	-
Operating Surplus	2,023,355	-	-	-	-	-	-	-	-	41,602
<b>Total Funding Applied</b>	<b>4,541,996</b>	<b>518,641</b>	<b>518,641</b>	<b>518,641</b>	<b>512,223</b>	<b>516,936</b>	<b>516,001</b>	<b>515,115</b>	<b>397,998</b>	<b>141,839</b>

# Wastewater

*Aim: Provide a reliable, effective and environmentally friendly sewage collection, treatment and disposal system which protects public health.*



## What we do

The wastewater activity involves collecting, treating and disposing of sewerage from residential properties, business properties and public sanitary facilities. The wastewater system consist of pipes, pump stations and treatment and disposal processes. 17 towns within the District are reticulated with Council owned and maintained infrastructure. There is currently a new scheme under construction for Edendale and Wyndham. The wastewater system also deals with industrial liquid wastes (often known as trade wastes) from industry in the District.

## Why we do it

Wastewater services contribute to healthy people as sewerage systems prevent the spread of disease. They also contribute to treasured environment by treating sewage to reduce harmful nutrients, bacteria and odours before it is discharged into the environment. The discharge is also monitored to ensure that it is not harmful and controlled to reduce the likelihood of overflows and odours which otherwise may affect the environment. Wastewater services also support a diverse economy as sewerage systems are essential for business development, including tourism, and reticulated systems provide economies of scale. In the activity, the Council must comply with the legal requirements of Local Government Act 2002, the Health Act 1956 and the Resource Management Act 2001. The activity must also comply with Environment Southland's Regional Policy Statement and Regional Effluent Land Application Plan for Southland.

## What are the key issues?

In recent years the Council has been largely focussed on the construction of four new wastewater schemes throughout the District (Oban, Gorge Road, Tuatapere, Wallacetown) which were built with 50% subsidy from the Ministry of Health. The schemes aimed to improve the health of the communities and environment in the long term.

While the Council is currently in the process of installing an enhanced sewerage system in Edendale and Wyndham, it is unlikely any more new schemes will be constructed due to the subsidy funding no longer being available. Whilst several communities have indicated that they would like to install sewerage schemes (Limehills, Thornbury, Waikaia and Woodlands), it is likely that they no longer can afford to do so without the subsidy.

Instead, the focus of Council's wastewater infrastructure programme is to maintain its existing systems and meet increasing environmental standards required by resource consents and higher community expectations.

With a lot of ageing infrastructure in the District, many supplies have projects programmed to carry out further investigations to check their expected remaining life and to improve the level of service being provided. A number of other projects are also planned to improve capacity and address groundwater and stormwater infiltration into wastewater pipes. All of this comes as at a significant cost, especially compared to other districts or cities who only need one or two schemes for a similar population. In the draft plan, Council had looked at reviewing the way that it funded wastewater (and water) by moving from the existing system where each community pays for the cost of their own schemes (through local targeted rates) to combining these costs so that everyone who is connected to a or able to be connected to wastewater (or water) scheme pay the same rate. After considering the submissions, Council decided to delay the introduction of this combined funding for at least twelve months given the current uncertainty surrounding requirements for sewerage and water in particular (with changes likely in government policy surrounding water access/use/management, metering, regulation and subsidies). The Council felt that more time is needed to better understand the wider picture surrounding water and sewerage before changing the way these schemes are funded. In addition the Council also indicated that it wanted to take into account the impact of the new maintenance contract due to be tendered shortly as well as looking further at maintenance costs and possible efficiencies in running these schemes. More information about this is included in the 'Overview of Submissions and Changes to the Draft Plan' section starting on page 8.

In addition, with the Edendale and Wyndham scheme currently being constructed, the Council is trialling a system where wastewater solids are treated using worms. It is hoped that the resulting product can be sold as a form of compost, avoiding landfills, with the intention of saving disposal costs and encouraging sustainable reuse of wastewater.

### What level of service will Council provide?

What Council will provide		How Council will measure the service provided							
Level of Service	Key Performance Indicator	Actual		Targets				Source	
		06/07	07/08	09/10	10/11	11/12	12-19		
Reliability Provide a reliable wastewater service.	Percentage of customers satisfied with the service.	92%	94%	90%	90%	90%	90%	Survey - Resident	
Quality and Safety Provide a sewerage reticulation and treatment system that is safe and promotes public health.	Percentage of effluent tests which comply with relevant resource consent conditions. <sup>1</sup>	86%	88%	100%	100%	100%	100%	Quarterly Report	
Responsiveness Prompt response to complaints.	Percentage of complaints responded to within required timeframes. <sup>2</sup>	42%	77%	90%	90%	90%	90%	Quarterly Report	
Quantity Provide a sewerage reticulation and treatment system that has sufficient capacity for the reasonable flows from the serviced area.	Number of system failures and pollution incidents (overflows) per year across all schemes.	8	29	Less than 20	Less than 20	Less than 20	Less than 20	Hansen IMS	
	Percentage of scheme improvement projects completed in order to maintain safe and adequate collection and disposal of wastewater.	3%	5%	90%	90%	90%	90%	Quarterly Report	
<p>1. The target is an average for all sewerage schemes where the quality of effluent is monitored.</p> <p>2. Response times are set out in contract conditions and vary according to the type of problem.</p>									

### What significant negative effects could the activity have?

The potential significant negative effects of this activity shown in the table below.

Potential Negative Effect (on community wellbeing)	
Social	Overflows from the wastewater system may result from overloading during rainfall. This is caused by stormwater runoff infiltrating the wastewater system, blockages of wastewater pipelines or malfunctions of utility installations such as pumping stations and could lead to public health risks, pollution and disease. This is mitigated by reducing the entry of stormwater to the wastewater system in private properties and carrying out regular checks to identify where there is excessive entry of stormwater and/or groundwater through defects in the pipes. It is also mitigated by programming upgrades to deal with any capacity issues and requirements for property owners to repair or replace private wastewater drains which have been identified as being defective and causing a health nuisance. Odours from the wastewater system could also impact in neighbouring properties. This is mitigated through compliance with resource consent conditions.
Cultural	Cultural values could be negatively impacted by low quality treated effluent being disposed of to rivers and streams. This is mitigated by monitoring the quality of treated effluent discharged to ensure compliance with resource consent conditions which ensure that negative effects associated with the discharges are managed to acceptable levels. Odours – see above.
Environmental	Environmental damage could occur if the Council does not meet its wastewater disposal standards i.e. damage of marine life, beaches and other water bodies. In addition to the above issues, the treatment results in by-products (biosolids) which must also be disposed of. These are disposed of at the regional landfill and any potential negative effects associated with the landfill are controlled through management standards and conditions in consents.

**What assets are used?****What assets have we got and how are they managed?**

The Council owns and operates wastewater disposal, treatment, and reticulation assets for 17 schemes in 17<sup>1</sup> townships throughout the District (with an additional two currently under construction). Collectively the schemes have a total of 201 km of piped reticulation, 12 oxidation ponds, two mechanical treatment plants, one activated sludge treatment system, one septic tank system and 66 pumping stations. Generally local Community Boards, Community Development Area Subcommittees and sewerage committees are responsible for decision-making surrounding these assets, however with significant decisions, Council may retain overall decision-making rights. The operations and maintenance for wastewater assets is contracted out under a six year contract. This is due for re-tender in 2010. One-off capital works are also tendered to external contractors.

**Will additional assets/services be needed?**

An activity management plan has been prepared for wastewater assets. This plan identifies localised wastewater issues associated with a lack of capacity, poor condition, or poor performance of assets and whether any capital (or non-capital) expenditure is required to meet the proposed levels of service or future demand.

There is a lot of ageing infrastructure in the District with many supplies having projects programmed to carry out further investigations prior to the end of asset design life to allow renewal or optimisation strategies to be developed. Key issues identified with regard to levels of service were non-compliance with resource consent conditions, system failures and overflows, project completion, protecting public health in un-serviced areas, and protecting the environment. The key issue identified with regard to demand was a lack of capacity to meet anticipated future demand from population growth, peak population, groundwater infiltration, and stormwater inflow.

In addition, increasing statutory requirements and community expectations about the quality of freshwater have resulted in the need to improve the quality of discharges in some townships.

Since 2003 central government had been providing funding assistance for sewerage projects through the Sanitary Works Subsidy Scheme run by the Ministry of Health. This scheme assisted small rural communities to develop sewerage infrastructure to help protect public health. Southland District Council was successful in securing funding to construct a sewerage extension on Stewart Island and new schemes in Gorge Road, Wallacetown and Tuatapere. A scheme is also currently under construction in Edendale and Wyndham. While the Council's activity management plan includes potential projects to construct new wastewater schemes in four townships (Limehills, Thornbury, Waikaia and Woodlands) it is highly unlikely that they will proceed given that the subsidy funding (which paid for 50% of the capital costs) is no longer available.

The following information outlines the key issues for various townships, including information on the new wastewater schemes mentioned above. Significant expenditure for all schemes is listed in the tables below by township and is broken down into renewals and acquisitions (capital works) to meet future demand or to improve levels of service. Note that several renewals to equipment are planned in Balfour, Nightcaps, Ohai, Otautau, Riversdale, Riverton, Stewart Island, Te Anau, Tokanui and Winton. These have not been described in detail below however further information on these or other work is available on request from the Wastewater Activity Management Plan.

Balfour – This scheme is governed by the Balfour Community Board. See table below for projects planned over the period.

<sup>1</sup> Existing schemes are located in Balfour, Browns, Gorge Road, Lumsden, Manapouri, Monowai, Nightcaps, Ohai, Otautau, Riversdale, Riverton, Stewart Island, Te Anau, Tokanui, Tuatapere, Wallacetown and Winton. Schemes under construction include Edendale and Wyndham.

**Browns** – This scheme is governed by the Browns CDA Subcommittee. To meet the level of service for wastewater the scheme will require upgrades to treatment and disposal in order to improve discharge quality and meet resource consent conditions. In addition, Browns was identified in the Assessment of Water and Sanitary Services as having a medium to high risk of contaminants from wastewater entering the groundwater supplies. The Ten Year Plan includes a project to extend the current wastewater system so that the effluent can be pumped to Winton and treated in their existing ponds. This is subject to a feasibility study, Ministry of Health subsidy and community consultation. The actual cost will depend on the resource consent, final design and any fluctuations in construction costs.

**Edendale (under construction)** – The Edendale wastewater scheme is expected to be complete in early 2009. There are no renewals or new works programmed in the ten year period.

**Gorge Road** – The scheme is governed by the Gorge Road CDA Subcommittee. See table below for projects planned over the period.

**Limehills** – Limehills was also identified in the Assessment of Water and Sanitary Services as having a medium to high risk of sewage from individual septic tanks contaminating water supplies. As a result, a reticulated sewerage scheme had been proposed to be constructed between 2013 and 2015. However, with the total cost of the scheme estimated to be around \$4.3 million and given that subsidies from the Ministry of Health are no longer available, the cost per property would probably be unaffordable. Therefore it is unlikely that the scheme will proceed.

**Lumsden** – The scheme is governed by the Lumsden Community Board. Several reticulation renewals are planned in the period in order to reduce the impacts of ageing infrastructure. In addition, to meet the level of service for wastewater, the scheme is required to monitor groundwater quality (consent conditions).

**Manapouri** – The scheme is governed by the Manapouri CDA Subcommittee. The majority of reticulation in Manapouri is estimated to reach the end of its design life in 2028. Condition assessments have been programmed to fully assess the scope of the renewal. The rising main crossing Home Creek is also programmed for replacement due to risks associated with its current condition. In addition, there is some uncertainty of the long term sustainability and performance of the Manapouri oxidation pond. A new treatment and disposal system has been proposed for Te Anau in order to comply with resource consent conditions. Depending on the final location of the treatment works it may be more economic to pump wastewater to a shared facility rather than renovate the Manapouri oxidation pond. Manapouri's share of project costs will be split between existing ratepayers (for the improved level of service that they will receive), and income from development contributions (related to the additional capacity which is being provided to allow for increased demand). This is a major project and will be subject to feasibility and public consultation. Should this project proceed, the rising main replacement mentioned above will not be required.

**Monowai** – The scheme is governed by the Monowai CDA Subcommittee. Small diameter bores will be installed by the Subcommittee to monitor groundwater quality downstream of the disposal field. Renewal/renovation of the disposal field has been programmed at the end of the planning period subject to monitoring results.

**Nightcaps** – The scheme is governed by the Nightcaps CDA Subcommittee. To meet the level of service for wastewater, the scheme will require a review of the wastewater system (consent condition) and minor works at the treatment plant. The discharge consent expires in 2015 and as a result the treatment facility may require upgrading. This work will be subject to further investigations into the operation of the existing facility and the availability of Ministry of Health subsidies to contribute towards the cost of this work.

**Ohai** – The scheme is governed by the Ohai CDA Subcommittee. Several renewals to equipment are planned in the period including treatment plant items and major reticulation renewals. In addition, to meet the level of service for wastewater, the scheme will require a new discharge consent and upgrades to the treatment plant subject to better management of inflow and infiltration.

Otautau – The scheme is governed by the Wallace Community Board. To meet the level of service for wastewater, the scheme will require ongoing river protection works and additional pump installations. A mechanical screen is proposed for the treatment plant to improve the performance of the disposal field.

Riversdale – The scheme is governed by the Riversdale Community Board. To meet the level of service for wastewater, the scheme will require renovation and upgrade of the wetland, sludge removal, a duplicate rising main, and a new discharge consent. To meet demand a scheme extension has been programmed subject to community consultation.

Riverton – The scheme is governed by the Riverton Community Board. To meet the level of service for wastewater, the scheme will require some enhancements to the Rocks wastewater treatment plan and a new the discharge permit. There are also upgrades programmed to meet peak future demand.

Stewart Island / Oban – The scheme is governed by the Stewart Island Community Board. To meet the level of service for wastewater, the scheme will require the installation of a repeater on Bluff Hill/Mokoreta, additional storage capacity at critical stations, and odour control projects. There are also upgrades programmed to meet peak future demand.

Te Anau – The scheme is governed by the Te Anau Community Board. To meet the level of service for wastewater, the scheme will require additional storage at critical stations and treatment and disposal upgrades in association with the new discharge permit (current permit expires in 2014). A new treatment and disposal system has been proposed for Te Anau in order to comply with resource consent conditions. This is a major project and will be subject to feasibility and public consultation. Design and engineering is expected to be ongoing. The construction of new rising mains, pump stations and the treatment facilities are proposed with project costs to be split between existing ratepayers (for the improved level of service that they will receive), and income from development contributions (related to the additional capacity which is being provided to allow for increased demand). At this stage it is proposed to incorporate the wastewater from Manapouri township (subject to the cost/benefit comparison of a separate scheme).

Thornbury (proposed) – Thornbury was identified in the Assessment of Water and Sanitary Services as having a medium to high risk of sewage contaminating their water supplies. As a result, a reticulated sewerage scheme had been proposed to be constructed between 2013 and 2015. However, with the total cost of the scheme estimated to be around \$2 million and given that subsidies from the Ministry of Health are no longer available, the cost per property would probably be unaffordable. Therefore it is unlikely that the scheme will proceed.

Tokanui – The scheme is governed by the Tokanui CDA Subcommittee. To meet the level of service for wastewater, the scheme will require an investigation into land disposal options, a new discharge permit, and treatment upgrades (pending review of options).

Tuatapere – The scheme is governed by the Tuatapere Community Board. The scheme was commissioned in 2008 and has no projects programmed in this planning period.

Waikaia (proposed) – Waikaia was identified in the Assessment of Water and Sanitary Services as having a medium to high risk of sewage contaminating their water supplies. As a result, a reticulated sewerage scheme had been proposed to be constructed between 2013 and 2015. However, with the total cost of the scheme estimated to be around \$6.7 million and given that subsidies from the Ministry of Health are no longer available, the cost per property would probably be unaffordable. Therefore it is unlikely that the scheme will proceed.

Wallacetown – Treatment and disposal is carried out by the Alliance Group wastewater treatment plant at Lorneville. The scheme is governed by the Wallacetown Community Board. The scheme was commissioned in 2007 and has no projects programmed in this planning period.

Winton – The scheme is governed by the Winton Community Board. To meet the level of service for wastewater, the scheme will require inflow and infiltration investigations, additional storage at critical stations, an automatic screen, an additional aerator, and an upgrade to the treatment system (pending assessment). Although beyond the ten years in the plan, it is anticipated about 18km of pipework also needs to be renewed in about 2021. This will cost about \$6.5 million. Because of the large cost, funding for this will be included a 15-year loan (to be used for the treatment system upgrade and renewal).

Woodlands (proposed) – Current sewage treatment and disposal in Woodlands is via on site septic tank and soakholes or gravity field drains on each property. The individual systems generally perform well with the exception of the low-lying properties where difficulties are experienced during extended periods of wet weather when overflows can occur. As a result, a reticulated sewerage scheme had been proposed to be constructed between 2013 and 2015. However, with the total cost of the scheme estimated to be around \$3.5 million and given that subsidies from the Ministry of Health are no longer available, the cost per property would probably be unaffordable. Therefore it is unlikely that the scheme will proceed.

Wyndham (under construction) – Construction began on the Wyndham wastewater scheme in December 2008 with completion expected in 2009. The township received subsidy from the Ministry of Health for the scheme. The scheme will be constructed in conjunction with the Edendale community with both townships sharing a common oxidation pond and discharge facilities. There are no renewals programmed in the period. New work programmed includes the construction of the new scheme.

## Projects

### Maintenance, Renewal and Replacement Projects

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Balfour - Condition Assessment - plw6.A				\$6,253							Rates
Balfour - Electrical Upgrade - plw3.A		\$35,535									Rates
Balfour - Equipment Upgrade - plw2.A, plw7.A		\$12,331					\$6,879				Rates
Balfour - Reticulation Renewal - plw11.A, plw12.A							\$11,963			\$13,149	Rates
Balfour - Reticulation Renewal - plw4.A			\$18,338								Reserves
Balfour - Reticulation Renewal Programme - plw10.A					\$5,617						Rates
Gorge Road - Reticulation Renewal - plw25.A					\$32,998						Loan and Reserves
Lumsden - Condition Assessment - plw36.A										\$7,561	Rates and Reserves
Lumsden - Condition Assessment - plw31.A, plw34.A				\$6,253			\$6,879				Reserves
Lumsden - Reticulation Renewal - plw36.B										\$13,149	Rates
Lumsden - Reticulation Renewal - plw31.B, plw34.B				\$10,874			\$11,963				Reserves
Manapouri - Condition Assessment - plw54.B, plw56.B								\$4,255		\$4,536	Rates
Manapouri - Condition Assessment - plw44.C		\$15,399									Rates and Reserves
Manapouri - Electrical Upgrade - plw46.A, plw46.B			\$66,706								Rates
Manapouri - Pump replacement - plw51.A				\$37,516							Rates
Manapouri - Reticulation Renewal - plw53.A, plw54.A, plw56.A						\$106,342		\$12,334		\$13,149	Rates
Manapouri - Reticulation Renewal - plw44.A		\$10,300									Rates and Reserves
Monowai Sewerage Scheme - Treatment Upgrade - plw67.A									\$13,798		Loan
Nightcaps - Electrical Upgrade - plw82.A									\$21,958		Rates
Nightcaps - Electrical Upgrade - plw75.A				\$18,758							Reserves
Nightcaps - Reticulation Renewal - plw81.A										\$13,149	Rates
Nightcaps - Reticulation Renewal - plw74.A						\$11,559					Reserves

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Ohai - Condition Assessment - plw89.A				\$6,253							Reserves
Ohai - Electrical Upgrade - plw92.A, plw92.b						\$39,878					Rates
Ohai - Renew/reconfigure wetwell at PS1 - plw88.A			\$24,353								Reserves
Ohai - Reticulation Renewal - plw94.A								\$2,366,399			Loan
Ohai - Reticulation Renewal - plw84.A		\$10,300									Reserves
Ohai - Reticulation Renewal Programme - plw89.b				\$5,437							Reserves
Ohai - Treatment Upgrade - plw93.A		\$30,827									Reserves
Riversdale - Electrical Upgrade - plw87.A	\$34,500										Rates
Riversdale - Reticulation Renewal - plw114.A	\$34,500										Rates
Riverton - Condition Assessment - plw134.B					\$6,459						Rates
Riverton - Electrical Upgrade - plw132.B			\$219,180								Rates
Riverton - Electrical Upgrade - plw132.A			\$146,120								Rates and Reserves
Riverton - Pump replacement - plw131.A, plw95.A	\$69,000										Reserves
Riverton - Reticulation Renewal - plw134.A, plw136.A, plw137.A					\$6,459		\$251,290		\$12,729		Rates
Stewart Island - Electrical Upgrade - plw163.A, plw163.B, plw163.C							\$386,719				Rates
Stewart Island - Pump replacement - plw164.A						\$279,725					Rates
Stewart Island - Reticulation Renewal - plw151.B, plw154.A		\$10,300		\$10,874							Rates and Reserves
Te Anau - Electrical Upgrade - plw170.A, plw170.B, plw176.A, plw185.A		\$185,400		\$93,954				\$223,868			Rates
Te Anau - Reticulation Renewal - plw172.A, plw177.A, plw180.A			\$10,588	\$10,874		\$23,118					Rates
Te Anau - Reticulation Renewal - plw169.A	\$14,433										Reserves
Tokanui - Electrical Upgrade - plw218.A	\$34,500										Rates
Tokanui - Reticulation Renewal - plw223.A							\$14,446				Rates
Wallace (Otautau) - Electrical Upgrade - plw105.A						\$132,927					Loan
Wallace (Otautau) - Reticulation Renewal - plw98.A			\$25,571								Rates
Winton - Condition Assessment - plw229.A, plw235.B, plw240.A		\$11,845			\$6,459		\$6,879				Rates
Winton - Electrical Upgrade - plw231.A			\$146,120								Rates
Winton - Equipment Upgrade - plw230.A, plw237.A		\$41,576			\$24,842						Rates
Winton - Pump replacement - plw235.A, plw239.A					\$58,287		\$55,032				Rates
Winton - Reticulation Renewal - plw234.A				\$10,874							Rates
Winton - Treatment Upgrade - plw232.A			\$13,735								Rates

#### Asset Acquisition Projects - Caused by changes in demand

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Manapouri - Capacity Assessment - plw50.A				\$5,660							Reserves
Manapouri - Te Anau/Manapouri Treatment and Disposal Project - plw62.A						\$215,189					Dev Cont
Riversdale - Scheme Capacity Upgrade - plw125.A, plw125.B									\$85,635	\$94,283	Dev Cont
Riverton - Scheme Capacity Upgrade - plw140.A										\$1,077,403	Dev Cont
Stewart Island - Treatment Upgrade - plw157.A										\$1,530,593	Dev Cont
Te Anau - Equipment Upgrade - plw178.A					\$90,685						Dev Cont
Te Anau - Scheme Capacity Upgrade - plw174.A, plw182.A, plw183.B, plw186.A, plww110.A	\$413,500			\$130,182		\$224,780	\$90,713			\$314,829	Dev Cont

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Te Anau - Te Anau/Manapouri Treatment & Disposal Project - plw203.B, plw204.B, plw205.B, plw206.B, plw207.B, plw208.B, plw209.B, plw210.A	\$62,657	\$68,691	\$72,968	\$77,293	\$9,246,761						Dev Cont

#### Asset Acquisition Projects - Caused by changes to levels of service

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Balfour - Resource Consent Project - plw5.A, plw9.A			\$12,177	\$12,505							Reserves
Balfour - Scheme Management Plan - plw1.A	\$5,000										Rates
Browns - Scheme Capacity Upgrade - plw14.B	\$564,000										Scheme Capital Recoveries
Browns - Treatment Upgrade - plw14.A	\$184,280										Scheme Capital Recoveries
Edendale/ Wyndham Schemes - New Scheme - plw245.A	\$4,000,000										Mix
Gorge Road - Scheme Management Plan - plw26.A							\$3,589				Rates
Lumsden - Resource Consent Project - plw30.A	\$12,000										Reserves
Manapouri - Scheme Management Plan - plw52.A					\$6,459						Rates
Manapouri - Te Anau/Manapouri Treatment & Disposal Project - plw62.b						\$504,122					Loan
Nightcaps - Address inlet hydraulic restriction - plw73.A	\$2,168										Reserves
Nightcaps - Resource Consent Project - plw72.A, plw78.A	\$5,750					\$19,939					Reserves
Nightcaps - Scheme Management Plan - plw76.A					\$3,875						Rates
Nightcaps - Treatment Upgrade - plw79.A, plw79.b							\$106,962				Rates
Ohai - Infiltration Investigations - plw99.A		\$35,535									Reserves
Ohai - Resource Consent Project - plw91.A					\$19,377						Rates
Ohai - Retic Renewal Strategy - plw64.A											Rates
Ohai - Scheme Management Plan - plw85.A	\$5,750										Rates
Ohai - Treatment Upgrade - plw86.A						\$615,170					Rates and Loan
Riversdale - Resource Consent Project - plw124.A					\$19,377						Rates
Riversdale - Scheme Capacity Upgrade - plw122.A			\$151,822								Loan
Riversdale - Scheme Management Plan - plw123.A					\$3,875						Rates
Riversdale - Sludge Removal - plw121.A			\$142,467								Loan
Riversdale - Treatment Upgrade - plw120.A	\$23,000										Reserves
Riverton - Resource Consent Project - plw96.A						\$19,939					Rates
Riverton - Resource Consent Project - plw130.A	\$9,200										Reserves
Riverton - Scheme Management Plan - plw129.A		\$5,923									Reserves
Riverton - Treatment Upgrade - plw139.A							\$27,516				Rates
Riverton - Vegetation Control at Treatment Site - plw97.A	\$9,200										Reserves
Stewart Island - Odour Control - plw155.A, plw156.A						\$7,777			\$9,624		Rates
Stewart Island - Odour Control - plw153.A			\$6,088								Reserves
Stewart Island - Scheme Capacity Upgrade - plw150.A		\$64,890									Rates
Stewart Island - Scheme Management Plan - plw149.A		\$11,845									Reserves
Te Anau - Scheme Capacity Upgrade - plw183.A							\$68,433				Rates
Te Anau - Scheme Management Plan - plw173.A			\$6,088								Rates

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Te Anau - Te Anau/Manapouri Treatment & Disposal Project - plw206.A, plw207.A, plw208.A, plw209.A					\$6,975,628						Loan
Te Anau - Te Anau/Manapouri Treatment & Disposal Project - plw203.A, plw204.A, plw205.A		\$51,819	\$55,046	\$58,309							Rates
Te Anau - Te Anau/Manapouri Treatment & Disposal Project - plw210.B	\$47,267										Reserves
Tokanui - Resource Consent Project - plw219.B, plw221.A	\$17,250			\$18,758							Rates
Tokanui - Treatment Upgrade - plw222.A, plw222.B, plw224.A						\$76,368				\$341,140	Loan
Tokanui - Treatment Upgrade - plw219.A	\$12,466										Rates and Reserves
Wallace (Otautau) - Equipment Upgrade - plw103.A, plw106.A, plw108.A				\$15,120			\$17,885			\$19,658	Rates
Wallace (Otautau) - River Protection Works - plw109.A										\$85,206	Loan
Wallace (Otautau) - River Protection Works - plw104.A					\$82,805						Rates
Wallace (Otautau) - Scheme Management Plan - plw102.A			\$3,653								Rates
Wallace (Otautau) - Treatment Upgrade - plw107.A							\$71,063				Loan
Winton - Electrical Upgrade - plw232.C			\$24,353								Loan
Winton - Infiltration Investigations - plw90.A	\$46,000										Rates and Reserves
Winton - Scheme Capacity Upgrade - plw231.B			\$91,325								Loan
Winton - Scheme Management Plan - plw238.A						\$10,634					Rates
Winton - Treatment Upgrade - plw232.B, plw232.D			\$2,178,563								Loan

Mix –Funded by a mix of MOH subsidy, Council 1/6 contribution and Scheme Capital Recoveries.

### Who benefits from the activity and how is it funded?

Residents, businesses and visitors benefit from the provision of wastewater services. The need for this activity is driven by high density communities, where on-site wastewater systems are not effective disposal methods for public health and/or environmental reasons. These schemes are funded through local targeted rates where communities pay different rates depending on the work that needs to be done on their particular scheme. Operating funding is 100% local rate funded, via a targeted rate based on household equivalent use or pans. Capital works are funded through Ministry of Health subsidy (where available), up to 16.67% district contribution (funded from the Waste Management rate, which is a uniform annual charge per rateable unit), development or financial contributions (where applicable) and local contributions from those connecting or able to be connected (Sewerage Schemes Funding Policy refers). Smaller projects not eligible for subsidy may be funded through loans.

## What does it cost?



WASTEWATER	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	2,526,773	2,677,705	2,759,846	2,833,985	2,935,760	3,157,977	3,402,178	3,624,014	3,978,027	4,318,925
Activity Revenue	2,081,613	-	-	-	-	-	-	-	-	-
Development & Financial Contributions	476,157	68,691	72,968	207,475	9,337,446	418,538	90,713	-	76,304	2,862,607
Grants & Donations	2,411,826	-	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>7,496,369</b>	<b>2,746,396</b>	<b>2,832,814</b>	<b>3,041,460</b>	<b>12,273,206</b>	<b>3,576,515</b>	<b>3,492,891</b>	<b>3,624,014</b>	<b>4,054,331</b>	<b>7,181,532</b>
Depreciation	1,276,751	1,366,748	1,437,038	1,507,927	1,693,747	1,896,505	1,990,706	2,082,421	2,171,550	2,272,388
Finance Costs	447,900	428,874	412,442	595,572	575,997	1,096,197	1,142,310	1,116,027	1,264,036	1,224,242
Other Operating Costs	1,263,766	1,339,265	1,367,023	1,393,275	1,429,264	1,463,671	1,517,130	1,548,038	1,599,009	1,640,898
<b>Less Total Operating Expenditure</b>	<b>2,988,417</b>	<b>3,134,887</b>	<b>3,216,503</b>	<b>3,496,774</b>	<b>3,699,008</b>	<b>4,456,373</b>	<b>4,650,146</b>	<b>4,746,486</b>	<b>5,034,595</b>	<b>5,137,528</b>
<b>Operating Surplus/(Deficit)</b>	<b>4,507,952</b>	<b>(388,491)</b>	<b>(383,689)</b>	<b>(455,314)</b>	<b>8,574,198</b>	<b>(879,858)</b>	<b>(1,157,255)</b>	<b>(1,122,472)</b>	<b>(980,264)</b>	<b>2,044,004</b>
Operating Surplus/Deficit transferred to/(from) Reserves	4,507,952	(388,491)	(383,689)	(455,314)	8,574,198	(879,858)	(1,157,255)	(1,122,472)	(980,264)	2,044,004
<b>CAPITAL AND RESERVES</b>										
Acquisition-Demand	476,157	68,691	72,968	213,135	9,337,446	439,969	90,713	-	85,635	3,017,108
Acquisition-Level of Service	4,943,331	170,012	2,671,583	104,692	7,111,396	1,253,948	295,448	-	9,624	446,004
Vested Assets	411,826	-	-	-	-	-	-	-	-	-
Renewals	186,933	363,813	670,712	217,920	141,121	593,549	752,050	2,606,857	48,485	64,694
<b>Total Capital Expenditure</b>	<b>6,018,247</b>	<b>602,516</b>	<b>3,415,263</b>	<b>535,747</b>	<b>16,589,963</b>	<b>2,287,466</b>	<b>1,138,211</b>	<b>2,606,857</b>	<b>143,744</b>	<b>3,527,806</b>
Loans Repaid	449,496	418,705	370,712	388,734	321,286	443,214	496,636	524,047	597,971	646,065
Transfers to Reserves	329,009	148,384	346,596	372,766	634,904	161,821	140,894	549,581	571,982	805,621
<b>Total Capital Movements</b>	<b>778,505</b>	<b>567,089</b>	<b>717,308</b>	<b>761,500</b>	<b>956,190</b>	<b>605,035</b>	<b>637,530</b>	<b>1,073,628</b>	<b>1,169,953</b>	<b>1,451,686</b>
Operating Deficit	-	388,491	383,689	455,314	-	879,858	1,157,255	1,122,472	980,264	-
<b>Total Funding Required</b>	<b>6,796,752</b>	<b>1,558,096</b>	<b>4,516,260</b>	<b>1,752,561</b>	<b>17,546,153</b>	<b>3,772,359</b>	<b>2,932,996</b>	<b>4,802,957</b>	<b>2,293,961</b>	<b>4,979,492</b>
Loans Raised	666,667	-	2,588,531	-	6,991,037	963,416	71,063	2,366,399	13,798	426,346
Non Cash Expenditure	1,276,751	1,366,748	1,437,038	1,507,927	1,693,747	1,896,505	1,990,706	2,082,421	2,171,550	2,272,388
Transfers from Reserves	345,382	191,348	490,691	244,634	287,171	912,438	871,227	354,137	108,613	236,754
Operating Surplus	4,507,952	-	-	-	8,574,198	-	-	-	-	2,044,004
<b>Total Funding Applied</b>	<b>6,796,752</b>	<b>1,558,096</b>	<b>4,516,260</b>	<b>1,752,561</b>	<b>17,546,153</b>	<b>3,772,359</b>	<b>2,932,996</b>	<b>4,802,957</b>	<b>2,293,961</b>	<b>4,979,492</b>

# Water Supply

*Aim: Provide a reliable and adequate supply of water, which in urban areas is also safe to drink.*



## What we do

The Council operates 13 drinking water supplies. It also controls nine untreated rural water schemes which are provided for stock-water where the use of water for domestic purposes is prohibited.

## Why we do it

The water supply activity contributes to healthy people through the provision of safe drinking water as well as water to clean with. It also contributes to a diverse economy, where water supply infrastructure in urban areas provides reliable water in sufficient capacity to meet domestic, commercial and industrial needs and in rural areas, provide untreated water for stock. Public water supplies also assist in creating safe places by providing water for fire fighting which helps protect communities and visitors. It also contributes to making Southland a great place, with a choice of quality places to go and things to do, where reticulated water is used for recreational activities (swimming pools etc). In the activity, the Council must comply with the legal requirements of Local Government Act 2002 and the Health Act 1956. The activity must also give effect to the Drinking Water Standards National Policy Statement in Freshwater Management and Regional Water Plan.

## Key Issues

The Council has a requirement to comply with the drinking water standards<sup>1</sup> (DWS) for a number of its water supplies. In order to comply with the standards, which were revised in 2008, the Council has included a number of capital projects in this plan, mostly related to improving intakes and treatment processes. Complying with the new requirements will incur some significant costs for communities, however smaller supplies may avoid costly monitoring requirements by having an approved Public Health Risk Management Plan (PHRMP - see page 29 for explanation). Council must comply with these standards for its drinking water supplies at differing dates over the next four years. More details on these specific scheme projects can be found below under the heading 'Will additional assets/services be needed? In addition, it is expected that standards will be released for rural water supplies. While at this time it is not known what exactly will be required, several projects have also been included in the plan to upgrade intake and treatment processes. However these projects are dependent on what the standards will require when released.

In addition, in the draft plan, because of the significant cost involved for communities to upgrade and maintain their water supply assets, Council had looked at reviewing the way that it funded water (and wastewater) by moving from the existing system where each community pays for the cost of their own schemes (through local targeted rates) to combining these costs so that everyone who is connected to a or able to be connected to water (or wastewater) scheme pay the same rate. After considering the submissions, Council decided to delay the introduction of this combined funding for at least twelve months given the current uncertainty surrounding requirements for sewerage and water in particular (with changes likely in government policy surrounding water access/use/management, metering, regulation and subsidies). The Council felt that more time is needed to better understand the wider picture surrounding water and sewerage before changing the way these schemes are funded. In addition the Council also indicated that it wanted to take into account the impact of the new maintenance contract due to be re-tendered shortly as well as looking further at maintenance costs and possible efficiencies in running these schemes. More information about this is included in the 'Overview of Submissions and Changes to the Draft Plan' section starting on page 8.

Lastly, in the future Southland communities may not be guaranteed an endless supply of good quality water for drinking. This is because in some parts of Southland, water resources are nearly fully allocated and communities are beginning to face competition for water with agriculture and industry. The quality of water is also an issue in some areas with this plan including a number of projects to improve water treatment processes. This is a long term issue around sustainable use of natural resources and Council will continue to work with Environment Southland and other organisations in an effort to protect community drinking water resources and freshwater habitats for indigenous species.

<sup>1</sup> Drinking Water Standards for New Zealand 2005 (Revised 2008)

### What level of service will Council provide?

**Primary outcome: We are healthy people (4)**

Intermediate Outcome: We are able to live healthy lifestyles (4.1)



Level of Service	Key Performance Indicator	Actual						Targets		Source
		06/07	07/08	09/10	10/11	11/12	12-19			
Quality Provide urban water supplies that are safe and promote public health.	Percentage of urban water supply tests that meet the requirements of the NZ Drinking Water Standards 2005.	99%	94%	100%	100%	100%	100%	WINZ <sup>1</sup>		
	Percentage of urban water supplies that are capable of meeting the NZ Drinking Water Standards 2005.	0%	0%	10%	65%	80%	>80%	WINZ <sup>2</sup>		
Quality Drinking water quality is acceptable to users.	Percentage of customers satisfied with the quality of urban water supplies.	76%	72%	90%	90%	90%	90%	Survey - Resident		
	Number of complaints about drinking water quality across all schemes.	3	15	Less than 65	Less than 65	Less than 65	Less than 65	Quarterly Report <sup>3</sup>		
Quantity Provide an adequate quantity of water for daily use.	Number of complaints about supply quantity and pressure per scheme.	117	519	Less than 130	Less than 130	Less than 130	Less than 130	Hansen IMS <sup>3</sup>		
Quantity Provide a water supply adequate for fire fighting in urban areas.	Percentage of urban fire hydrant tests that meet SNZ PAS 4509:2003.	New Measure	New Measure	70%	80%	90%	100%	Hansen IMS <sup>4</sup>		
Reliability Provide a reliable water supply.	Percentage of resident satisfaction with the reliability of water supply.	93%	91%	90%	90%	90%	90%	Survey - Resident		
	Total number of non-notified shutdowns across all urban schemes.	17	26	20	20	20	20	Hansen IMS <sup>3</sup>		
Responsiveness Prompt response to complaints.	Percentage of complaints responded to within required timeframes.	80%	83%	80%	85%	90%	90%	Hansen IMS <sup>5</sup>		
<p>1. Water Information New Zealand (WINZ) is a national database of all community drinking water supplies used to determine the public health grading. WINZ is managed by ESR on behalf of the MOH.</p> <p>2. Capability to meet the standards is assessed through carrying out public health risk assessments which identify any capital work needed or operational processes which need to be put in place to minimise any risks to the public health. Council is yet to assess its water supplies against the NZ Drinking Water Standards 2005 using the process outlined. The targets aim at reaching 100% compliance by 1 July 2013.</p> <p>3. Council has 13 water supplies that are treated for drinking (11 urban schemes and 2 rural schemes). The figure is a total across all schemes and uses a target of no more than 5 complaints per scheme for quality.</p> <p>4. Minimum flow from a hydrant must be 12.5 litres per second. Hydrant testing is carried out by NZ Fire Service and at this time there no fixed testing regime in place.</p> <p>5. Resolution times are set out in contract conditions and vary according to the type of problem.</p>										

### What significant negative effects could the activity have?

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

Potential Negative Effect (on community wellbeing)	
Social	Health and safety risks associated with the construction, maintenance or operation of the water supply infrastructure - these potential effects are mitigated by having health and safety procedures in place to manage risks associated with the water supply infrastructure and associated maintenance and construction activities.
Economic	Property damage resulting from mains failures - this potential effect is minimised by has renewal programmes for water supply mains intended to minimise the incidence of pipeline failures. All pipelines are installed in accordance with industry standards. Despite these measures water supply pipeline failures cannot be eliminated entirely. There are procedures in place to ensure that water supply pipeline failures are responded to promptly and effectively and in accordance with defined standards.
Environmental	The effects of the extraction of water from bores and streams - this is managed by conditions of resource consents issued by Environment Southland which ensure that potential adverse effects are managed to acceptable levels.

### What assets are used?

#### What assets have we got and how are they managed?

The Council owns and operates water extraction, treatment, and reticulation assets for schemes throughout the District. Eleven townships<sup>1</sup> within the District are reticulated to an urban standard, two areas have treated rural water supplies<sup>2</sup> and nine untreated rural water schemes<sup>3</sup>. Rural water supplies have a different level of service and require customers to provide a storage tank (two days capacity) on their property into which they receive a trickle-feed supply. Untreated rural supplies are provided for stock-water only and the use of water for domestic purposes is prohibited. Collectively the schemes have a total of 631 km of piped reticulation, 1,455 valves and 1,085 hydrants. The key asset components include water sources (bores and river intake), treatment facilities, storage reservoirs, pumping stations, trunk mains and distribution pipes (gravity mains and rising mains), service connections into properties, valves and fire-hydrants, some water meters and toby valves.

Generally local Community Boards, Community Development Area Subcommittees and Water Supply Committees are responsible for decision-making surrounding these assets, however with significant decisions, Council may retain overall decision-making rights. The operations and maintenance for water supply assets is contracted out under a six year contract. This is due to be re-tendered in 2010. One-off capital works are also tendered to external contractors.

#### Will additional assets/services be needed?

An activity management plan has been prepared for water supply and this identifies the condition of the assets, their performance, capacity and whether any capital (or non-capital) expenditure is required to meet the proposed levels of service or future demand. There is a lot of ageing infrastructure in the District with many water supplies having projects programmed to carry out further investigations prior to the end of asset life to allow renewal strategies to be developed. The activity plan also includes information about the key issues in each water scheme. The projects detailed below have been programmed over the period of the plan to address these issues such as the quality of drinking water, compliance with drinking water standards and expected rural water standards, the levels of customer satisfaction, the need to protect public health in un-serviced areas, maintaining fire flows and improving capacity to meet anticipated future demand.

In 2005 the Ministry of Health introduced a Drinking Water Assistance Programme (DWAP) to provide technical support and subsidy funding for water suppliers that need help to improve their drinking water treatment systems. The drinking water subsidy fund will help Councils' pay for upgrading water supplies to meet the drinking

<sup>1</sup> Edendale, Lumsden, Manapouri, Mossburn, Ohai-Nightcaps-Wairio, Orawia, Otautau, Riverton, Te Anau, Tuatapere, Winton

<sup>2</sup> Eastern Bush-Otahu Flat RWS (Treated), Lumsden- Balfour RWS (Treated)

<sup>3</sup> Duncraig RWS, , Five Rivers RWS, Homestead RWS, Kakapo RWS, , Matuku RWS, Mount York RWS, Princhester RWS, Ramparts RWS, Takitimu RWS

water standards. The Council proposes to build five new water supplies (pending public consultation) with the assistance of Drinking Water Assistance Programme. These supplies were identified<sup>1</sup> for townships having a medium to high risk to public health in the absence of a reticulated water supply and include Browns, Edendale/Wyndham (joint supply), Riversdale, and Tokanui. It has been assumed that if these schemes are eligible for Ministry of Health subsidy, then it will be funded by the amount of Ministry of Health funding applicable (which will vary depending on the community and scheme criteria), up to 16.67% of Council funding (paid for by all ratepayers through the Waste Management Rate) and the balance by local (user) funding. Local funds will be either lump sum payments in the case of new capital works, or as a loan repaid by targeted rates across all users in the case of upgrade work. In addition, growth in the district will result in additional connections which will increase demand on existing services. During the planning period the Council has a number of projects planned to address this growing demand, many of which will be funded by financial or development contributions.

The following information outlines the major issues in the various townships, including information on the new water schemes mentioned above. All significant expenditure is listed in the tables below by township and is broken down into renewals, acquisitions (new works) to meet future demand or to improve levels of service. Further information is available on request from the Water Supply Activity Management Plan.

**Browns (proposed)** – The Browns community does not have a publicly owned water supply. Property owners rely on individual water supplies and a private community scheme as a secondary supply. This scheme is spring fed from a source on the hill to the south of the Browns-Hedgehope Highway and is used as a toilet and hose supply to a limited number of residents. The spring source is unsecured and the water quality is not high. In addition, these private pipelines are very old and their conditions are unknown. Whilst the spring would be adequate to meet future demand, the age of the scheme suggests that it may require work in the near future. The Browns community was identified in the Assessment of Water and Sanitary Services as having a medium to high risk of contamination to individual on-site water collection and treatment systems. It is proposed to construct a restricted water supply sourcing treated water from the Winton water supply approximately 6km away. This project is programmed in order to reduce the potential risk to public health. The proposed scheme is subject to successfully obtaining Ministry of Health subsidy and consultation with the community.

**Drummond (proposed)** – Based on new funding guidelines set by the Ministry of Health, Drummond is not eligible for subsidies to cover the construction of a water scheme. The cost per property would likely be unaffordable and therefore the project has not been included in the Plan.

**Eastern Bush / Otahu Flat Rural Water Supply (Treated)** – This scheme is governed by the Eastern Bush Water Supply Committee and the Otahu Flat Water Supply Committee. A number of improvements to the intake and treatment plant are needed to comply with the drinking water standards. In addition, there are a number of renewals programmed for the period including mains, pumps, disinfection equipment, reservoir tanks, and telemetry. Funding for projects relating to assets shared between the two supplies are split with 50% of the costs to be contributed by each sub-scheme.

**Edendale** – A water supply extension and upgrade will be completed in 2008/2009 in conjunction with the new sewerage scheme. The scheme will be shared with the Wyndham township with the Wyndham part to be completed in 2009/2010. There are no renewals or other new works programmed in the ten year period for Edendale.

**Five Rivers Rural Water Supply** – This scheme is managed by the Five Rivers Water Supply Committee and is maintained by the consumers. It is untreated and not for potable use. Anecdotal evidence had suggested the scheme was being used by consumers for drinking against the advice from Council and projects had been planned to meet the level of service for drinking water. However following discussions with the Water Supply Subcommittee and clarification that the scheme is not used for drinking, these projects were removed.

<sup>1</sup> SDC Assessment of Water and Sanitary Services 2005

Lumsden and Lumsden-Balfour Rural Water Supply – This supply serves the wider Lumsden area as far as Balfour to the east and Castlerock to the west. The scheme is governed by the Lumsden Community Board and the Lumsden-Balfour Water Supply Committee. The public health risk management plan (approved by the Drinking Water Assessor in 2007) identified a number of improvements to the intake and treatment plant needed to comply with the drinking water standards. In 2007/2008 the Lumsden Community Board and Lumsden/Balfour Rural Water Supply Committee decided to look for a new deep water source for the scheme instead of continuing with the existing source and a new bore has now been installed to the south of Lumsden township. Further work is planned (including potential additional treatment processes) to connect the new bore to the treatment plant. An application has been made for subsidy to fund this new work. Other projects planned include replacement of the main reservoir, the Balfour reservoir, the Longridge switchboard and telemetry, and renewal of parts of the reticulation. Work has also been programmed to upgrade undersized mains in Lumsden to improve pressure. Although the population of the townships is projected to decrease over the planning period, the projected number of connections does not follow the same trend with increased demand for water from farms already connected to the scheme and farms wanting to connect. Capacity upgrades are programmed for the rural scheme to accommodate this demand. Funding for projects relating to assets shared between the two supplies are split with 25% of the costs to be contributed by the Lumsden township and 75% of costs contributed by Lumsden-Balfour Rural Water Supply.

Manapouri – This scheme is governed by the Manapouri Community Development Area Subcommittee. To meet the level of service for drinking water, the supply will require a public health risk management plan and may require additional treatment processes to be installed. Improvements are also programmed to the intake to protect the water supply from contamination as well as the development of a hydraulic model. An application will be made for subsidy to fund any improvement work. Fire fighting capacity is poor in Manapouri and few of the hydrants in Manapouri satisfy the minimum flow requirements. As a result, the Council plans to upgrade parts of the reticulation to improve capacity for fire fighting flows. This work will be subject to further investigations into fire fighting and demand requirements. In addition, renewals are programmed to address assets at the end of their economic lives including the old secondary pump, the contact tanks, the switchboard and telemetry, and the AC rising main.

Matuku Rural Water Supply – This scheme is governed by the Matuku Rural Water Supply Committee. It is untreated and not for potable use. Anecdotal evidence suggests the scheme is being used by consumers for drinking against the advice from Council. Therefore to meet the level of service for drinking water, the supply will require a public health risk management plan and may require treatment processes to be installed. An application would be made for subsidy to fund any improvement work. This work is subject to community consultation and further investigations into the quality of the raw water. In addition, renewals to various equipment is also planned in the period.

Mossburn – This scheme is governed by the Mossburn Community Development Area Subcommittee. To meet the level of service for drinking water, the supply will require a public health risk management plan and may require additional treatment processes to be installed. An application will be made for subsidy to fund any improvement work. In addition, renewals are required to the existing intake wells to improve performance however the Council is considering whether it may be more economical to install a new well as opposed to redeveloping the existing wells (subject to further investigations). Renewals are programmed for parts of the reticulation in poor condition.

Ohai-Nightcaps-Wairio – This scheme is governed by the Wallace Community Board and the Ohai-Nightcaps-Wairio Water Supply Committee. To meet the level of service for drinking water, the supply requires additional treatment processes to be installed. The public health risk management plan (approved by the Drinking Water Assessor in 2008) identified a number of improvements to the intake and treatment plant needed to comply with the drinking water standards. An application has been made for subsidy to fund this new work. In addition the age of the mains in both Ohai and Nightcaps is becoming an issue and water mains are expected to begin to meet the end of their economic lives in 2012. Council expects to see an increase in the frequency of bursts as condition deteriorates towards the end of the period. A mains renewal project is programmed for each township at the end of the period and these will be prioritised once condition assessments have been carried out and a strategy developed. In addition, the switchboard and telemetry at the treatment plant is due for renewal. The New Zealand Fire Service has also advised Council that

High Street, Dryfe Street and the Company Road area do not meet minimum requirements for fire fighting. These capacity issues will be addressed in conjunction with the reticulation renewal work described above.

Orawia – This scheme is governed by the Wallace Community Board and the Orawia Water Supply Committee. This supply cannot maintain adequate levels of chlorine in the reticulation and is on a permanent “Boil Water Notice”. To meet the level of service for drinking water, the supply will require a public health risk management plan and may require additional treatment processes to be installed. An application will be made for subsidy to fund any improvement work. This work is subject to community consultation and further investigations into the quality of the raw water.

Otautau – This scheme is governed by the Wallace Community Board. To meet the level of service for drinking water, the supply will require a public health risk management plan and may require additional treatment processes to be installed. An application will be made for subsidy to fund any improvement work. A sample of the rising main shows that it is in poor condition and due for replacement. The remaining AC mains are also deteriorating at a faster rate than expected due to the corrosive nature of the groundwater. Regular mains renewals are programmed to address parts of the reticulation in poor condition. In addition, the aerator, the contact tanks, the telemetry at the treatment plant, and a primary pump are due for replacement in the period.

Riversdale (proposed) – The Assessment of Water and Sanitary Services identified that Riversdale had a medium to high risk of contamination to individual on-site water collection and treatment systems. At present residents obtain water from roof-water collection or bores. There are also several shallow bores in the township, the quality of which is unknown. The supply for fire fighting is available by pumping from one of the 12 fire hydrants located around the town which are fed by aquifers below the ground and these are generally accepted as being adequate. It is proposed to construct a reticulated water supply (subject to community consultation) to reduce the potential risk to public health. An application will be made for subsidy to fund this new supply.

Riverton – This scheme is governed by the Riverton Community Board. To meet the level of service for drinking water, the supply requires additional treatment processes to be installed. The public health risk management plan (approved by the Drinking Water Assessor in 2008) identified a number of improvements to the intake and treatment plant needed to comply with the drinking water standards. An application has been made for subsidy to fund Phase 1 of this new work (Intake improvements). An application will be made for Phase 2 (Treatment improvements) with the capital work programmed to follow. In addition, the New Zealand Fire Service has advised Council that areas in the western part of the township have significant shortfalls in capacity to meet fire fighting standards. As a result, capacity upgrades have been programmed. Expected growth in Riverton has also meant that Council has planned a programme of major upgrade works at the end of the planning period. These works will only be undertaken if the growth occurs as expected.

Te Anau – This scheme is governed by the Te Anau Community Board. To meet the level of service for drinking water, the supply will require a public health risk management plan and may require additional treatment processes to be installed. An application will be made for subsidy to fund any improvement work. In addition, renewals are programmed for one of the primary pumps and a section of the ageing AC mains. In order to meet anticipated future demand several projects are programmed including additional pumps and storage at the Sandy Brown Road Booster Station, upgrades to the mains, and additional intake capacity. This work will be only undertaken if growth occurs as expected.

Te Anau Rural Water Supplies – These schemes are untreated and not for potable use. They include the Duncraigen Rural Water Supply, Homestead, Kakapo, Mount York, Princhester, Ramparts and Takitimu. Anecdotal evidence had suggested the schemes were being used by consumers for drinking against the advice from Council and projects had been planned to meet the level of service for drinking water. However following discussions with the Te Anau Rural Water Supply Committee and clarification that the scheme is not used for drinking, these projects were removed. Other renewals will also be undertaken in these schemes and details of these can be found in the project table below.

Tuatapere – This scheme is governed by the Tuatapere Community Board. To meet the level of service for drinking water, the supply requires additional treatment processes to be installed. The public health risk management plan (approved by the Drinking Water Assessor in 2008) identified a number of improvements to the intake and treatment plant needed to comply with the drinking water standards. An application has been made for subsidy to fund this new work. In addition, the AC rising main and the reservoir are believed to be in poor condition and are scheduled for replacement. There are also regular reticulation renewals programmed to address the premature failure of Talbot valves.

Waikaia (proposed) – The Assessment of Water and Sanitary Services identified that Waikaia had a medium to high risk of contamination to individual on-site water collection and treatment systems. Currently residents obtain water from roof-water collection or bores. However, during extended dry periods residents with limited water storage or high use may require an alternative supply. The Waikaia Community Development Area Subcommittee has asked Council to explore the possibility of a reticulated water supply scheme. While there may not be widespread demand for such a scheme at this stage, the Subcommittee expects this could change over the next five to ten years. Waikaia is a popular holiday destination with the peak population projected to increase from an estimated 1,378 in 2006, projected to 1,715 in 2016, placing more pressure on water resources. It is proposed to construct a reticulated water supply (subject to community consultation) to reduce the potential risk to public health. An application will be made for subsidy to fund this new supply.

Winton – The scheme is governed by the Winton Community Board. To meet the level of service for drinking water, the supply will require a public health risk management plan and may require additional treatment processes to be installed. Intake and treatment upgrades have been programmed accordingly (pending the public health risk management plan). An application will be made for subsidy to fund any improvement work. The main issue in Winton is the ongoing replacement of the AC gravity mains which is expected to meet the end of its design life in 2015. A strategy is programmed to determine the renewals programme going forward. The corrosive nature of the raw water may have also caused premature failure of the rising main and the replacement is programmed. In addition, renewals are programmed for the aerator, pumps, switchboards and telemetry. An assessment is also programmed to determine the status of the Water Tower as its structural integrity is uncertain.

Wyndham – A new water supply will be constructed in 2009/2010 in conjunction with the new sewerage scheme. The scheme will be shared with the Edendale township with the Edendale part to be completed in 2008/2009. There are no renewals or other new works programmed in the ten year period for Wyndham.

## Projects

### Maintenance, Renewal and Replacement Projects

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Eastern Bush - Equipment Upgrade - pl144.B				\$20,009							Loan
Eastern Bush - Public Health Risk Management Plan - pl45.B				\$2,719							Rates
Eastern Bush - Pump Replacement - pl145.B							\$11,791				Rates
Eastern Bush - Resource Consent Project - pl107.B, pl213.B								\$4,934		\$5,260	Rates
Eastern Bush - Reticulation Renewal - pl37.B					\$232,930						Loan
Eastern Bush - Reticulation Renewal - pl137.A			\$307,614								Rates and Loan
Eastern Bush - Storage Improvements - pl43.B								\$105,989			Loan
Lumsden - Reticulation Renewal - pl75.A						\$55,829					Rates
Lumsden - Storage Improvements - pl72.A		\$41,368									Rates
Lumsden/Balfour Rural Water - Electrical Upgrade - pl77.A	\$34,500										Rates
Lumsden/Balfour Rural Water - Reticulation Renewal - pl82.A, pl84.A, pl87.A					\$22,466	\$23,118		\$24,669			Rates
Lumsden/Balfour Rural Water - Storage Improvements - pl73.A		\$45,603									Rates
Lumsden/Balfour Rural Water - Storage Improvements - pl72.B		\$124,103									Rates and Reserves

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Manapouri - Condition Assessment - pl216.A			\$4,871								Loan
Manapouri - Electrical Upgrade - pl105.A		\$55,620									Reserves
Manapouri - Paint Tower Reservoir - pl112.A							\$52,639				Rates
Manapouri - Pump Replacement - pl215.A	\$50,000										Reserves
Manapouri - Reticulation Renewal - pl109.A										\$92,865	Rates
Manapouri - Storage Improvements - pl104.B			\$58,236								Loan
Matuku - Electrical Upgrade - pl16.A					\$16,850						Rates
Matuku - Electrical Upgrade - pl114.A		\$15,450									Rates and Reserves
Matuku - Resource Consent Project - pl207.A									\$12,729		Rates
Mossburn - Intake Upgrade - pl125.A			\$73,060								Rates and Reserves
Mossburn - Reticulation Renewal - pl118.A								\$11,197			Rates
Mossburn - Reticulation Renewal - pl122.A			\$17,656								Reserves
Ohai/Nightcaps/Wairio Water - Condition Assessment - pl132.A, pl138.A, pl139.A				\$5,002	\$6,459		\$5,503				Reserves
Ohai/Nightcaps/Wairio Water - Electrical Upgrade - pl142.A	\$40,250										Rates
Ohai/Nightcaps/Wairio Water - Reticulation Renewal - pl136.B								\$2,445,028			Loan
Ohai/Nightcaps/Wairio Water - Reticulation Renewal - pl136.D									\$19,094		Rates
Ohai/Nightcaps/Wairio Water - Reticulation Renewal - pl136.C										\$2,157,134	Rates and Loan
Ohai/Nightcaps/Wairio Water - Reticulation Renewal - pl131.A			\$52,942								Reserves
Ohai/Nightcaps/Wairio Water - Reticulation Renewal Programme - pl136.A			\$5,294								Reserves
Ohai/Nightcaps/Wairio Water - Storage Improvements - pl237.A				\$12,505							Reserves
Otahu - Equipment Upgrade - pl144.A				\$20,009							Loan
Otahu - Public Health Risk Management Plan - pl45.A				\$2,719							Loan
Otahu - Pump Replacement - pl145.A							\$11,791				Rates
Otahu - Resource Consent Project - pl107.A								\$4,934			Loan
Otahu - Resource Consent Project - pl213.A										\$5,260	Rates
Otahu - Reticulation Renewal - pl37.A					\$310,574						Loan
Otahu - Reticulation Renewal - pl140.A						\$224,705					Rates
Otahu - Storage Improvements - pl43.A							\$105,989				Loan
Riverton - Reticulation Renewal - pl171.A					\$6,459						Reserves
Te Anau - Pump Replacement - pl190.A			\$12,177								Rates
Te Anau - Reticulation Renewal - pl189.A										\$131,254	Rates
Te Anau Rural Water Supply - Condition Assessment - pl67.A	\$2,300										Rates
Te Anau Rural Water Supply - Electrical Upgrade - pl15.A, pl155.A, pl159.A, pl17.A, pl19.A, pl33.A, pl35.A, pl62.C, pl68.A, pl68.B	\$40,250	\$219,390	\$5,464						\$19,094		Rates
Te Anau Rural Water Supply - Intake Access Track Improvements - pl18.A	\$28,750										Rates
Te Anau Rural Water Supply - Pump Replacement - pl218.A, pl227.A, pl36.B				\$6,253	\$24,544						Rates
Te Anau Rural Water Supply - Resource Consent Project - pl226.A										\$13,149	Rates
Te Anau Rural Water Supply - Reticulation Renewal - pl228.A, pl36.A, pl63.A, pl69.A, pl71.A, pl71.B					\$361,383			\$36,312			Rates
Te Anau Rural Water Supply - Storage Improvements - pl220.A, pl62.B, pl70.A			\$48,707	\$60,026	\$77,509						Rates

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Tuatapere - Electrical Upgrade - pl205.A		\$12,360									Mix2
Tuatapere - Reticulation Renewal - pl240.A, pl240.B						\$199,738			\$219,958		Loan
Tuatapere - Reticulation Renewal - pl203.A			\$217,658								Mix1
Tuatapere - Reticulation Renewal - pl231.A	\$172,800										Rates
Tuatapere - Storage Improvements - pl205.B		\$155,736									Mix2
Wallace (Otautau) - Condition Assessment - pl146.A			\$5,559								Rates
Wallace (Otautau) - Condition Assessment - pl149.A	\$5,175										Reserves
Wallace (Otautau) - Pump Replacement - pl148.A							\$17,945				Rates
Wallace (Otautau) - Reticulation Renewal - pl150.A, pl152.A, pl153.A, pl224.A			\$132,117		\$140,161		\$149,274			\$164,068	Loan
Wallace (Otautau) - Reticulation Renewal - pl05.A	\$44,000										Rates and Reserves
Wallace (Otautau) - Treatment Upgrade - pl27.A, pl27.B, pl27.C		\$117,008									Mix2
Winton - Demolish or Renovate Water Tower - pl158.A									\$534,619		Loan
Winton - Electrical Upgrade - pl233.A		\$177,675									Loan
Winton - Pump Replacement - pl232.A					\$148,558						Loan
Winton - Reticulation Renewal - pl101.A, pl151.A, pl221.A, pl222.A			\$1,567,502		\$793,955		\$845,574		\$899,684		Loan
Winton - Reticulation Renewal - pl211.A	\$897,383										Loan and Reserves
Winton - Tower Assessment - pl209.A						\$36,098					Rates
Winton - Treatment Upgrade - pl210.A		\$166,860									Mix4

#### Asset Acquisition Projects - Caused by changes in demand

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Eastern Bush - Capacity Project - pl12.B	\$1,000										Dev Cont
Lumsden/Balfour Rural Water - Capacity Project - pl08.A, pl09.A, pl10.A			\$105,884		\$112,331		\$119,635				Dev Cont
Manapouri - Capacity Project - pl103.A					\$162,970						Dev Cont
Otahu - Capacity Project - pl12.A	\$1,000										Dev Cont
Riverton - Rising Main Project - pl123.A, pl127.A							\$963,059			\$1,058,501	Dev Cont
Te Anau - Capacity Project - pl23.A					\$103,345						Dev Cont
Te Anau - Intake Upgrade - pl186.A									\$1,866,139		Dev Cont
Te Anau - Rising Main Project - pl185.A, pl185.B									\$315,043	\$325,440	Dev Cont
Te Anau - Storage Improvements - pl212.A			\$24,353								Dev Cont

#### Asset Acquisition Projects - Caused by changes to levels of service

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Browns - New Scheme - pl02.A	\$502,000										Mix3
Eastern Bush - Intake Upgrade - pl39.B				\$149,034							Loan
Eastern Bush - Intake Upgrade - pl38.A	\$1,575										Rates
Eastern Bush - Treatment Upgrade - pl32.B				\$103,170							Loan
Edendale/ Wyndham Schemes - New Scheme - pl07.A	\$738,500										Mix3
Edendale/ Wyndham Schemes - Public Health Risk Management Plan - pl102.A, pl13.A		\$3,090		\$5,437							Rates
Five Rivers Water - Resource Consent Project - pl64.A									\$12,729		General Recoveries
Lumsden - Public Health Risk Management Plan - pl22.A			\$1,059								Rates
Lumsden - Reticulation Renewal - pl76.A	\$280,000										Mix4
Lumsden - Treatment Upgrade - pl74.A	\$448,270										Mix4

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Lumsden/Balfour Rural Water - Public Health Risk Management Plan - pl22.B			\$3,177								Rates
Lumsden/Balfour Rural Water - Treatment Upgrade - pl74.B	\$1,065,980										Mix4
Manapouri - Capacity Project - pl103.B					\$162,970						Loan
Manapouri - Construct Hydraulic Model - pl14.A			\$10,588								Loan
Manapouri - Equipment Upgrade - pl225.A	\$11,500										Reserves
Manapouri - Intake Upgrade - pl104.A			\$127,061								Loan
Manapouri - Public Health Risk Management Plan - pl106.A		\$10,300									Reserves
Manapouri - Treatment Upgrade - pl104.C			\$121,767								Loan
Matuku - Public Health Risk Management Plan - pl113.B				\$10,874							Rates
Matuku - Treatment Upgrade - pl113.A				\$26,098							Rates
Mossburn - Intake Upgrade - pl115.A		\$127,926									Mix2
Mossburn - Public Health Risk Management Plan - pl116.A	\$10,000										Reserves
Mossburn - Treatment Upgrade - pl117.A			\$213,092								Mix2
Ohai/Nightcaps/Wairoa Water - Intake Upgrade - pl143.A		\$210,120									Mix1
Ohai/Nightcaps/Wairoa Water - Public Health Risk Management Plan - pl135.A			\$5,294								Reserves
Ohai/Nightcaps/Wairoa Water - Resource Consent Project - pl129.A		\$10,300									Mix2
Ohai/Nightcaps/Wairoa Water - Storage Improvements - pl130.A	\$785,000										Mix1
Ohai/Nightcaps/Wairoa Water - Treatment Upgrade - pl128.A, pl128.B	\$800,000	\$183,340									Mix1
Orawia - Intake Upgrade - pl134.A				\$4,350							Reserves
Orawia - Treatment Upgrade - pl03.A				\$33,982							Rates and Reserves
Otahu - Intake Upgrade - pl39.A				\$149,034							Loan
Otahu - Intake Upgrade - pl38.B	\$1,575										Rates
Otahu - Treatment Upgrade - pl32.A				\$143,812							Loan
Riversdale - New Scheme - pl04.A			\$133,943								Mix4
Riversdale - New Scheme - pl04.B			\$1,132,112								Mix3
Riverton - Capacity Project - pl165.A										\$106,153	Rates
Riverton - Capacity Project - pl163.A						\$83,026					Rates and Reserves
Riverton - Public Health Risk Management Plan - pl241.A			\$5,294								Reserves
Riverton - Treatment Upgrade - pl164.A		\$1,133,000									Mix2
Riverton - Treatment Upgrade - pl108.A	\$13,000										Reserves
Te Anau - Equipment Upgrade - pl141.A, pl29.A	\$17,250										Rates
Te Anau - Public Health Risk Management Plan - pl24.A	\$10,000										Rates
Te Anau - Reticulation Renewal - pl133.A	\$46,000										Rates
Te Anau - Te Anau Water Strategy - pl24.B	\$10,000										Rates
Te Anau - Treatment Upgrade - pl29.B		\$260,590									Rates
Te Anau Rural Water Supply - Equipment Upgrade - pl219.A				\$6,253							Rates
Te Anau Rural Water Supply - Intake Upgrade - pl181.A				\$93,791							Rates
Tokanui - Improve Fire Fighting Capacity - 199.A1	\$15,000										Reserves
Tuatapere - Public Health Risk Management Plan - pl214.A			\$5,294								Rates
Tuatapere - Rising Main Project - PL238.a	\$200,000										Mix2
Tuatapere - River Protection Works - pl239.a		\$123,600									Mix2
Tuatapere - Storage Improvements - pl01.A	\$5,750										Rates
Tuatapere - Treatment Upgrade - pl196.A		\$355,350									Mix3

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Waikaia - New Scheme - pl111.A, pl111.B	\$15,000		\$1,107,182								Mix3
Wallace (Otago) - Public Health Risk Management Plan - pl147.A	\$10,000										Reserves
Wallace (Otago) - Treatment Upgrade - pl27.D		\$88,838									Mix2
Winton - Electrical Upgrade - pl234.A		\$112,528									Loan
Winton - Intake Upgrade - pl208.A		\$236,900									Mix4
Winton - Public Health Risk Management Plan - pl217.A	\$15,000										Rates
Winton - Treatment Upgrade - pl210.B		\$222,480									Mix4
Winton - Winton Water Strategy - pl217.B	\$10,000										Rates

Mix1 – MOH subsidy, Council 1/6 contribution and Rates

Mix2 - MOH subsidy, Council 1/6 contribution and Reserves

Mix 3 - MOH subsidy, Council 1/6 contribution and Scheme Capital Recoveries

Mix 4 – MOH subsidy, Council 1/6 contribution and Loan

1 – This project is actually part of the District Support activity and is funded through the local Tokanui township rate

### Who benefits from the activity and how is it funded?

Benefits are distributed to the community as a whole. Residents have access to a safe water supply that they do not have to maintain themselves. The local economy benefits through tourism (safe water supply encourages tourists), industry and agriculture (water supply certainty). These schemes are funded through local targeted rates where communities pay different rates depending on the work that needs to be done on their particular scheme. Operating funding is 100% local rate funded, via a targeted rate based on household equivalent use and/or metering. Capital works for urban schemes are funded through Ministry of Health subsidy (where available), up to 16.67% district contribution (funded from the Waste Management rate, which is a uniform annual charge per rateable unit), development or financial contributions (where applicable) and local contributions from those connecting or able to be connected (Water Schemes Funding Policy refers). Smaller projects not eligible for subsidy may be funded through loans. Rural water supply capital works are funded solely through local contributions and loans.

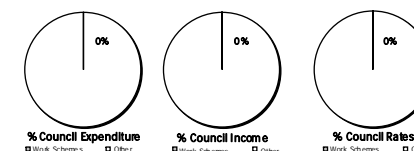
## What does it cost?



WATER SUPPLY	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	2,156,663	2,418,892	2,602,181	2,910,205	3,132,708	3,396,602	3,692,205	4,023,182	4,395,791	4,816,772
Activity Revenue	571,117	233,268	1,159,065	246,273	254,399	261,774	270,936	279,334	301,001	297,784
Development & Financial Contributions	2,000	-	128,154	-	357,374	-	1,066,343	-	2,181,182	1,383,941
Grants & Donations	2,924,956	2,015,019	1,369,758	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>5,654,736</b>	<b>4,667,179</b>	<b>5,259,158</b>	<b>3,156,478</b>	<b>3,744,481</b>	<b>3,658,376</b>	<b>5,029,484</b>	<b>4,302,516</b>	<b>6,877,974</b>	<b>6,498,497</b>
Depreciation	905,015	1,031,240	1,151,155	1,242,502	1,316,530	1,386,040	1,460,677	1,552,104	1,664,047	1,793,839
Finance Costs	199,546	277,190	290,638	487,276	518,693	640,947	636,991	692,484	873,521	971,924
Other Operating Costs	1,831,541	1,974,363	2,036,027	2,183,818	2,247,739	2,312,321	2,386,011	2,457,515	2,533,628	2,614,698
<b>Less Total Operating Expenditure</b>	<b>2,936,102</b>	<b>3,282,793</b>	<b>3,477,820</b>	<b>3,913,596</b>	<b>4,082,962</b>	<b>4,339,308</b>	<b>4,483,679</b>	<b>4,702,103</b>	<b>5,071,196</b>	<b>5,380,461</b>
<b>Operating Surplus/(Deficit)</b>	<b>2,718,634</b>	<b>1,384,386</b>	<b>1,781,338</b>	<b>(757,118)</b>	<b>(338,481)</b>	<b>(680,932)</b>	<b>545,805</b>	<b>(399,587)</b>	<b>1,806,778</b>	<b>1,118,036</b>
Operating Surplus/Deficit transferred to/(from) Reserves	2,718,634	1,384,386	1,781,338	(757,118)	(338,481)	(680,932)	545,805	(399,587)	1,806,778	1,118,036
<b>CAPITAL AND RESERVES</b>										
Acquisition-Demand	2,000	-	130,237	-	378,646	-	1,082,694	-	2,181,182	1,383,941
Acquisition-Level of Service	4,996,400	3,078,362	2,865,863	725,837	162,970	83,026	-	-	12,729	106,153
Vested Assets	173,119	-	-	-	-	-	-	-	-	-
Renewals	1,402,241	1,220,616	2,600,796	223,666	2,239,385	639,860	1,198,401	2,846,153	1,815,707	2,683,171
<b>Total Capital Expenditure</b>	<b>6,573,760</b>	<b>4,298,978</b>	<b>5,596,896</b>	<b>949,503</b>	<b>2,781,001</b>	<b>722,886</b>	<b>2,281,095</b>	<b>2,846,153</b>	<b>4,009,618</b>	<b>4,173,265</b>
Loans Repaid	86,312	114,759	119,924	175,805	193,590	242,613	264,710	302,939	365,415	417,264
Transfers to Reserves	138,029	130,530	591,413	195,175	272,905	434,846	589,857	728,450	770,712	792,118
<b>Total Capital Movements</b>	<b>224,341</b>	<b>245,289</b>	<b>711,337</b>	<b>370,980</b>	<b>466,495</b>	<b>677,459</b>	<b>854,567</b>	<b>1,031,389</b>	<b>1,136,127</b>	<b>1,209,382</b>
Operating Deficit	-	-	-	757,118	338,481	680,932	-	399,587	-	-
<b>Total Funding Required</b>	<b>6,798,101</b>	<b>4,544,267</b>	<b>6,308,233</b>	<b>2,077,601</b>	<b>3,585,977</b>	<b>2,081,277</b>	<b>3,135,662</b>	<b>4,277,129</b>	<b>5,145,745</b>	<b>5,382,647</b>
Loans Raised	2,515,252	1,114,121	3,155,700	587,787	1,789,148	199,738	994,848	2,661,940	1,654,261	1,089,068
Non Cash Expenditure	905,015	1,031,240	1,151,155	1,242,502	1,316,530	1,386,040	1,460,677	1,552,104	1,664,047	1,793,839
Transfers from Reserves	659,200	1,014,520	220,040	247,312	480,299	495,499	134,332	63,085	20,659	1,381,704
Operating Surplus	2,718,634	1,384,386	1,781,338	-	-	-	545,805	-	1,806,778	1,118,036
<b>Total Funding Applied</b>	<b>6,798,101</b>	<b>4,544,267</b>	<b>6,308,233</b>	<b>2,077,601</b>	<b>3,585,977</b>	<b>2,081,277</b>	<b>3,135,662</b>	<b>4,277,129</b>	<b>5,145,745</b>	<b>5,382,647</b>

## Work Schemes

*Aim: Coordinate community based projects which provide opportunities for individuals to fulfil community service commitments or gain work experience.*



### What we do

The Council is involved in Government-funded work schemes, which involves providing community work and community service clients with the opportunity to work on various projects throughout the Southland community. The scheme provides work experience placement for community work clients (from Work and Income New Zealand) to improve their employment skills. In addition, the scheme provides community service clients with a way of completing their court directed community service sentences. The scheme also makes it possible for small communities to undertake projects where they otherwise would not be able to due to costs or lack of resources.

### Why we do it

This activity contributes to making Southland a great place to live through the completion of community projects such as weed control and township maintenance. Work schemes also contribute to a diverse economy (through developing people's skills and lowering unemployment), healthy people (through increased self-esteem of participants) and safe places (by providing accountability for crimes).

### What level of service will Council provide?

<b>Primary outcome:</b>	<b>Southland is a great place to live (1)</b>	<b>Safe places in a caring society that is free from crime (3)</b>	<b>1. LIFESTYLE &amp; CULTURE</b>	<b>2. ECONOMY &amp; EMPLOYMENT</b>	<b>3. LAW &amp; ORDER</b>	<b>4. HEALTH &amp; WELLBEING</b>	<b>7. EDUCATION &amp; TRAINING</b>
<b>Intermediate Outcome:</b>	<b>A well-educated and skilled community continually seeking further opportunities to learn (7)</b>						
	We have a choice of quality places to go and things to do (1.2)		We apprehend and hold law breakers appropriately accountable (3.4)				
	We have accessible learning opportunities (7.1)						

What Council will provide	How Council will measure the service provided							Source
Level of Service	Key Performance Indicator	Actual		Targets				
		06/07	07/08	09/10	10/11	11/12	12-19	
Access Provide a workforce to carry out a range of community projects.	Percentage of clients who indicate the work undertaken is largely community based (not-for-profit).	New Measure	New Measure	80%	80%	80%	80%	Survey - User
Access The scheme provides opportunities for community service sentences to be served.	Percentage of community service clients who gain entry to the work scheme within 10 working days of their preferred start date.	100%	100%	95%	95%	95%	95%	Quarterly Report
Quality Provide opportunities for individuals to develop their skills.	Percentage of community work participants who gain employment.	33%	0%	25%	25%	25%	25%	Quarterly Report
	Percentage of community work participants who increase their skill base.	New Measure	New Measure	100%	100%	100%	100%	Participant Assessment
Quality Work completed through the Work Scheme is 'fit-for-purpose'.	Percentage of clients satisfied that the work is completed according to the specifications.	91%	91%	90%	90%	90%	90%	Survey - User

**What significant negative effects could the activity have?**

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

Potential Negative Effect (on community wellbeing)	
Economic	Some private sector organisations may claim that work schemes provide competition for work which should be tendered to the private sector. This has to be balanced with the benefits of the scheme providing training and practical skills to people as well as providing a cost-effective method of carrying out work/projects in local townships which otherwise may not be done because of the cost.

**What assets are used?****What assets have we got and how are they managed?**

Vehicles are the main assets required for undertaking this activity. The Council owns three work crew vans. Replacement of these vans (each five years) is funded by depreciation through the Council's vehicle replacement fund. This activity also requires depots for storing vehicles and equipment. The Riverton depot is rented externally. The Waikiwi yard is owned by the Council and details on its management are given in the 'Other Local Services - Council Buildings/Property' section. Other assets required for undertaking this activity are machinery - which is hired rather than purchased - and hand tools/equipment - which is funded from a materials budget from work crew income.

**Will additional assets/services be needed?**

The Council does not anticipate the need to increase the number of work crews operating in the next three years. However in the future, with the growth expected in particular areas of the district, there may be a need to increase in the number of areas maintained by work crews. As a result there could be a need to introduce an additional work crew but this will be reviewed in line with demand.

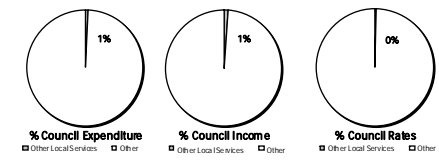
**Who benefits from the activity and how is it funded?**

These benefits are distributed between the individual people on courses, the community in which those individuals live, and communities in which projects are carried out. The majority of funding is sourced from local rates, with some contributions from central government.

## What does it cost?

WORK SCHEMES	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	31,772	32,791	33,783	34,580	35,438	36,402	37,486	38,630	39,784	40,916
Activity Revenue	36,613	31,344	69,321	32,806	33,519	40,390	35,061	73,189	36,981	37,913
<b>Total Operating Revenue</b>	<b>68,385</b>	<b>64,135</b>	<b>103,104</b>	<b>67,386</b>	<b>68,957</b>	<b>76,792</b>	<b>72,547</b>	<b>111,819</b>	<b>76,765</b>	<b>78,829</b>
Depreciation	20,103	20,103	20,103	20,083	20,055	20,055	20,055	20,055	20,055	20,055
Other Operating Costs	36,675	38,485	40,284	41,736	43,307	45,082	46,897	48,999	51,115	53,179
<b>Less Total Operating Expenditure</b>	<b>56,778</b>	<b>58,588</b>	<b>60,387</b>	<b>61,819</b>	<b>63,362</b>	<b>65,137</b>	<b>66,952</b>	<b>69,054</b>	<b>71,170</b>	<b>73,234</b>
<b>Operating Surplus/(Deficit)</b>	<b>11,607</b>	<b>5,547</b>	<b>42,717</b>	<b>5,567</b>	<b>5,595</b>	<b>11,655</b>	<b>5,595</b>	<b>42,765</b>	<b>5,595</b>	<b>5,595</b>
Operating Surplus/Deficit transferred to/(from) Reserves	11,607	5,547	42,717	5,567	5,595	11,655	5,595	42,765	5,595	5,595
<b>CAPITAL AND RESERVES</b>										
Renewals	18,342	-	112,671	-	-	18,342	-	112,671	-	-
<b>Total Capital Expenditure</b>	<b>18,342</b>	<b>-</b>	<b>112,671</b>	<b>-</b>	<b>-</b>	<b>18,342</b>	<b>-</b>	<b>112,671</b>	<b>-</b>	<b>-</b>
Transfers to Reserves	12,060	6,000	43,170	6,000	6,000	12,060	6,000	43,170	6,000	6,000
<b>Total Capital Movements</b>	<b>12,060</b>	<b>6,000</b>	<b>43,170</b>	<b>6,000</b>	<b>6,000</b>	<b>12,060</b>	<b>6,000</b>	<b>43,170</b>	<b>6,000</b>	<b>6,000</b>
<b>Total Funding Required</b>	<b>30,402</b>	<b>6,000</b>	<b>155,841</b>	<b>6,000</b>	<b>6,000</b>	<b>30,402</b>	<b>6,000</b>	<b>155,841</b>	<b>6,000</b>	<b>6,000</b>
Non Cash Expenditure	453	453	453	433	405	405	405	405	405	405
Transfers from Reserves	18,342	-	112,671	-	-	18,342	-	112,671	-	-
Operating Surplus	11,607	5,547	42,717	5,567	5,595	11,655	5,595	42,765	5,595	5,595
<b>Total Funding Applied</b>	<b>30,402</b>	<b>6,000</b>	<b>155,841</b>	<b>6,000</b>	<b>6,000</b>	<b>30,402</b>	<b>6,000</b>	<b>155,841</b>	<b>6,000</b>	<b>6,000</b>





# Other Local Services

*Aim: Provide water structures which enable recreational and commercial use. Provide facilities that support Council's activities.*

## What we do

'Other Local Services' covers Council buildings and property, Riverton harbour, Stewart Island jetties and other water structures and engineering advice provided to community groups. Buildings includes depot, offices, libraries and other miscellaneous buildings. Riverton harbour and water structures cover the provision of boat ramps, jetties, associated marine walls and navigation aids. The provision and maintenance of the assets and operation of the Riverton harbour is carried out by the Riverton Harbour Committee.

## Why we do it

This activity contributes to a diverse economy by having infrastructure (boat ramps, jetties, wharfs and navigation aids) which enable recreational and commercial access to waterways as well as buildings needed to deliver activities and services (such as libraries and service centres). The activity also contributes to a treasured environment (by having stop banks and marine walls which protect the environment from flooding) as well as contributing to safe places (by having aids which improve navigation safety).

## What level of service will Council provide?

<b>Primary outcome: A diverse economy built from our strengths for growth and prosperity (2)</b>								
Intermediate Outcome: We have a quality infrastructure with potential for growth (2.1)								
What Council will provide		How Council will measure the service provided						
Level of Service	Key Performance Indicator	Actual		Targets				Source
		06/07	07/08	09/10	10/11	11/12	12-19	
Safety Buildings are safe to use.	Percentage of buildings that comply with checks.	Partially Achieved	69%	90%	90%	90%	90%	Audit
Access and Safety Harbour facilities and jetties are accessible and safe to use.	Number of access or safety issues reported.	0	1	0	0	0	0	Reports

## What significant negative effects could the activity have?

While there are potential negative effects of this activity shown in the table below, none of these are considered to be significant.

Potential Negative Effect (on community wellbeing)	
Economic	Harbour facilities can have significant financial implications, as they can be very expensive to maintain.
Environmental	If harbour facilities and jetties are not well sited and maintained there can be significant negative effects on the environment in terms of visual intrusion and shoreline erosion. The use of harbour facilities/jetties can lead to noise, smells and fumes, pollution of the water, congestion and user conflicts. These effects are required to be assessed and mitigated through resource consent processes.

### What assets are used?

#### What assets have we got and how are they managed?

5 depots, 11 miscellaneous buildings, 7 office/library buildings, 26 recreation-related buildings, Riverton Harbour (T-wharf, crane, ramp, retaining walls, berths), 5 navigation aids, other water structures (8 boat ramps, 2 stop banks, 1 jetty and 1 retaining wall), 5 jetties on Stewart Island. The Council's offices and buildings are operated and maintained by Council staff with external contractors used for significant capital works. The Riverton Harbour and Stewart Island Jetties are managed and controlled through the Riverton Harbour Subcommittee and Stewart Island Jetties Subcommittee. Maintenance is managed on as required basis as it is usually reactive and unpredictable (e.g. storm damage) and is generally contracted out to external contractors.

#### Will additional assets/services be needed?

Council does not anticipate needing additional capacity in its property portfolio or at Riverton Harbour or Stewart Island Jetties during the next ten years and has sufficient property to meet its demands. All assets require ongoing maintenance if they are to continue to perform, particularly as they get older. Eventually assets or parts of assets come to the end of their useful lives and need to be renewed or replaced. Council is planning to undertake a more detailed assessment of the offices and buildings to ensure buildings comply with required standards and to identify future expenditure and liabilities. This information will be made available to the appropriate groups and users in a desire that all the building issues are considered when deciding on the future of the office or building. On Stewart Island, a trust has been established to progress the development of a heritage building. This building will house a new museum, the local Southland District Council office and information centre and is proposed to be funded from a grant already received from central government and external funds raised by the trust and Venture Southland. Over the period, Council is also planning to dispose of endowment property (for more details see page 251). The table below details projects programmed over the planning period.

### Projects

#### Maintenance, Renewal and Replacement Projects

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Riverton Harbour - River Protection Work - 682.B		\$6,198									Reserves
Riverton Harbour - Rock Protection Work - 682.A	\$6,000										Reserves
Wyndham - Camping Ground toilet upgrade - 591.z				\$38,060							Reserves
Wyndham - Paint exterior of camping ground buildings - 677.A							\$17,654				Rates

#### Asset Acquisition Projects - Caused by changes to levels of service

Project Description	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Funding
Lumsden - Information Kiosk - 599.s							\$7,364				Reserves

#### Who benefits from the activity and how is it funded?

The community where the facilities are provided benefit from this activity. The district also benefits from having an effective network of Council buildings to support Council activities. With regard to harbour and jetty facilities, individuals or businesses benefit the most. Office and Library buildings - funding for maintenance and any capital works is funded through rates, reserves, and loans (usually internal). These costs are recovered through the relevant activity rates. Water structures and other buildings and property - overall, Council aims to recover at least 95% of funding from sources other than rates. Stewart Island Jetties Subcommittee is funded through a \$5,000 grant from Council, funds from Environment Southland, a South Port grant (\$5,000 pa 2008/2009 to 2011/2012) and user charges. The Riverton Harbour is funded from user charges, including endowment land rentals and wharf leases. Other water structures, buildings and properties are funded through user charges, to the extent possible.

## What does it cost?



OTHER LOCAL SERVICES	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
<b>REVENUE AND EXPENSE</b>										
<b>Operating Revenue</b>										
Rates	70,988	131,202	76,079	77,950	79,687	81,603	101,278	85,692	87,880	90,220
Activity Revenue	400,703	404,790	393,085	443,572	406,962	418,107	421,678	430,301	481,996	447,838
Grants & Donations	5,000	5,000	5,000	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>476,691</b>	<b>540,992</b>	<b>474,164</b>	<b>521,522</b>	<b>486,649</b>	<b>499,710</b>	<b>522,956</b>	<b>515,993</b>	<b>569,876</b>	<b>538,058</b>
Depreciation	227,200	220,427	216,689	207,969	178,580	166,635	165,958	163,097	160,672	159,826
Other Operating Costs	329,128	406,569	378,316	417,092	383,833	459,391	380,102	411,348	424,547	439,094
<b>Less Total Operating Expenditure</b>	<b>556,328</b>	<b>626,996</b>	<b>595,005</b>	<b>625,061</b>	<b>562,413</b>	<b>626,026</b>	<b>546,060</b>	<b>574,445</b>	<b>585,219</b>	<b>598,920</b>
<b>Operating Surplus/(Deficit)</b>	<b>(79,637)</b>	<b>(86,004)</b>	<b>(120,841)</b>	<b>(103,539)</b>	<b>(75,764)</b>	<b>(126,316)</b>	<b>(23,104)</b>	<b>(58,452)</b>	<b>(15,343)</b>	<b>(60,862)</b>
Operating Surplus/(Deficit) transferred to/(from) Reserves	(79,637)	(86,004)	(120,841)	(103,539)	(75,764)	(126,316)	(23,104)	(58,452)	(15,343)	(60,862)
<b>CAPITAL AND RESERVES</b>										
Acquisition-Level of Service	84,307	-	8,454	-	-	-	7,364	-	-	-
Renewals	17,728	-	-	172,300	-	12,228	17,654	-	134,240	-
<b>Total Capital Expenditure</b>	<b>102,035</b>	<b>-</b>	<b>8,454</b>	<b>172,300</b>	<b>-</b>	<b>12,228</b>	<b>25,018</b>	<b>-</b>	<b>134,240</b>	<b>-</b>
Transfers to Reserves	196,358	192,098	173,068	211,287	167,657	171,478	167,204	166,975	210,177	166,500
<b>Total Capital Movements</b>	<b>196,358</b>	<b>192,098</b>	<b>173,068</b>	<b>211,287</b>	<b>167,657</b>	<b>171,478</b>	<b>167,204</b>	<b>166,975</b>	<b>210,177</b>	<b>166,500</b>
Operating Deficit	79,637	86,004	120,841	103,539	75,764	126,316	23,104	58,452	15,343	60,862
<b>Total Funding Required</b>	<b>378,030</b>	<b>278,102</b>	<b>302,363</b>	<b>487,126</b>	<b>243,421</b>	<b>310,022</b>	<b>215,326</b>	<b>225,427</b>	<b>359,760</b>	<b>227,362</b>
Non Cash Expenditure	206,421	199,648	195,910	187,190	157,801	145,856	145,179	142,318	139,893	139,047
Transfers from Reserves	171,609	78,454	106,453	299,936	85,620	164,166	70,147	83,109	219,867	88,315
<b>Total Funding Applied</b>	<b>378,030</b>	<b>278,102</b>	<b>302,363</b>	<b>487,126</b>	<b>243,421</b>	<b>310,022</b>	<b>215,326</b>	<b>225,427</b>	<b>359,760</b>	<b>227,362</b>

# Council Controlled Organisations

Council is involved with other organisations to deliver certain services and activities. Some of these organisations are deemed to be Council Controlled Organisations (CCOs) - organisations in which the Council is involved by itself or with other local authorities and controls 50% or more of the voting rights or appoints 50% or more of the directors. The organisations deemed to be CCO's are the Milford Community Trust, Southern Rural Fire Authority and Southland Flood Relief Fund.

## Milford Community Trust

The Milford Community Trust was established in 2007 to provide leadership and governance, and supply infrastructure services for the Milford community in Milford Sound Piopiotahi. The Trust allows local people to determine their priorities and provides appropriate consultation and open public meetings, similar to one of Council's Community Boards.

### Ownership and control of the organisation –

The Milford Community Trust was established following a process of consultation with residents, agencies and businesses with interests in Milford in accordance with the special consultation process set out in the Local Government Act 2002. The inaugural meeting of the Trust was held on 18 April 2007.

In terms of the Local Government Act, the Trust is defined as a Council Controlled Organisation reporting to the Southland District Council. The Trust was incorporated under the Charitable Trusts Act 1957 on 18 May 2007. It is seeking registration with the Charities Commission in order to obtain tax exempt status with the IRD.

### Trust Structure –

The Trust is governed by a board of seven Trustees (selected in April 2007). Of these, three Trustees are appointed by right (Independent chairperson, Te Anau Ward councillor and one person elected by community association<sup>1</sup>). Four Trustees are appointed from persons who have been nominated by any member of the Milford community. An appointments panel consider the nominations and recommend to Council which Trustees should be chosen based on their skills and the sectors of the community they represent. The panel is made up of DOC's Southland Conservator, the Chief Executive of the Southland District Council, the General Manager of Environment Southland and the person elected by the community association. Each Trustee is appointed for a four year term, but to ensure continuity of membership in the initial establishment of the Trust, only half of the initial seven Trustees will be appointed for four years. The remainder are appointed for two years to establish a rolling replacement programme for Trustees. Current representatives from stakeholder groups are shown in the table opposite.

Designation	Name	Term Expires
Independent Chair	Jane Taylor	30 June 2011
Te Anau Ward Councillor	Cr Diane Ridley	30 June 2010
Milford Community Association elected representative	Allan Cosgrove	30 June 2010
Milford Community appointee	Roger Wilson	30 June 2009
Milford Community appointee	Helen Sands	30 June 2009
Milford Community appointee	John Robson	30 June 2011
Milford Community appointee	Michael Schuck	30 June 2011

<sup>1</sup> The Milford Community Association is an informal forum for consultation and interaction between the Trust and the community. It meets at least annually. It will also administer the election of the Community Association Trustee by taking written nominations, advising of the election meeting and running the election.

#### Trust Operations –

The Trust Deed sets out the way in which business of the Trust is to be conducted. A strong driver is that the local Milford community should determine its own priorities and agree on the funding for these. The Trust strives to regularly review its performance and to be open and accountable to the community through public meetings. The Trustees also undertake to meet the regulatory and stakeholder requirements for governance, reporting and planning, particularly the local government reporting requirements and recognition of the National Park and World Heritage Area status of the Milford Sound Piopiotahi area.

#### Significant Policies –

The Trust has developed a Communications Policy of its own in relation to its activities. It is expected that a full set of all relevant policies will be developed within the period covered by this statement. The Council itself does not have any significant policies in relation to the ownership and control of the organisation except for the Trust Deed (mentioned above).

#### Objectives of the Trust –

The objectives of the Trust are:

- (a) To manage and carry out services and undertake leadership, planning and advocacy for the general benefit of the Milford community so as to ensure as far as possible that the infrastructure of the community and its sense of identity, viability and wellbeing are maintained and enhanced.
- (b) To liaise with and communicate with all individuals, organisations, groups and other parties with interests in the Milford community for all purposes which are beneficial to the community.
- (c) To represent the interests of the Milford community to ensure that the natural environments and outstanding values of the Milford Sound area are safeguarded and protected for all residents and visitors to the area.
- (d) To monitor and maintain an overview of all activities and services provided within the Milford community.
- (e) To consider and report on all matters either referred to and/or delegated to it from time to time by the Department of Conservation and the Southland District Council and on any matter of interest or concern to the Milford community.
- (f) To access, use or invest funds and enter into arrangements, contracts and other agreements upon such securities or in such manner and upon such terms and conditions that the Trustees deem suitable for the purpose of furthering the objects and purposes of the Trust.
- (g) To carry out such other lawful activities which are incidental or conducive to attaining the objects and purposes of the Trust.

#### Nature and Scope of Activities –

Vision – The long term sustainability of Milford Sound Piopiotahi.

#### Strategic Goals – The primary goals of the Trust are to:

- Provide leadership and governance for the Milford community in Milford Sound Piopiotahi.
- Monitor the adequacy of all arrangements to ensure sustainability.
- Advocate for the general benefit of the Milford community.
- Coordinate and communicate with all parties having interests in Milford Sound Piopiotahi.

Outputs from the Milford Community Trust activity primarily contribute to the achievement of the Our Way Southland Community Outcome Six – A treasured environment which we care for and which supports us now and into the future.

The specific areas of focus for 2009-2012 have been set following on from a strategic review undertaken in 2008 and taking into account previous priorities. These areas of focus are detailed in the table below followed by the activities programmes for the next three years.

**Table 1: Specific areas of focus for 2009-2012**

Planning	Communication	Advocacy
<ul style="list-style-type: none"> <li>Prepare an overall Concept Plan for the Trust's vision and involvement in the development of Milford.</li> <li>Planning inputs to the Deep Water Basin design concept and to the DOC Hazard Management Plan.</li> <li>Planning to address specific issues: highway safety, fuel supply, control of illegal camping, toilet facilities, community facilities, coordinated emergency response.</li> <li>Prepare a Code of Ethics based on the Trust's values for its role.</li> <li>Prepare Significant Policy Statements.</li> </ul>	<ul style="list-style-type: none"> <li>Communicate the roles of the Trust and other authorities more clearly to the community.</li> <li>Communicate the World Heritage Area status and relevance of this to Milford.</li> <li>Affirm the Trust's role as a voice for the community.</li> <li>Maintain closer relationship with Milford infrastructure providers.</li> <li>Provide clear information to concessionaires regarding intentions and implementation of the Concept Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Advocate on behalf of the Milford community to central government, Environment Southland, Southland District Council, Iwi and other authorities.</li> </ul>

**Table 2: Proposed programmes for 2009-2012**

2009/2010	2010/2011	2011/2012
<ul style="list-style-type: none"> <li>Prepare a set of values, significant policy statements and ethics.</li> <li>Engage Venture Southland to prepare a concept plan for the development of Milford.</li> <li>Progress a waste minimisation, recycling and management strategy in conjunction with MSDA and SDC.</li> <li>Complete a coordinated emergency response plan for fire, medical, civil defence and other events.</li> <li>Facilitate the purchase of emergency response equipment.</li> <li>Facilitate refurbishment of the gymnasium.</li> <li>Facilitate village improvements in conjunction with flood protection works on the Cleddau River delta area.</li> <li>Facilitate improvements in the public facilities at Deep Water Basin.</li> <li>Advocate for public toilets and shelter at the airport and completion of the walking track to the Lodge.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare a first generation Asset Management Plan for infrastructure and services in Milford.</li> <li>Arrange a waste recycling trial.</li> <li>Plan for capital works improvements resulting from agreed strategies.</li> <li>Develop the walking track from the airport to Deepwater Basin Road.</li> <li>Continue purchase of emergency response equipment.</li> <li>Promote progressive development of Deepwater Basin area.</li> <li>Promote initiatives which enhance community wellbeing.</li> <li>Promote a natural environment enhancement programme.</li> </ul>	<ul style="list-style-type: none"> <li>Plan for capital works improvements resulting from agreed strategies.</li> <li>Promote development of a community centre.</li> <li>Promote initiatives to ensure that Milford Sound Piopiotahi maintains its reputation as a sought after tourism icon.</li> <li>Promote initiatives which enhance community wellbeing.</li> </ul>

**Key Performance Measures and Targets –**

What will be provided	How the service provided will be measured						
Level of Service	Key Performance Indicator	Actual		Targets			Source
		06/07	07/08	09/10	10/11	11/12	
Maintain a structure that facilitates local decision-making.	Hold public forums in Milford each year <sup>1</sup> .	N/A	N/A	2	2	2	Agenda/minute records on file.

What will be provided	How the service provided will be measured						
Level of Service	Key Performance Indicator	Actual		Targets			Source
		06/07	07/08	09/10	10/11	11/12	
Keep the Milford community informed about Trust plans and outcomes.	Produce community newsletters <sup>2</sup> .	N/A	N/A	3	3	3	Agenda/minute records on file.
Provide leadership and advocacy on major issues.	Percentage of concessionaires satisfied with Trust decision-making and leadership.	N/A	N/A	85%	85%	85%	Feedback to community association representative.
Response to issues raised by the community.	Percentage of issues responded to within two months.	N/A	N/A	85%	85%	85%	Records on file.
1. Public forums will be held annually in April to consult over the Statement of Intent and November for planning processes. 2. Community newsletters to be released in February, June and October annually.							

#### Sources of Funding –

##### *Southland District Council –*

The Milford Community Trust's full Statement of Intent details the Trust's proposed expenditure and income for the next three years. In summary, the Southland District Council will itself provide administration and technical advice to support the Trust and contribute to the costs of the independent chairperson until 30 June 2011. This administrative portion of the operations will be funded by the Council the same as in any other community in the district with Community Boards and Community Development Area Subcommittees.

##### *Milford Community –*

The operational and project costs detailed in the table opposite are those which the Milford Community Trust considers will provide benefit for the concessionaires at Milford and should be recovered from the Milford concessionaires through the implied concessionaire fee, apportioned as per the Department of Conservation apportionment of cost schedule.

##### *Other Income –*

In addition to the above operational and project costs there are also costs associated with other significant projects that fall either directly or indirectly under the influence of the Milford Community Trust but have all or a majority of proposed funding other than apportioned implied concessionaires fees. There may also be a portion of public good associated with these projects.

#### Budgeted Three Year Operational and Project Costs<sup>1</sup>

Activity Description	2009/2010 Forecast	2010/2011 Forecast	2011/2012 Forecast
<i>Operational Costs:</i>			
Governance Costs <sup>1</sup>	\$34,840	\$34,840	\$44,500
Emergency response operations	\$8,500	\$8,500	\$8,500
Consultant inputs to projects <sup>2</sup>	\$20,000	\$20,000	\$20,000
<i>Capital projects:</i>			
Emergency response equipment	\$54,000	\$15,000	\$15,000
Landscape design for foreshore car-park area	\$20,000		
<b>Total</b>	<b>\$137,340</b>	<b>\$78,340</b>	<b>\$88,000</b>

<sup>1</sup> Future budgeted costs are indicative only and will be reviewed annually by the Trustees.

<sup>2</sup> Once actual consultant's costs are known these will be recovered from beneficiaries of each project on a case by case basis or factored into any monies previously invoiced to concessionaires.

## Southern Rural Fire Authority

The Southern Rural Fire Authority (SRFA) was established through the amalgamation of five separate Rural Fire Authorities (Southern Plantations RFD, Department of Conservation Southland Conservancy, Southland District Council, Gore District Council and Invercargill City Council) on 7 August 2003. It is responsible for the rural fire activities undertaken in the Southern Rural Fire District (SRFD). The Southern Rural Fire Authority was formed to allow the participants to enhance effective fire prevention, protection, suppression and other fire control measures within their respective areas at risk from uncontrolled fires. The Authority is also responsible for ensuring facilities and resources are available for the reduction, readiness, response and recovery from any forest or rural fire incident. In addition, the Authority supports and encourages resources to be used for wider community benefit at other types of incidents including motor vehicle accidents, medical first response and initial structure and vehicle fire suppression.

Ownership and control of the organisation –

Council makes a contribution to the Southern Rural Fire Authority to manage rural fire responsibilities across the region under the requirements of the Forest and Rural Fires Act 1977. This Act requires Rural Fire Authorities to take appropriate fire control measures. Fire is seen as an essential tool within the agricultural and forestry sectors but conditions can arise where the risks can outstrip the benefits. The Rural Fire service helps to balance these risks for the benefit of the community.

Southern Rural Fire Authority Structure –

A Board is responsible for the governance of the Authority and it is made up of eight representatives from its stakeholder groups. Two representatives are from the Southland District Council, two are from the Forestry Industry and the remaining are from the Invercargill City Council, Gore District Council, Department of Conservation and the New Zealand Fire Service.

Significant Policies –

The Authority's Rules of Governance note significant procedures for membership and functions of the Board, meetings and voting, Principal Rural Fire Officer appointment and financial control. Other significant policies the Southern Rural Fire Authority has itself to cover its operations include:

- Administration Services Heads of Agreement – Agreement for administration and financial services to the Authority.
- Personnel Deployment outside the Southern Rural Fire Authority – For provision of firefighting services to other agencies both nationally and internationally.
- Grants to Volunteer Fire Brigades – Provision for maintaining Authority fire equipment in an operable condition.
- Fire Equipment Servicing Policy – To ensure all SRFA fire equipment is serviced to best practice standards.
- Public Awareness Plan – To ensure timely information flow to the Board, stakeholders and the public.
- Health and Safety Policy – Commitment and procedure for Health and Safety.

Objectives of the organisation –

The objectives of the Authority are:

- (a) To ensure planning and resources are in place for communities in the Southern Rural Fire District to proactively manage rural fire emergencies that threaten life, property or infrastructure.
- (b) To ensure fire suppression is coordinated and effective.
- (c) To ensure landowners and residents are educated about forest and rural fire prevention.
- (d) To ensure minimum equipment and personnel standards are met or exceeded while not compromising safety and operational efficiency or effectiveness.

### Nature and Scope of Activities –

The Southern Rural Fire Authority (Southern RFA) is responsible for the rural fire activities undertaken in the Southern Rural Fire District (Southern RFD). The Rural Fire activity produces outputs that support the achievement of Our Way Southland community outcomes. Outputs from the Rural Fire activity primarily contribute to the achievement of the Our Way Southland Community Outcome Six – A treasured environment which we care for and which supports us now and into the future.

The Authority employs a Principal Rural Fire Officer and a Deputy Principal Rural Fire Officer. Other resources are either contracted from stakeholder agencies and associated organisations or supplied via volunteers. This ensures an effective and efficient service is provided across the district. A key partner is the New Zealand Fire Service whose urban brigades provide the first response to the majority of incidents within the district and also provide essential services such as communication centres, equipment and training resources. The National Rural Fire Authority is legislatively empowered not only to set standards to which the Authority must adhere, but also has a key support and audit role. This partnership is delivered both centrally and regionally.

The main activities of the Authority are to:

- Annually review and update the Fire Response Section of the Authority Fire Plan.
- Manage fire control measures appropriate to the Authority's fire risk, including the continuation of a 365 day Restricted Fire Season in Special Response areas.
- Monitor fire danger across the district on a daily basis during the fire season and as situations change during the remainder of the year.
- Continue to actively promote forest and rural fire prevention to the public through education, media and the fire permit process.
- Promote the Authority brand to improve public recognition.
- Support Authority volunteers through leadership and by encouraging them to be actively involved.
- Manage equipment resources and implement approved 2008-2022 plant/vehicle replacement programme.
- Implement a personnel fire fighter training programme designed to meet the Authority's requirements, National Standards and FRSITO unit standards and competencies.
- Completion of a Wildfire Threat Analysis Risk Assessment Mitigation System (RAMS) type project, after NRFA confirm process.
- Manage all fire suppression operations under the Coordinated Incident Management System (CIMS).

### Key Performance Measures and Targets –

What will be provided	How the service provided will be measured						
Level of Service	Key Performance Indicator	Actual		Targets			Source
		06/07	07/08	09/10	10/11	11/12	
Ensure that the Rural Fire organisation responds appropriately to fire events.	Percentage of initial attacks on fires commenced within 30 minutes of receiving a fire call.	100% (182calls)	100% (228 calls)	100%	100%	100%	Fire Log Incident Reports
Provide public education on fire risks, risk reduction and fire event readiness.	Number of public education initiatives completed <sup>1</sup> .	Leaflet - 0 Radio- Yes Visits - 0	Leaflet - 0 Radio - 620 Visits - 0	Leaflet - 1 Radio - 650 Visits - 2	Leaflet - 1 Radio - 650 Visits - 3	Leaflet - 1 Radio - 650 Visits - 4	File Quarterly Report
	Decreasing number of rural fire vegetation calls <sup>2</sup> .	88	113	Less than 100	Less than 95	Less than 90	Quarterly Report

What will be provided	How the service provided will be measured						
Level of Service	Key Performance Indicator	Actual		Targets			Source
		06/07	07/08	09/10	10/11	11/12	
Ensure that rural fire personnel are adequately trained.	Percentage of key rural fire personnel that are trained to or training towards the appropriate Fire and Rescue Services Industry Training Organisation (FRSITO) Unit Standards for their duties <sup>3</sup> .	100%	100%	100%	100%	100%	Training Register
Provide rural fire services throughout the district, except for Fire Service Urban Fire Districts, via a unified but distributed organisational system.	Number of rural fire personnel.	352	294	No less than 250	No less than 250	No less than 250	Training Register
1. "Public education initiatives" include one information leaflet drop annually to all rural properties (possibly through Council newsletters), radio advertising campaign of at least 25 daytime slots per week from 1 October to 30 March, two education visits (rural residents, schools and interest groups) annually. 2. The annual average for vegetation calls related to the objectives of the SRFA who have a target that over a five year rolling average, the number of rural fires should decrease. 3. "Key rural fire personnel" includes the Principal Rural Fire Officer (PRFO), Deputy Principal Rural Fire Officers (DRFO), Rural Fire Officers (RFO's) and Fire Fighters (FF's).							

#### Sources of Funding –

The Southern Rural Fire Authority is funded from the stakeholder organisations for undertaking work that seeks to provide rural fire activities in the Southern Rural Fire District. The contributions from each of the stakeholders are shown in the table opposite, and include those proposed for the Southland District Council.

The funding levies between the Authority and member organisations exist for a one year term and are discussed in November each year and set at the time of presentation and adoption of the Statement of Intent and budget.

In each case this encompasses core funding and any additional funding for particular projects.

The proposed budget for operation of Authority for three years (2009-2012) is shown in the table opposite.

#### Three year projection of Levies and Costs

	2007/2008 Actuals	2008/2009 Budget	2009/2010 Forecast	2010/2011 Forecast	2011/2012 Forecast
<i>Levies</i>					
DOC	\$100,340	\$116,440	\$124,480	\$133,185	\$142,615
Forest Members	\$108,749	\$120,120	\$130,931	\$142,715	\$155,559
GDC	\$35,000	\$38,500	\$41,965	\$45,742	\$49,859
ICC	\$40,000	\$44,000	\$47,960	\$52,276	\$56,981
SDC	\$144,200	\$158,620	\$172,896	\$188,456	\$205,417
<i>Total Income from levies</i>	<i>\$428,289</i>	<i>\$477,680</i>	<i>\$518,232</i>	<i>\$562,374</i>	<i>\$610,431</i>
<i>Operating Costs *</i>	<i>\$733,070</i>	<i>\$673,468</i>	<i>\$772,308</i>	<i>\$805,572</i>	<i>\$828,598</i>
<i>Capital Costs</i>	<i>\$254,797</i>	<i>\$170,000</i>	<i>\$187,800</i>	<i>\$113,500</i>	<i>\$113,000</i>
<i>Total Costs</i>	<i>\$987,867</i>	<i>\$843,468</i>	<i>\$960,108</i>	<i>\$919,072</i>	<i>\$941,598</i>

\* This includes depreciation expense.

## Southland Flood Relief Fund

The Southland Flood Relief Fund is a Council Controlled Organisation (CCO) that holds money left over from the donations and grants received to provide financial relief for the people of Southland who suffered financial hardship due to loss or damage as a result of the extensive and severe flooding that occurred in the Southland province in January 1984.

At the time of the 1984 flood the Government of the day enabled the establishment of the Southland Flood Relief Committee and granted it power to establish a flood relief fund. The original Committee comprised the Mayor of the City of Invercargill, the Chairman of the Southland County, and the Chairman of the Wallace County. The Southland Flood Relief Fund's powers were subsequently widened in scope by the Southland Flood Relief Committee Empowering Act 1992 which effectively discharged the Southland Flood Relief Committee from the administration of the Fund and appointed Trustees to administer the unexpended balance of the fund.

The Trustees of the Southland Flood Relief Fund are: the Mayor of the Southland District, Mayor of the City of Invercargill, and the Mayor of the Gore District. The Trustees have agreed that the Southland District Council administer the Fund on behalf of all the Trustees. The Trustees are required to administer the fund in their absolute discretion to meet any unpaid claims on the fund made by persons suffering financial hardship due to loss or damage from recurrences of flooding in any area or areas of Southland, and by persons suffering financial hardship due to loss or damage from flooding, storm, or other natural disaster, but excluding subsidence, in any area of New Zealand. The 1992 Act will expire on 23 March 2012 at which time the funds may be applied to any charitable purpose in Southland as the then Trustees think fit.

As such, given that the Fund is not involved in trading activities and is essentially a term investment (with legislative control over the use of funds), in January 2009 the Council resolved to exempt the Fund from the planning and reporting requirements of the Local Government Act 2002.

